

City of Saline
**Management, Organizational Structure,
and Efficiency Study**

Report

April 2019



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April 25, 2019

Mr. Todd Campbell
City Manager
City of Saline
100 N Harris St.
Saline, MI 48176

Dear Mr. Campbell:

We are pleased to present this Management, Organizational Structure, and Efficiency Study for the City of Saline. This report contains a review of all City departments (excluding Police) designed to assess service delivery models, staffing levels, processes, and procedures utilized to accomplish core City functions.

The recommendations contained in this report are based on input and information provided by City staff and officials, as well as industry standards and best practices that are appropriate for Saline. They are designed to clarify roles and relationships, maximize existing staff capacity, improve operations and internal communications, and use data to develop work plans and assess program outcomes. We are confident these recommendations can serve as a framework for enhancing organizational efficiency.

Thank you for the opportunity to work with the City of Saline.

Sincerely,

Michelle Ferguson
Organizational Assessment Practice Leader

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Executive Summary

The City of Saline is growing. The population increased by 16% between 2000 and 2017, according to the US Census, and the City anticipates continued development as rising home prices in the nearby City of Ann Arbor lead buyers to seek housing elsewhere.¹ In addition to housing alternatives, Saline's community amenities make it an attractive location. With this growth comes the responsibility of the City to ensure it adequately plans for and manages the growth and demands of a changing community.

The City knows the importance of forecasting and preparing for such changes. Saline is nearing completion of its Vision Tour 2024 strategic planning process, designed to help the City plan for and effectively guide the community over the next five years. In order for the City to get the most value out of its planning efforts, each goal must be tied to actionable, trackable initiatives and corresponding metrics. A comprehensive performance management program, as recommended in this report, will help the City make informed decisions about where to invest resources and to better understand where there may be opportunities for improvement. Tracking performance metrics will also help the City measure the impact of growth on City services and prepare for future needs.

Another way the City can effectively plan for its future is by ensuring it is well-prepared to meet the demands of its changing organization. This means having appropriate staffing, structure, and resources in place to provide quality services while still remaining a diligent steward of taxpayer dollars. As detailed in this report, the City operates a lean organization. Over time, a number of staff have assumed multiple roles, either through expansion of needs or limited staffing capacity. In some cases, this will not remain a sustainable model as staffing changes occur.

Furthermore, Saline, like many other lean organizations, is often siloed; staff are kept busy with their core job duties and do not have the capacity to cross-train on other functions. This not only limits staff professional development opportunities but means that one person often holds all the institutional knowledge on a particular subject. This puts the City at risk of service interruptions and knowledge loss when long-time staff leave City service.

This report includes a multi-prong approach to addressing these issues. In some situations, the workload requires additional staff resources in order to provide a more robust framework of staff support for City programs. In other situations, changes to existing work processes or more effective utilization of technology resources will improve efficiency. However, throughout the organization, creating a culture of succession planning is essential to ensure that: institutional knowledge is preserved when staff leave City employment; services are not interrupted due to staff absence; staff have the opportunity to grow and develop professionally during their careers at the City. These initiatives will help ensure that the City realize the full value of its workforce.

Similarly, the City has invested significantly in its facilities, equipment, infrastructure, and other public assets. This Infrastructure must be carefully managed and protected to ensure that the City realizes the full value of its investments. A comprehensive asset management program, as recommended in this report, is also vital to ensuring that the City's facilities and equipment remain functional throughout their lifespan and that capital planning effectively incorporates projected repair and replacement costs.

¹ "Benchmarking the Ann Arbor Region- 2017." Ann Arbor SPARK.
https://annarborusa.org/wp-content/uploads/2018/04/ann_arbor_spark_benchmarking_study.pdf

The recommendations in this report are designed to ensure that City operations are effectively supported as the City continues to grow and change and that the City is devoting its resources to high quality staff, programs, and assets. The following table provides a list of all recommendations.

Table 1: List of Recommendations

Number	Recommendation Title
City Manager's Office	
1	Create a performance management system and departmental work plans to operationalize the Vision Tour 2024 strategic plan.
2	Implement a performance measurement program.
3	Establish a Management Intern program.
4	Create a Human Resources Manager position.
5	Develop a work plan for implementation of human resources best practices.
6	Develop and implement a Citywide succession planning program.
7	Formalize and update the City's compensation and classification plan.
8	Enhance internal and external communications by creating a Communications Assistant position and communications work plans.
City Treasurer's Office	
9	Create a collaborative budget process focused on alignment with the City's strategic plan.
10	Enhance the City's Capital Improvement Plan (CIP) process to include strategic priorities and data-driven infrastructure assessments.
11	Establish financial policies to guide budget development and provide for ongoing fiscal stewardship.
12	Develop a centralized, comprehensive information technology work plan.
City Clerk's Office	
13	Develop a Citywide records management policy and program led by the Clerk's Office.
14	Fully implement electronic agenda management system for all boards and commissions.
15	Streamline passport procedures to reduce workload variability.
City Assessor's Office	
16	Develop a contract services model for the City Assessor.
Building and Engineering Department	
17	Create a Community Development Department responsible for planning and development, assessing, and business ambassador functions led by an Assistant City Manager/Community Development Director.
18	Transfer the City Engineer/Superintendent functions and FTE to the Department of Public Works City and revise the existing job description.
19	Convert the part time Code Compliance Officer position into a full-time position.
20	Create a Permit Technician position in the Community Development Department.
21	Develop a plan to fully-implement existing technology assets.
22	Track turnaround time of key processes and develop a plan to consistently meet timeliness requirements.
Department of Public Works	
23	Create a Deputy Director of Public Works position to oversee public works operations.
24	Incorporate the City engineering function into the Public Works Department.
25	Create an additional Maintenance Person III position to assist the Chief Mechanic and perform other maintenance duties.

Number	Recommendation Title
26	Create asset inventories and preventative maintenance schedules.
27	Fully-implement asset management plans and use them to define Department work plans.
28	Establish a formal service level agreement between Parks and Recreation and Public Works.
29	Develop a plan for implementation of a work order system.
30	Implement fleet management software.
31	Determine appropriate staffing levels to implement Department work plans.
32	Contract out mowing services, and other tasks as appropriate.
33	Develop a plan for implementation of an Advanced Metering Infrastructure (AMI) system.
34	Assign individual Maintenance staff to serve as “Team Lead” on specific programs.
35	Ensure that all staff receive appropriate training on equipment usage.
36	Enhance existing Safety Committee to review safety protocols and make recommendations for improvements.
37	Develop a task-based policy for when to authorize overtime.
38	Develop standards for response time to reactive maintenance requests.
39	Document processes and implement cross-training to ensure support for the Office Manager position.
40	Enhance communication and information sharing within the Department.
Department of Water Production and Wastewater Treatment	
41	Develop a plan for the future of the Wastewater Treatment Plant.
42	Develop and implement an immediate priority plan to assure that critical functions are sustained, and regulatory requirements are met.
43	Establish and implement preventative maintenance schedules for all equipment based on manufacturer recommendations.
44	Conduct a complete asset inventory and condition assessment.
45	Develop a comprehensive asset management plan, including preventative maintenance schedules, and use it to inform Department work plans.
46	Develop a plan for implementation of the Lucity™ asset management system.
47	Fully implement Supervisory Control and Data Acquisition (SCADA) capability at both plants and pumping stations.
48	Establish and enforce performance expectations for management and union employees.
49	Implement multi-year purchasing contracts for supplies.
Parks and Recreation Department	
50	Develop a Facility Needs Assessment to assist in prioritizing capital and maintenance needs at the Recreation Center.
51	Establish a formal cost recovery policy for the Recreation Center.
52	Identify alternative funding and revenue opportunities for the Parks and Recreation Department.
53	Consider the creation of an additional Recreation Supervisor position to expand recreation programming.

The following table lists staffing-related recommendations and associated costs discussed in this report. These figures include estimated salary and benefits amounts.

The estimated cost impacts in Table 2 are provided as a general range for planning purposes. If the City elects to include new positions in future budgets, the detailed costs will need to be updated and verified with the City Manager's Office, Human Resources, and the Treasurer's Office. For general estimating purposes, salary ranges were based on the City's current salary structure. FICA was calculated at 7.65% of base salary, retirement contribution was calculated at 10% of base salary, and health Insurance was calculated as the FY2019 cost for the family plan.

Table 2: Staffing Recommendations with Cost Impacts

Number	Recommendation Title	Estimated Cost Impact
3	Establish a Management Intern program.	TBD
4	Create a Human Resources Manager position.	\$109,000-\$122,000
8	Enhance internal and external communications by creating a Communications Assistant position and communications work plans.	\$75,000-\$83,000
17	Create a Community Development Department responsible for planning and development, assessing, and business ambassador functions lead by an Assistant City Manager/Community Development Director.	\$130,000-\$145,000
19	Convert the part time Code Compliance Officer position into a full-time position.	\$44,000-\$51,000
20	Create a Permit Technician position in the Community Development Department.	\$77,000-\$84,000
23	Create a Deputy Director of Public Works position to oversee public works operations.	\$130,000-\$145,000
25	Create an additional Maintenance Person III position to assist the Chief Mechanic and perform other maintenance duties.	\$76,000
Total		\$641,000-\$706,000

It should be noted that Recommendation 53 also calls for the consideration of an additional position in Parks and Recreation, should the City decide to expand recreation programming.

Background and Methodology

In October 2018, the City of Saline engaged The Novak Consulting Group to conduct a Management, Organizational Structure, and Efficiency Study. This included an assessment of the City's structure, operations, service levels, staffing, processes, and procedures in order to make recommendations designed to improve organizational efficiency and effectiveness. This assessment includes all City departments except the Police Department.

To accomplish this work, The Novak Consulting Group conducted individual interviews and employee focus groups to learn about the City's operations and understand employee perceptions. In total, these interviews and focus groups involved nearly 50 City staff.

The Novak Consulting Group also conducted an employee survey to better understand the City staff's perceptions of the organization and their overall level of engagement. This survey was distributed to all City employees, excluding Police Department employees, using unique web links and was available from December 14 through December 28, 2018. A total of 80 employees responded to the survey. Individual survey responses were confidential; however, overall results are summarized in this report.

The Novak Consulting Group also requested and received information about the City's budget, operations, and workload in each department. This information, along with data analysis, best practices research, and benchmarking conducted as part of this assessment, informed the recommendations included in this report.

About the City of Saline

Saline is located approximately five miles southwest of the City of Ann Arbor in Washtenaw County, Michigan. The City government is led by six Councilmembers elected at-large, as well as an independently-elected Mayor. The City operates under a Council-Manager form of government.

Although the City Manager is responsible for overseeing all City staff, the Council is responsible for appointing City Officers, as defined in Section 2-51 of the City Code.

The following figure illustrated the City's overall structure and key functions.

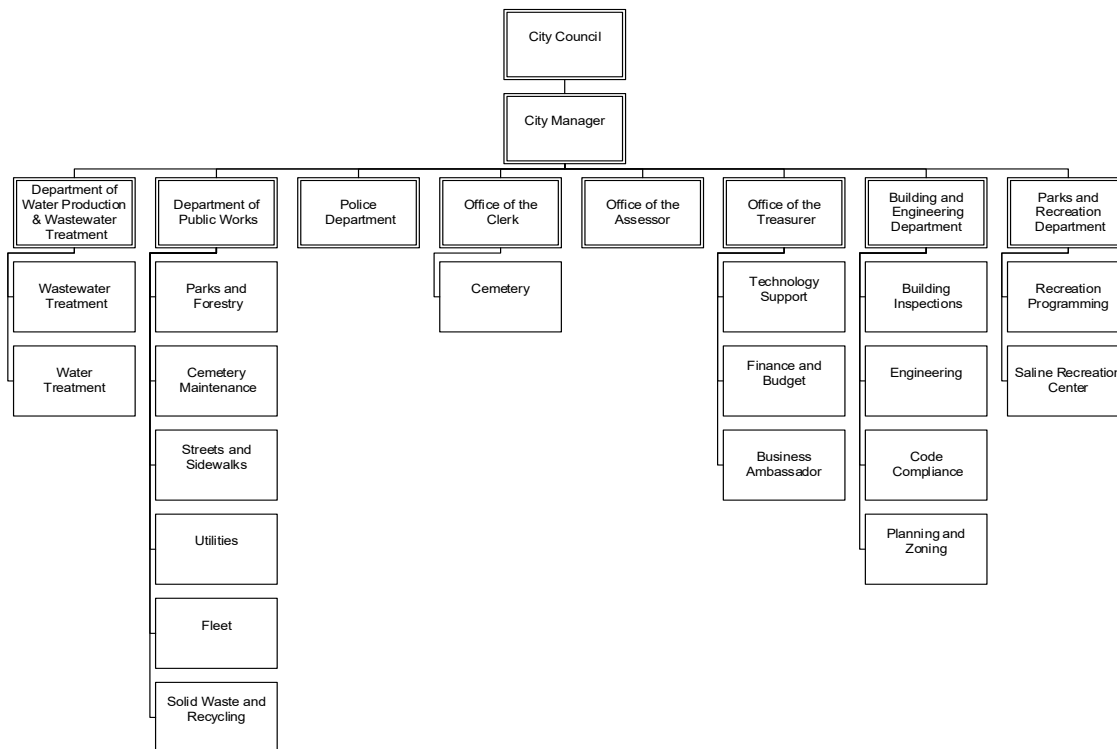


Figure 1: City of Saline Organizational Chart, 2019

Staffing

Over the last five fiscal years, the number of full-time staff (City-wide, with the exception of those in the Police Department) has increased by 2%.² This is primarily attributable to growth in the Public Works Department, which added one additional maintenance position over the last five fiscal years after reducing the number of positions in FY2013 due to effects of the recession.

Table 3: Full-Time Staffing Level by Department, FY2015 Actual-FY2019 Adopted (Excluding Police)

Department	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	Percent Change FY2015 to FY2019
Administration	2	2	3	2	2	0%
Assessor	2	2	2	2	2	0%
Clerk ³	3.7	3.8	3.8	3.8	3.7	0%
Treasurer	6	6	6	6	6	0%
Building and Engineering	2	2	3	2	2	0%
Public Works	14	14	14	14	15	7%
Water/Wastewater	6.3	6.2	6.2	6.2	6.3	0%
Parks and Recreation	6	6	6	6	6	0%
Total	42	42	44	42	43	2%

² The City does not track part-time staff.

³ One full-time Assistant Clerk position is divided between the Clerk's Office and the Department of Water Production and Wastewater Treatment.

Budget

The City operates on a fiscal year from July 1 through June 30. City operations are supported by 12 funds. The funds include the General Fund, several streets funds, two recreation funds, water and wastewater funds, a Refuse Fund, a Cemetery Fund, a Municipal Building Fund, and a Fire Special Assessment. The following table illustrates operating expenses in each fund over the last five fiscal years.

Table 4: City Operating Expenses by Fund, FY2014 - FY2018

Fund	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
General Fund	\$7,590,411	\$10,384,241	\$8,044,269	\$6,726,469	\$9,381,136	24%
Cemetery Fund	\$19,891	\$2,650	\$0	\$11,399	\$192,822	869%
Fire Special Assessment	\$330,134	\$344,443	\$339,640	\$406,564	\$411,763	25%
Local Streets Fund	\$529,323	\$226,776	\$273,280	\$526,312	\$296,949	-44%
Major Streets Fund	\$751,279	\$486,449	\$1,040,055	\$393,004	\$782,310	4%
Municipal Building	\$331,574	\$1,796,137	\$314,032	\$318,558	\$316,686	-4%
Municipal Streets	\$606,739	\$576,433	\$579,527	\$587,193	\$582,057	-4%
Recreation Bond Fund	\$106,949	\$1,047,462	\$102,885	\$103,603	\$1,438,811	1245%
Recreation Complex Fund	\$1,291,625	\$1,314,716	\$1,383,529	\$1,438,808	\$1,460,600	13%
Refuse Fund	\$609,503	\$606,997	\$615,966	\$571,899	\$690,577	13%
Sewer Fund	\$1,835,396	\$2,307,613	\$2,176,792	\$2,418,233	\$2,362,835	29%
Water Fund	\$1,650,968	\$1,796,736	\$1,481,974	\$1,919,925	\$1,795,127	9%
Total	\$15,653,792	\$20,890,653	\$16,351,949	\$15,421,967	\$19,711,673	26%

Overall expenditures were 26% higher in FY2018 than FY2014. This is partially driven by large expenditures from the Recreation Bond Fund in FY2018 related to a roof replacement project for the Saline Recreation Center.

General Fund expenditures also increased during this time period. The following table illustrates a more detailed look at General Fund expenditures by category.

Table 5: General Fund Expenditures by Category, FY2014 - FY2018

Fund	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Personnel Services	\$4,538,440	\$4,425,725	\$4,821,430	\$2,633,792	\$5,233,280	15%
Capital Outlays	\$89,859	\$54,738	\$221,164	\$717,025	\$553,289	516%

Fund	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Contributions and Transfers	\$1,153,834	\$1,166,898	\$1,181,405	\$1,202,603	\$1,243,955	8%
Debt Service	\$320,846	\$3,142,385	\$308,655	\$310,809	\$314,151	-2%
Other Services and Charges	\$1,487,432	\$1,594,495	\$1,511,615	\$1,862,240	\$2,036,460	37%
Total	\$7,590,411	\$10,384,241	\$8,044,269	\$6,726,469	\$9,381,135	24%

The biggest driver of increases to the General Fund between FY2014 and FY2018 was Personnel Services costs, which rose by more than \$700,000. That increase was largely driven by increases in the cost of employee benefits, which rose by 21% over that period, while the cost of salaries rose by only 2% over that same period.

Population

The City has experienced some population growth over the last several decades. According to the Census Bureau's 2017 Population Estimates Program (PEP), the City's current population is approximately 9,291 residents, a 16% increase compared to the 2000 Census. The following figure compares population growth in Saline during the 2000 and 2010 Decennial Censuses, as well as the Census Bureau's 2017 population estimate.

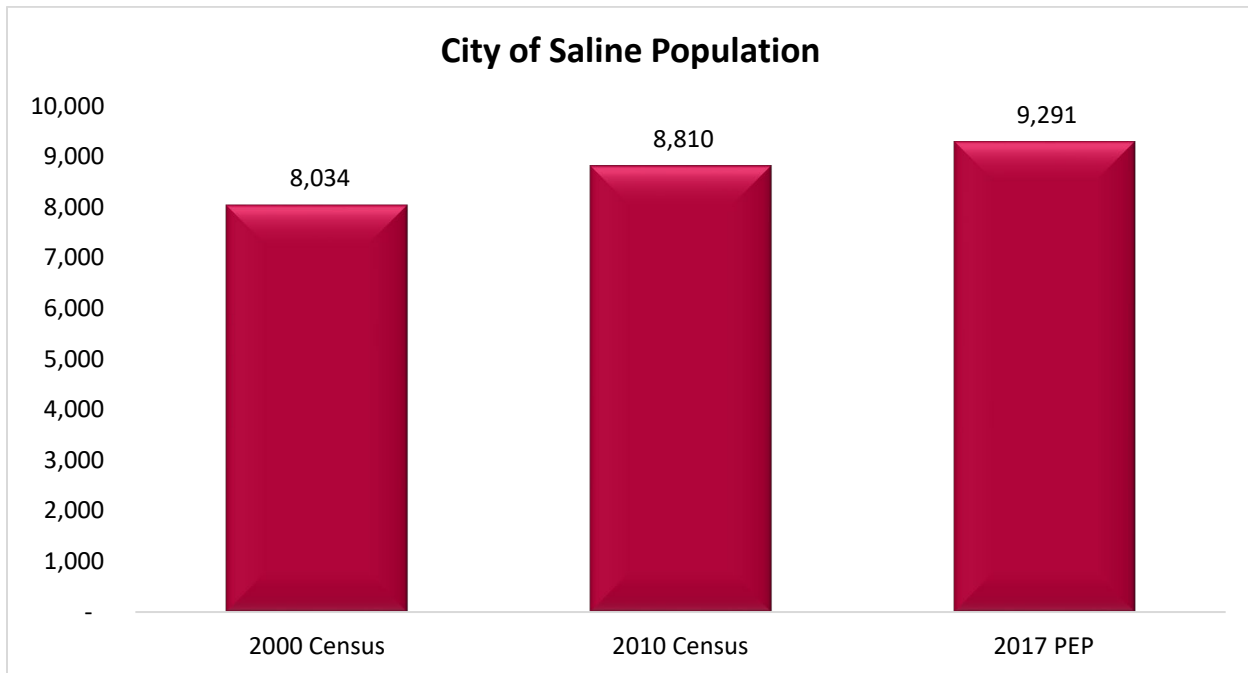


Figure 2: City of Saline Population Growth, 2000-2017 (Estimated)

Peer Community Benchmarking

The Novak Consulting Group evaluated key indicators in several peer communities. Peer communities in Michigan were chosen based on their proximity to Saline and population. Some of these locations are commonly used as benchmark communities by the City of Saline. They include the Cities of Brighton, Center Line, Howell, Huntington Woods, Milan, Northville, Plymouth, River View, Rochester, Wixom, and

Ypsilanti, as well as Dexter Township. The following table shows a comparison of each community's population per the United States Census's 2017 PEP. It also shows the total number of full-time positions, including police officers, in each municipality's government. Part-time staff are excluded from this comparison because data regarding current staffing levels for part-time positions was not available for all communities.

Table 6: Population and Full-Time Staffing in Peer Michigan Communities (Including Police)

Peer Community	2017 Census Population Estimate	FY2018 Full-Time Staff	Full-Time Staff per 1,000 Residents
City of Brighton	7,611	53	7.0
City of Center Line	8,273	33	4.0
Dexter Township	6,390	16	2.5
City of Howell	9,524	56	5.9
City of Huntington Woods	6,317	46	7.3
City of Milan	6,049	27	4.5
City of Northville	5,988	41	6.8
City of Plymouth	9,138	41	4.5
City of River View	12,107	65	5.4
City of Rochester	13,029	58	4.5
City of Saline	9,291	60	6.4
City of Wixom	13,831	51	3.7
City of Ypsilanti	21,076	86	4.1

The City of Northville has the lowest overall population among peer communities, with 5,988 residents, and the City of Ypsilanti has the highest, with 21,076 residents. The average number of full-time positions among peer communities is 49, lower than Saline's 60. However, the value of this comparison is limited by the fact that all of the communities are also supported by part-time employees, which could significantly impact each municipality's overall level of staff support.

It is also useful to compare the operating budgets of benchmark communities. The following chart shows each municipality's FY2018 General Fund operating expenditures.

Table 7: Operating Budget in Peer Communities

Peer Community	FY2018 General Fund Expenditures	2017 Population Estimate	General Fund Operating Expenditures per Resident
City of Brighton	\$8,486,309	7,611	\$1,115
City of Center Line	\$4,988,126	8,273	\$603
Dexter Township	\$3,364,800	6,390	\$527
City of Howell	\$7,069,951	9,524	\$742
City of Huntington Woods	7,650,940	6,317	\$1,211
City of Milan	\$4,350,445	6,049	\$719
City of Northville	\$7,270,545	5,988	\$1,214
City of Plymouth	\$8,171,390	9,138	\$894
City of River View	9,731,467	12,107	\$804

Peer Community	FY2018 General Fund Expenditures	2017 Population Estimate	General Fund Operating Expenditures per Resident
City of Rochester	11,215,994	13,029	\$861
City of Saline	\$9,381,136	9,291	\$1,010
City of Wixom	\$11,577,783	13,831	\$837
City of Ypsilanti	\$13,699,831	21,076	\$650

The average General Fund operating budget among peer communities is \$8.2 million, approximately \$1 million lower than Saline's budget of \$9.3 million. The value of comparisons with benchmark communities is limited because each municipality manages its own unique set of programs and services. For example, the City of Saline operates a large recreation center which many other communities do not; many of the benchmark cities operate libraries, which is managed by the Saline District Library in the City. Therefore, while these benchmark comparisons can be a useful tool to understand Saline's relationship to peer municipalities, ultimately funding and staffing decisions should be driven by the City's needs rather than by comparison with other communities.

Employee Survey Analysis

As part of the Management, Organizational Structure, and Efficiency Study, The Novak Consulting Group administered a survey which was made available to all City of Saline employees, with the exception of employees of the Police Department. The purpose of the survey was to assess employee perceptions and experiences regarding the City.

Respondents were asked to provide their views on many facets of the City, including their level of engagement, their work environment, communication throughout the City, professional development opportunities, internal services, and the City's strengths and opportunities. In addition to demographic information, questions were asked in two forms: ratings scale (strongly agree, agree, disagree, and strongly disagree) and open-ended. The survey was administered using a web-based survey tool, Survey Monkey®, and was available from December 14 through December 28, 2018. A copy of the survey instrument is included as Attachment A. Overall, themes that emerged from the survey include:

- **Employees feel engaged with their jobs and with the City.** Nearly all respondents feel that they have a clear understanding of their job responsibilities and expectations (99%) and that they have the opportunity to use their own judgement and initiative (94%). Furthermore, nearly all respondents feel that doing their job well gives them a sense of personal satisfaction (98%) and that they are determined to give their best effort at work each day (94%).
- **Employees feel supported by their direct supervisors but feel that the City could do more to help them achieve professional development goals.** A total of 88% of respondents feel respected by their direct supervisor, and 85% of respondents say that their direct supervisor supports their professional development goals. However, more than half of respondents (52%) say that no one has talked to them about their progress within the last six months, and 41% feel that their Department's promotion process is not transparent.
- **There is an opportunity to improve internal communications.** Nearly half of respondents indicated that Department and City leadership do not clearly describe the reasons behind policy decisions (49%) and that communication between departments is not effective (48%).
- **There is an opportunity to provide more support to Public Works employees.** A total of 62% percent of responses from Public Works respondents were positive, compared to an average of 76%. One area of concern for these respondents was the City's use of technology; 71% of Public Works respondents said that the City is not using technology effectively. Many also expressed concerns about professional development; 50% of Public Works respondents reported that they are unsatisfied with their opportunities for professional growth and advancement.
- **Part-time and non-supervisory staff would welcome more opportunities for professional development.** Survey responses to questions related to professional development were 71% positive overall. However, professional development responses among part-time, seasonal, and non-supervisory staff were only 61% positive. Nearly half of part-time and seasonal respondents indicated that not enough training was available. Primary concerns among non-supervisory respondents were fairness and transparency; 47% indicated that decisions on who attends professional development events are not made fairly, and 47% indicated that their Department's promotion process is not transparent.

Survey Demographics

The survey was made available to all full-time, part-time, and seasonal employees, with the exception of employees of the Police Department. A total of 80 employees responded to the survey.

Responses to demographic questions were not required; as a result, not all respondents answered every question. Approximately two thirds (64%) of the respondents indicated that they were full-time employees, nearly half (46%) indicated they were non-supervisors, and nearly half (48%) were male. Nearly half (44%) have worked for the City for less than 10 years. The following tables detail the number of respondents by functional area, employment status, supervisory status, tenure, and gender.

Table 8: Respondents by Functional Area

Functional Area	Number of Responses	% of Responses
Assessor's Office	3	4%
Building and Engineering	4	5%
City Administration	7	9%
Clerk's Office	3	4%
Parks and Recreation	20	24%
Public Works	15	19%
Treasurer's Office	3	4%
Water Production and Wastewater Treatment	3	4%
No Response	22	28%
Total	80	100%

It should be noted that based on the number of responses by functional area, it appears that some respondents mis-identified their functional area.

Table 9: Respondents by Employment Status

Employment Status	Number of Responses	% of Responses
Full-Time	51	64%
Part-Time	15	19%
Seasonal	2	3%
No Response	12	15%
Total	80	100%

Table 10: Respondents by Supervisory Status

Supervisory Status	Number of Responses	% of Responses
Supervisor	28	35%
Non-Supervisor	37	46%

Supervisory Status	Number of Responses	% of Responses
No Response	15	19%
Total	80	100%

Table 11: Respondents by Tenure

Time with the City	Number of Responses	% of Responses
Less than five years	28	35%
5-9 years	7	9%
10-19 years	17	21%
20-24 years	5	6%
More than 25 years	6	8%
No Response	17	21%
Total	80	100%

Table 12: Respondents by Gender

Gender	Number of Responses	% of Responses
Male	38	48%
Female	23	29%
Other	1	1%
No Response	18	23%
Total	80	100%

Overall Employee Survey Results

Respondents' opinions on the City's environment and culture are summarized below. This report uses the term "significant" to describe statements with which 84% or more of respondents expressed overall agreement and statements with which 33% or more of respondents expressed overall disagreement. These thresholds capture substantial areas of agreement or disagreement in the context of all survey responses. The thresholds are based on the overall percentage of positive and negative responses; only one-quarter of questions had 84% or higher positive responses, and only one-quarter of questions had 33% or higher negative responses.

Significantly positive and significantly negative results are highlighted in the narrative that follows and are bolded in each table. It should also be noted that numbers presented in the tables of this report are rounded to the nearest whole number and may not add up to 100%. To protect respondent confidentiality, responses were not analyzed for any categories or departments which received fewer than five respondents.

Organization Overall

Respondents generally have a positive opinion of their work and of the City. Nearly all of respondents feel that they have a clear understanding of their job responsibilities and expectations (99%), that their job gives them the opportunity to use their own judgement and initiative (94%), and that they feel physically safe in their workplace (94%). Furthermore, 90% of respondents feel that the City is a good place to work.

Only one statement had a significant percentage of negative responses. A total of 38% of respondents indicated that they do not feel content with the City's management practices and operations. These concerns were also mentioned in the responses to the open-ended questions. Some open-ended responses indicated a desire for greater clarity about the City's overall direction, and some also expressed a desire for more high-level management from organizational leadership.

Table 13: Summary of Responses to Statements Regarding the Organization Overall

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
I believe the City of Saline is moving in the right direction.	19%	61%	17%	3%
I feel content with the City's management practices and operations.	11%	51%	30%	8%
My direct supervisor uses my time and talents well.	29%	53%	16%	3%
I have a clear understanding of my job responsibilities and expectations.	41%	58%	0%	1%
My job gives me the opportunity to use my own judgement and initiative.	41%	53%	6%	0%
I feel physically safe in my workplace.	52%	43%	3%	3%
The City of Saline is a good place to work.	45%	45%	9%	1%

Employee Engagement

Respondents generally indicated that they feel engaged in their work. Nearly all respondents (98%) feel that doing their job well gives them a sense of personal satisfaction. Furthermore, more than 90% of respondents reported that they are determined to give their best effort at work each day (94%) and that they feel respected in their workplace by their peers (92%). Additionally, 88% feel respected in the workplace by their direct supervisor. None of the statements had a significant percentage of negative responses.

Table 14: Summary of Responses to Statements Regarding Employee Engagement

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
I am inspired to meet my goals at work.	31%	48%	17%	4%
I get excited about going to work.	21%	51%	21%	7%
Doing my job well gives me a sense of personal satisfaction.	48%	49%	1%	1%

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
I am satisfied with the culture of my workplace.	19%	55%	20%	7%
I am determined to give my best effort at work each day.	40%	53%	5%	1%
I feel respected in the workplace by my peers.	33%	59%	8%	0%
I feel respected in the workplace by my direct supervisor.	36%	52%	8%	4%
I feel respected in the workplace by City of Saline leadership.	23%	50%	19%	8%
I would recommend working for the City to a friend.	33%	53%	12%	1%

Work Environment

Respondents were asked their opinions on their work environment. Nearly all (95%) indicated that they know what is expected of them at work, and 88% indicated that they have a clear understanding of how their work contributes to the overall success of the City.

However, more than half of respondents (52%) indicated that no one has talked to them about their progress at work within the last six months. Furthermore, 35% of respondents do not feel that they have the necessary training, materials, and equipment to do their job.

Table 15: Summary of Responses to Statements Regarding Employee's Work Environment

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
I know what is expected of me at work.	35%	59%	4%	1%
I have a clear understanding of how my work contributes to the overall success of the City in achieving its goals and objectives.	39%	49%	11%	1%
I have the necessary training, materials, and equipment to do my job.	24%	41%	28%	7%
My workload is reasonable.	18%	62%	15%	5%
Someone at work has talked to me about my progress within the last six months.	14%	35%	38%	14%
I feel my direct supervisor values diversity, inclusion, and multiculturalism.	30%	51%	16%	3%
My fellow staff members are willing to go the extra mile to get the job done and be responsive to the public.	27%	54%	14%	5%

Communication

Respondents were asked about their experiences with communication at the City, and several of the statements had a significantly high percentage of negative responses. Nearly half of respondents (49%) feel that Department and City leadership do not clearly describe the reasons behind policy decisions. Nearly as many respondents (48%) feel that communication between departments is not effective.

Furthermore, 46% of respondents feel that important information about the organization is not provided in a timely manner. Finally, 42% feel that technology is not used effectively to communicate across the City.

Internal communications were cited as a concern in several of the open-ended responses as well. Some respondents expressed a desire for more open and frequent communication between departments and between staff and City leadership.

Table 16: Summary of Responses to Statements Regarding Communication

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
Important information about the organization is provided to me in a timely manner.	14%	40%	36%	10%
Department and City leadership clearly describe the reasons behind policy decisions.	8%	42%	34%	15%
Our Department does a good job involving employees in decisions that affect them.	21%	46%	19%	14%
I feel comfortable expressing my own opinions/beliefs in a tactful manner.	21%	57%	15%	7%
Technology is used effectively to communicate across the City.	10%	48%	32%	10%
My Department Director and supervisor facilitate and encourage open, honest, and constructive communication.	25%	52%	19%	4%
Communication between departments is effective.	12%	41%	38%	10%

Professional Development

Respondents were asked about their opinions on the City's professional development initiatives. A total of 85% of respondents indicated that their direct supervisor supports their efforts toward professional development. However, 41% feel that their Department's promotion process is not transparent, and 36% feel that not enough training is available to help them in their professional development. Finally, 35% indicated that they are not satisfied with their opportunities for professional growth and advancement.

In the open-ended questions, several respondents also expressed concerns about the difficulty of staff retention and the need for more robust succession planning.

Table 17: Summary of Responses to Statements Regarding Professional Development

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
I am satisfied with my opportunities for professional growth and advancement.	17%	48%	28%	7%
I am satisfied that I have the opportunities to apply my talents and expertise.	24%	51%	24%	1%
Training is available to help me in my professional development.	21%	42%	32%	4%

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
My direct supervisor supports my efforts toward professional development.	28%	57%	13%	1%
Decisions regarding who attends professional development opportunities are made fairly.	17%	49%	32%	1%
The Department's promotion process is transparent.	15%	44%	31%	10%
I see my position at the City of Saline as part of a long-term career with the City.	30%	52%	14%	4%

Internal Services

Respondents were asked to provide their opinions on the efficacy of the City's Finance, Human Resources, and Information Technology services. The majority of statements did not have a significant percentage of positive or negative responses. The only exception was Finance; 34% indicated that they do not have access to the budget and financial information they need to manage their work.

Table 18: Summary of Responses to Statements Regarding Finance Services

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
Finance procedures in the agency are easy to understand.	13%	55%	29%	3%
I trust the accuracy of the financial reports I receive.	16%	60%	21%	3%
I have access to the budget and financial information I need to manage my program/work.	17%	50%	32%	2%
Overall, I am satisfied with the level of customer service I receive from Finance.	21%	61%	16%	2%

Table 19: Summary of Responses to Statements Regarding Human Resources (HR) Services

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
I am familiar with HR policies and procedures.	16%	60%	21%	3%
HR procedures do not create an onerous burden on myself or other units or employees.	19%	60%	17%	3%
Overall, I am satisfied with my level of support I receive on human resources issues.	20%	61%	17%	3%

Table 20: Summary of Responses to Statements Regarding Information Technology Services

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
The City of Saline uses technology effectively in our work.	9%	63%	16%	12%

Statement	Strongly Agree	Agree	Disagree	Strongly Disagree
I have the technology and equipment that I need in order to do my work.	15%	53%	24%	9%
Overall, I am satisfied with the level of support I receive on technology issues.	10%	60%	19%	10%

Results by Demographic Categories

The following sections analyze the survey results based on the demographic categories of the respondents. As noted previously, answers to demographic questions on the survey were not required. Certain demographic categories have been combined to protect confidentiality in cases where a category had less than five responses.

Functional Area

This section summarizes all responses to the ratings scale questions presented in the survey, organized by the respondent's functional affiliation, among the six primary statement categories: Organization Overall, Employee Engagement, Work Environment, Communication, Professional Development, and Internal Services.

The following table provides the average percentage of positive responses (defined as a "Strongly Agree" or "Agree" response) offered by survey respondents by functional area for each survey topic. The responses from certain departments have been combined due to the small number of responses in each area. There were 21 out of 80 respondents who did not indicate their functional areas, and their responses are indicated as "No Response" in the following chart.

Table 21: Agreement Level by Survey Category and Functional Area

Functional Area	Organization Overall	Employee Engagement	Work Environment	Communication	Professional Development	Internal Services	Overall Agreement
City Administration and Clerk's Office	86%	83%	86%	76%	73%	88%	82%
Parks and Recreation	89%	88%	82%	68%	59%	79%	78%
Public Works	77%	76%	63%	38%	66%	59%	62%
Treasurer's Office and Assessor's Office	93%	91%	74%	62%	93%	81%	82%
Water Production & Wastewater Treatment and Building & Engineering	79%	81%	79%	65%	79%	86%	76%

Functional Area	Organization Overall	Employee Engagement	Work Environment	Communication	Professional Development	Internal Services	Overall Agreement
No Response	90%	85%	79%	70%	77%	76%	81%
Total	86%	84%	77%	62%	71%	74%	76%

Public Works staff had the lowest percentage of positive responses; 62% compared to an average of 76%. This disparity is largely driven by the Public Works responses to Internal Services and Professional Development questions. Only 59% of the Public Works responses to Internal Services questions were positive, compared to an overall average of 74%. More than half of Public Works respondents feel that they do not have access to necessary budget and financial information (60%) and that financial procedures are not easy to understand (53%). Public Works respondents also indicated a desire for more effective use of technology; nearly three-quarters (71%) indicated that the City is not using technology effectively in its work. Furthermore, 57% feel unsatisfied with the level of support they receive on technology issues and 53% feel that they lack the technology and equipment needed to do their work.

There was also a disparity in responses to Professional Development questions. Public Works were only 66% positive, compared to an overall average of 71%. More than half (60%) of Public Works respondents feel that they do not have access to adequate training to help them in their professional development.

There was also a disparity in the Professional Development responses from Parks and Recreation staff; their responses were only 59% positive, compared to an average of 71%. More than half of Parks and Recreation respondents (56%) indicated that they feel that the Department's promotion process is not transparent. Furthermore, half of Parks and Recreation respondents feel unsatisfied with opportunities for professional growth and advancement (50%) and that training is not available to help them in their professional development (50%).

Tenure

The following table provides the average percentage of positive responses offered by survey respondents by tenure for each survey topic. There were 16 out of 80 respondents who did not indicate their tenures, and their responses are indicated as "No Response" in the following chart.

Table 22: Agreement Level by Tenure

Tenure	Organization Overall	Employee Engagement	Work Environment	Communication	Professional Development	Internal Services	Overall Agreement
Less than five years	87%	88%	76%	65%	74%	78%	77%
5-9 years	73%	71%	67%	65%	57%	76%	69%
10-19 years	84%	82%	77%	54%	65%	74%	72%
20-24 years	76%	76%	69%	49%	46%	74%	65%
More than 25 years	90%	91%	86%	64%	80%	77%	83%
No Response	94%	84%	84%	72%	89%	70%	84%
Total	86%	84%	77%	62%	71%	74%	76%

Employees who have been with the City for 25 years or more had the highest percentage of positive responses among any tenure group; 83% of their responses were positive. This is nearly 20 percentage points higher than responses from employees who have been with the City between 20 and 24 years; only 65% of that group's responses were positive. However, there were only five employees in the 20-24 years category, 6% of the total respondents.

The largest disparities among tenure groups were in the Communications and Professional Development categories. In the case of Communication questions, only 49% of responses from employees with the City for 20-24 years were positive, compared to an overall average of 62%. More than three-quarters of respondents from this group feel that technology is not used effectively to communicate (80%) and that communication between departments is ineffective (80%).

In the case of Professional Development, only 46% of responses from employees with the City for 20-24 years were positive, compared to an overall average of 71%. A total of 80% of respondents in that category report being unsatisfied with their opportunities for professional growth and advancement.

Employment Status

The following table provides the average percentage of positive responses offered by survey respondents by tenure for each survey topic. Only two respondents reported that they are seasonal employees, and so their responses have been combined with those of part-time employees. There were 11 out of 80 respondents who did not indicate their employment status, and their responses are indicated as "No Response" in the following chart.

Table 23: Agreement Level by Employment Status

Status	Organization Overall	Employee Engagement	Work Environment	Communication	Professional Development	Internal Services	Overall Agreement
Full-Time	83%	82%	75%	60%	72%	74%	74%
Part-Time or Seasonal	87%	85%	76%	60%	61%	78%	75%
No Response	96%	92%	92%	92%	93%	95%	93%
Total	86%	84%	77%	62%	71%	74%	76%

There is almost no difference in overall agreement between full-time and part-time employees. A total of 74% of responses from full-time employee were positive compared to 75% of part-time employees' responses. There was, however, a more significant difference between the two groups on Professional Development questions; only 61% of part-time employees' responses were positive, compared to an average rate of 71%. Nearly half (47%) of part-time and seasonal employees feel that training is not available to help them in their professional development.

Supervisory Level

The following table provides the average percentage of positive responses offered by survey respondents by tenure for each survey topic. There were 14 out of 80 respondents who did not indicate their functional areas, and their responses are indicated as "No Response" in the following chart.

Table 24: Agreement Level by Supervisory Level

Supervisory Level	Organization Overall	Employee Engagement	Work Environment	Communication	Professional Development	Internal Services	Overall Agreement
Supervisor	85%	86%	76%	64%	79%	78%	78%
Non-Supervisor	84%	83%	75%	59%	61%	72%	72%
No Response	94%	82%	84%	74%	90%	83%	85%
Total	86%	84%	77%	62%	71%	74%	76%

Supervisors had a slightly higher percentage of positive responses overall than non-supervisors; 78% compared to 72%. The largest disparity between the two groups was in the category of Professional Development; only 61% of non-supervisor responses were positive compared to 79% of supervisor responses. Nearly half of non-supervisors indicated that decisions regarding who attends professional development events are not made fairly (47%) and that their Department's promotion process is not transparent (47%). Furthermore, 46% of non-supervisors feel that training is not available to help them in their professional development.

Gender

The following table provides the average percentage of positive responses offered by survey respondents by tenure for each survey topic. There were 18 out of 80 respondents who did not indicate their functional areas, and their responses are indicated as "No Response" in the following chart. Only one person indicated their gender as "Other;" their responses are included with the No Response category.

Table 25: Agreement Level by Gender

Gender	Organization Overall	Employee Engagement	Work Environment	Communication	Professional Development	Internal Services	Overall Agreement
Male	80%	80%	71%	53%	68%	68%	70%
Female	91%	91%	84%	72%	72%	84%	83%
Other/ No Response	91%	81%	80%	73%	79%	84%	82%
Total	86%	84%	77%	62%	71%	74%	76%

Males had a lower percentage of positive responses than females; 70% compared to 83%. The largest disparities were in the categories of Communication and Internal Services.

Only 53% of male responses to Work Environment questions were positive, compared to 72% of female responses. The highest level of disagreement for males (56%) was with the statement that someone at work has talked to them about their progress within the last six months.

Only 64% of male responses to Internal Services questions were positive, compared to 84% of female responses. The highest levels of disagreement for male respondents were to the statements that financial procedures are easy to understand (47% disagreed) and that they have the technology and equipment needed to do their work (44% disagreed).

Open-Ended Questions

Several open-ended questions were included in the Employee Survey. Responses to these questions were categorized, and the most common themes that emerged from the responses are discussed below.

Strengths

Respondents were asked what they believe the City of Saline does particularly well. The most common category of response was customer service; many noted that the City does an excellent job serving its residents. Several also highlighted the City's communications to residents and its success in cultivating a strong sense of community.

The top five categories of responses are listed in the table below.

Table 26: Summary of Responses to the Question "What do you Believe the City of Saline Does Particularly Well?"

Response Category	Number of Responses
Customer Service	17
Communication	4
Sense of Community	4
Public Services	3
Inclusiveness	3

Challenges

Respondents were asked what they believe was the most significant challenge facing the City of Saline. The most common response was growth; many worry that it is difficult for City resources and services to keep up with rapid population growth. Many are also concerned about resource constraints; they feel that costs and demands are rising, and the City may not have invested the necessary resources to keep up. Finally, many cited recruitment and retention as a challenge; several mentioned feeling like the City is currently understaffed and that recruiting and retaining qualified staff is becoming increasingly difficult.

The top six categories of response are listed in the table below.

Table 27: Summary of Responses to the Question "What do you Believe is the Most Significant Challenge Facing the City of Saline?"

Response Category	Number of Responses
Growth	10
Resource Constraints	9
Recruitment and Retention	9
Infrastructure Needs	8
Internal Communication	5
Succession Planning	4

Suggested Changes

Respondents were asked what one thing they would change about the City, if they could. The most common response was higher salaries; several respondents specifically mentioned higher salaries for long-term employees who are still earning close to minimum wage. Several also mentioned that they would like to see improved City management; specific concerns included a lack of clarity about the City's direction and a sense that the City Manager's Office can get too caught up in minor departmental details. Furthermore, several respondents would like the City to establish a clearer delineation between the role of the Council and the role of staff; several mentioned that they feel that the Council can be too involved in staff issues.

The top six categories of response are listed in the table below.

Table 28: Summary of Responses to the Question "If You Could Change One Thing about the City of Saline, What Would it Be?"

Response Category	Number of Responses
Higher Salary	6
Improved Management	5
Clarified Council Role	4
Improved Operational Efficiency	3
Recreation Center Improvements	3
Better Internal Communication	3

Other Thoughts

Respondents were also asked if they had any further thoughts to share, beyond their responses to other questions. Responses varied, but several respondents discussed their desire for higher salaries and for higher levels of staffing. Several also mentioned their desire for improvements to the Recreation Center and for a greater use of technological solutions. Finally, several expressed that taking the survey was a positive experience.

City Manager's Office

The Saline City Manager is appointed by the City Council and serves as the Chief Administrative Officer for the City. This position is responsible for directing and coordinating the functions of all City departments and related agencies. The City Manager is responsible for advising the City Council on matters of policy and for implementing the policies adopted by the City Council. The City Manager's Office is responsible for planning and administering the City's budget, labor relations, and personnel management activities.

While the City Manager oversees the daily activities of all City departments and has hiring authority for most City staff, City Council is responsible for selection and hiring of the following City Officer positions as identified in City Code: City Clerk, City Treasurer, City Assessor, City Superintendent, Department of Public Works Director, Parks and Recreation Director, Pollution Control Superintendent, Building Official, and Police Chief.⁴

The FY2019 budget authorized 2.0 full-time equivalent (FTE) employees in the City Manager's Office. These include the City Manager and an Administrative Assistant. The City Manager serves as the Chief Administrative Officer for the City and directs and coordinates the functions of all City departments. The Administrative Assistant provides general administrative support to the City Manager and Mayor and performs an array of clerical tasks and functions associated with human resource activities.

The following figure provides an illustration of the two positions within the City Manager's Office as well as all of the City Manager's direct reports.

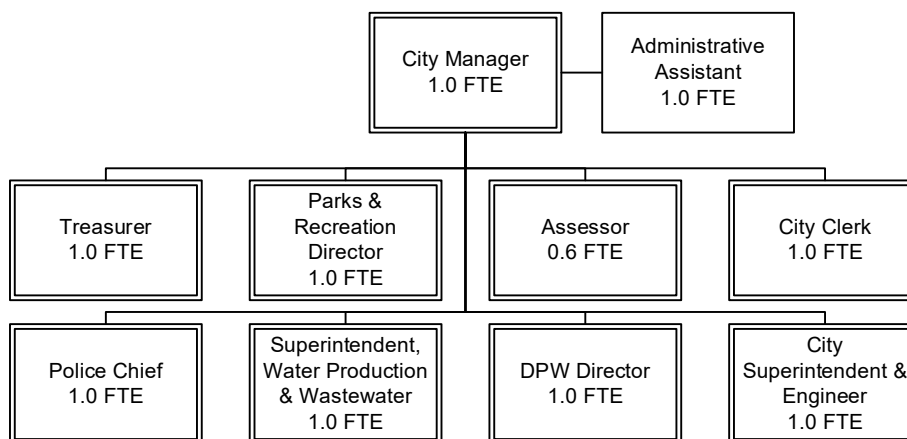


Figure 3: City Manager's Office Organizational Structure and Direct Reports, FY2019⁵

Core Services

The following table summarizes the core services of the City Manager's Office. It is not intended to be an all-inclusive list, rather a broad summary of the programs and activities.

⁴ Saline, Michigan, Municipal Code, art. III, div I, sec 2-51(c)

⁵ Double lined boxes denote supervisory positions.

Table 29: City Manager's Office Core Services

Function/Division	Program Area	Activities
Administration	Community Engagement	<ul style="list-style-type: none"> Respond to public inquiries Develop print and electronic communications
	Planning	<ul style="list-style-type: none"> Implement City Council strategic plans
	Organizational Leadership	<ul style="list-style-type: none"> Provide executive leadership to City government Supervise municipal operations and department directors
	Economic Development	<ul style="list-style-type: none"> Work with the development community to promote development in the City Provide leadership for Business Ambassador program
	Budget	<ul style="list-style-type: none"> Prepare and submit recommended annual operating and capital budgets to City Council for approval Prepare and submit budgetary amendments as necessary
Human Resources	Labor Relations	<ul style="list-style-type: none"> Lead and coordinate collective bargaining process Negotiate collective agreements
	Personnel Management	<ul style="list-style-type: none"> Coordinate insurance and other employee/retiree benefits Maintain personnel and benefits records Perform employee relations functions

Staffing

Staffing levels in the City Manager's Office has remained constant over the past five years. In FY2017, the long-time Administrative Assistant retired. There was a brief transition period in FY2017 while both the prior and current employee were working for the City. The following table illustrates actual staffing levels since FY2015.

Table 30: City Manager's Office Full-Time Staff, FY2015 through FY2019

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	Percent Change FY2015 to FY2019
Full-Time Staff	2	2	3	2	2	0%

Budget

While the City Manager's Office only includes two full-time employees, all General Fund related fringe benefits for retirees and payments into the Municipal Employee Retiree System (MERS) retiree health trust are included in the Personnel Services category. These post-employment benefits expenses have increased significantly in recent years, but the City has begun to put tools in place to reduce future liability and stabilize expenditures such as eliminating life insurance as a post-employment benefit for employees hired after 2008; transitioning from a Defined Benefit to a Defined Contribution plan for employees hired after 2008; and advancing the funding of a trust for post-employment benefits when possible. The following table provides an overview of General Fund budget expenses from FY2014 through the FY2018.

Table 31: City Manager's Office Expenses FY2014 through FY2018

Expense Category	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Personnel Services	\$832,019	\$717,440	\$747,308	\$1,311,815	\$1,313,247	58%
Contributions and Transfers	\$208,903	\$199,366	\$198,564	\$198,949	\$179,637	-14%
Other Services and Charges	\$242,107	\$291,113	\$273,284	\$308,843	\$285,301	18%
Total	\$1,283,029	\$1,207,919	\$1,219,156	\$1,819,607	\$1,778,185	39%

Analysis and Recommendations

The City Manager's Office provides support, oversight, and executive leadership for each of the City's operating departments. The City benefits from the experience and dedication of several long-tenured department directors and other staff, many of whom have adapted and taken on responsibilities outside of their job descriptions over the years as the City's needs have changed. As City leadership is finalizing the second Citywide strategic plan, Vision Tour 2024, the City Manager's Office is proactively investigating opportunities to be more efficient and effective. The primary opportunities in the City Manager's Office specifically relate to enhancing strategic management, developing a professional human resources function in the City, and enhancing communication efforts.

Strategic Management

Recommendation 1: Create a performance management system and departmental work plans to operationalize the Vision Tour 2024 strategic plan.

Saline's City government is in the process of updating its strategic plan, called Vision Tour 2024. The plan's goals and objectives are based upon input from elected officials, senior staff, and community focus groups. The City Manager and senior staff are in the process of finalizing the proposed strategic plan for City Council approval. The final plan will include specific goals and responsibility assignments, as well as a schedule for quarterly reporting of progress toward implementation.

The development of a strategic plan provides an optimal opportunity for the City to implement a performance management system. This helps ensure the work of the organization is aligned to achieve the vision and goals of the strategic plan.

A performance management system is a process tool utilized to ensure that the work of both employees and management is focused on the vision of the organization being served. Effective performance management systems ensure that employees focus their work in ways that directly support the organization's strategic plan, or in the absence of the strategic plan, departmental goals, objectives and work plans. Further, performance management systems monitor the organization's progress toward achieving the goals and priorities identified in the strategic plan.

A performance management system typically consists of three core elements: (1) setting goals and creating strategic plans; (2) measuring performance against established performance goals; and (3)

sustaining a dialog between management and employees to ensure that the work of the organization is completed in conformance with established schedules.

A performance management system encompasses all of the work—including strategic planning, budgeting, and the planning of all work that is done in an organization. A performance management system includes all of the processes through which managers plan and manage the work of the organization to fulfill the organization's mission and produce the desired outcomes. The collection and use of performance measurement data is one element of a performance management system.

In addition to monitoring the work, a good performance management system employs discipline. Under such a system, managers meet with direct reports on a regular basis to review organizational performance. The City Manager meets with his/her direct reports at least once a month to discuss a regular agenda of issues. A suggested agenda template is included as Attachment B. As regularity and discipline of the management system becomes integrated into operations, discussions about performance become focused on important issues. This type of management system allows managers to avoid total crisis management as the rigor of the system helps ensure regular meetings to discuss strategic issues rather than the crisis du jour.

In Saline, the City Manager currently conducts weekly senior executive staff meetings with the senior management team, consisting of the City Manager, Administrative Assistant, and the department directors. At this meeting, the senior executive staff discuss operations and share relevant information about work or activities in the City. The City Manager has also established a weekly one-on-one meeting with the Treasurer and meets eight-nine times each year with department directors to review finances and operations of the department. These are all fundamental elements of a functioning performance management system and provide important initial elements of a robust performance management system.

In order to build on these initial efforts, all City departments should develop annual work plans and performance measures aligned to the City's strategic plan. To ensure accountability and appropriate flow of information, the City Manager should begin holding recurring one-on-one meetings with all department directors to discuss operational issues and ensure appropriate coordination is taking place. These meetings will serve as an opportunity to mentor department directors, reinforce expectations, and monitor department progress. Further, department directors should be expected to do the same with their department staff to ensure that strategic and operational information is being transmitted throughout the organization.

To further support the implementation of the strategic plan, it is necessary to develop formal work plans for departments which align with the City Council's priorities, goals, and initiatives. Many of the City's departments do not regularly engage in formal work planning; instead, they carry out priorities funded by the City budget and balance other day-to-day requests.

The purpose of creating formal work plans is to describe, in concrete terms, how the work of each department will carry out and achieve the goals of the City Council's strategic plan as well as other core services. This emphasizes the role staff play regarding implementation of the Council's policy direction. An annual work plan allows departments to systematically organize assigned workload in a manner that constructively supports the Council's goals and objectives.

It is a best practice for departments to have an annual work plan that:

- Sets forth the department's key goals in alignment with the City's strategic plan
- Outlines the projects that contribute to the achievement of each goal
- Includes estimated timeframes and deadlines
- Assigns primary responsibility for achieving each goal/project to an individual
- Prioritizes day-to-day activities and service requests

It should be noted that some of these items are already planned to be included in the quarterly strategic plan updates to the City Council.

Each year, departments should develop an annual work plan in consultation with the City Manager. The work plan should incorporate specific initiatives for staff to focus on throughout the year and describe how these initiatives directly support the City's strategic goals and objectives. Where possible, work plan initiatives should include an estimated timeframe for completion, the estimated cost of implementing the initiative, and the estimated number of labor hours required to achieve the initiative. The resulting work plans will allow department directors and the City Manager to more accurately quantify existing initiatives, visualize how initiatives overlap throughout the year, and communicate this information to the City Council.

Additionally, prioritizing new requests and initiatives that arise throughout the year is more easily accomplished if a work plan is in place. The work plan provides a framework for determining whether a new request will readily address the Council's goals and priorities. If the request is appropriate, staff can illustrate the impact of adding the initiative to the department's annual work plan and describe how other projects and tasks will be affected. This prevents the organization from becoming overburdened with tasks that do not contribute to the strategic goals of the City Council.

Finally, it is important for department directors and the City Manager to utilize annual work plans for performance management purposes, including periodic reports on project implementation and service delivery and annual reports discussing initiatives and requests accomplished throughout the year.

Recommendation 2: Implement a performance measurement program.

Performance measurement is designed for elected officials, executive managers, department directors, program managers and staff to assess the overall effectiveness of services and programs. Performance measures may be applied to City programs to evaluate current service levels and determine whether resources are allocated efficiently. When performance is measured systematically over time, an organization's leaders have valuable information for making informed, data-driven decisions about improvements in service quality and effectiveness.

The City of Saline does not currently have a performance measurement system in place. While the City participates in Michigan's state-wide performance dashboard program, this data is very high level and is not sufficient to make data-driven decisions about programs and operations in Saline.⁶ Furthermore, the City's budgeting process and budget document do not incorporate performance information for making resource allocation decisions.

⁶ <https://www.cityofsaline.org/?module=Page&slID=financial-dashboard>

In order to implement a robust performance management program and for City leaders to be able to make informed, data-driven decisions, it is recommended that a performance measurement system be developed and implemented. This initiative should be led by the City Manager, with the direct involvement of Department Directors. Ultimately, performance measures and performance data should become part of the City's regular dialogue about program goals, budget allocations, and accomplishments.

The performance measurement system framework should address the following broad themes:

- **Planning** – The organization-wide strategic plan, annual department work plans, annual operating budgets and capital improvement plans are all important foundations for a successful performance measurement system. Performance measures should be relevant and linked to Citywide and department-level goals and objectives.
- **Measurement** - A successful performance measurement system is composed of measures that are appropriate, accurate, reliable, and timely. The system should allow for continuous refinement of measures over time to ensure their continued relevance. Attention should be given to the configuration of existing systems and development of new systems that collect relevant performance data such as enterprise systems, software applications, and other technology.
- **Monitoring** – Performance measurement should enhance employee's accountability to management, elected officials, and residents. Through regular departmental performance reporting, individual, objective-based performance appraisals and periodic organizational assessments, performance measures become part of the organization's regular dialogue about effective service delivery.

During monthly one-on-one meetings with department directors related to each department's work plans and progress, the City Manager should review each department's performance data. On a quarterly basis, the City Manager's Office should compile performance measurement data from each department and present to the City Council any important trends or changes, as well as actions taken by the City in response to those trends. In addition, the City should include the regular collection of stakeholder feedback evaluating current programs, and other resident feedback on City services. Suggested key performance measures for each City department are included as Attachment C.

Recommendation 3: Establish a Management Intern program.

Though the addition of a Human Resources Manager position will provide enhanced executive management capacity (per Recommendation 4), there is still a need for organizational project management support. An additional professional level position is warranted to provide analytical support, assist with implementation and ongoing management of recommendations contained within this report, and carry forward special projects on behalf of the City Manager and other departments. Traditionally, an intern position has been housed in the City Clerk's Office in Saline.

The primary responsibilities of a management intern/analyst level position should include:

- Supporting special projects and performing research, program development, and implementation support;
- Coordinating the City's performance management and performance measurement programs;

- Assisting the City Manager and departments with implementing Citywide policies and procedures; and
- Serving as a liaison between the City Manager and staff in other departments.

The International City/County Management Association's Local Government Management Fellowship (LGMF) Program is an excellent resource for these types of management analyst positions. The LGMF program offers recent graduates and young professionals an opportunity to contribute meaningful work to the profession of public administration and the communities they serve. The LGMF program requires a minimum salary for management analysts of \$35,000 per year.

Regardless of whether the City utilizes an LGMF fellow for this position, the starting salary is a useful reference point for the approximate cost of filling a management analyst fellowship position. As an alternative, the City may look to the Michigan Municipal League or local universities for a pool of candidates for a paid or volunteer internship program.

Human Resources Management

Recommendation 4: Create a Human Resources Manager position.

As a service organization, the City of Saline's most valuable asset is its staff. Professional Human Resources management is a key to maintaining and making the most of this valuable asset. The City currently employs 60 full-time individuals, including Police, and numerous part-time and seasonal positions each year.

Saline City code specifies that the City Manager shall "maintain an employment office and central personnel service for the several administrative units and make recommendations for the appointment to the council."⁷ It also specifies that the City Manager maintains the authority to "employ, assign, discipline, suspend and terminate all city employees except city officers appointed by the council."⁸ Currently, the City Manager, with the assistance of the Administrative Assistant, performs these duties.

Specifically, the City Manager's job description and workload currently include developing personnel policies; hiring, counseling, and terminating employees; negotiating labor contracts; and administering contracts and grievances. On a day-to-day basis, the Administrative Assistant completes the clerical tasks associated with personnel activities including coordinating insurance and other benefits for City employees and retirees; resolving insurance claims; filing workers compensation claims; maintaining personnel records; and onboarding new employees.

Given the size of the organization and the scope of responsibilities of the City Manager, there is not capacity to adequately address all of the personnel issues that arise in the organization. As a result, employee issues can become decentralized. Without a centralized, professional human resources presence, many personnel matters are handled at the department level. For example, Parks and Recreation reports that they are responsible for recruiting and processing their own part-time and seasonal employees. Further, when transactional issues arise related to labor contracts (such as changes to payroll processing matters when a new contract is adopted), there is no conduit for information to the line staff that are affected.

⁷ Saline, Michigan, Municipal Code, art. III, div II, sec 2-68

⁸ Saline, Michigan, Municipal Code, art. III, div II, sec 2-72

Human Resources (HR) as a function can play multiple roles. At its most fundamental level, the role of HR is one of legal and administrative compliance. At a slightly more complex level, the role of HR is to meet the immediate demands - such as filling positions and administering the City's benefits program - of managers and employees as these customers provide services. HR teams that only take on these roles essentially operate as transactional service providers. Benefits administration, recruitment and selection, and workplace policy development are examples of transactional activities managed by many HR Departments. However, HR teams are increasingly being called upon to take on an even higher-level role. A contemporary HR team is recognized as the "keeper of culture" within an organization and a strategic partner with other departments who provide direct services to residents, businesses, and visitors in the local community. Regardless of the role, however, effective human resources is a specialized function that requires trained professionals to administer successfully.

Under the current transactional method of providing HR services in Saline, compliance and immediate service delivery needs are generally addressed, but there remains an opportunity to provide strategic personnel and benefits management. In order to be successful, the City's HR function must operate as an expert, confidential, and valued partner that provides quality services to all departments within the organization.

To best serve the needs of the City's departments, staff, and stakeholders, the City's Human Resources function should transition from being transactional to becoming a strategic partner. In order to begin this transition, the City should create a Human Resources Manager position that resides in the City Manager's Office. This position should be staffed with a human resource professional with experience in and responsibility for: development of policies and procedures; overseeing employee recruitment, advancement, discipline and terminations; employee relations and counseling; workforce development and training; and succession planning. The Human Resources Manager would be responsible for leading a professional, strategic, and centralized Human Resources division within the City Manager's Office.

The current Administrative Assistant in the City Manager's Office should continue to provide clerical support for human resources activities, in addition to the duties related to providing administrative support to the City Manager and Mayor. The Administrative Assistant should be assigned to formally report to the Human Resources Manager.

To maintain compliance with cited City code and Council expectations, the City Manager should retain appointing authority for all staff except those appointed by City Council and should retain responsibility for negotiating labor contracts. The estimated first year cost for the Human Resources Manager is between \$109,000 and \$122,200.⁹

Recommendation 5: Develop a work plan for implementation of human resources best practices.

To further the City's efforts to develop a strategic human resources presence rather than a transactional one, the City should investigate and adopt human resources best practices that enhance the City's ability to effectively maintain and develop a productive workforce.

Once the position has been authorized and filled, the Human Resources Manager should meet with City departments, including staff at all levels of the organization, to inventory needs and opportunities to improve HR service delivery in the City. In conjunction with the City Manager, the Human Resources

⁹ Salary and benefits estimate based upon classification of position in Staff grade 3, between steps 1 and 5. Family level insurance coverage is assumed, and all other fringe benefits are included.

Manager should develop a work plan for implementation of human resources best practices for the City. The best practices that should be addressed initially include personnel policies and procedures, job descriptions, workforce training and development, employee performance management, and centralized recruitment.

The following table provides several suggested best practices for consideration based upon staff interviews, employee survey results, and an assessment of current conditions.¹⁰ This should be viewed as a starting point for the Human Resources Manager, not an inclusive list.

Table 32: Human Resources Best Practices for Consideration

Topic	Current Conditions	Best Practice
Personnel Policies and Procedures	<p>Employment related policies and procedures are documented in the City's Personnel Policies Manual that was first adopted in 2009 and most recently updated in 2011. The Personnel Policies Manual is a detailed document outlining many of the organization's operations, rules and regulations. Employees sign off on receipt of the entire manual.</p> <p>In March 2019, the Saline City Council adopted legislation authorizing the implementation of PowerDMS, a cloud-based platform for policy management and implementation with the expectation that this system will be used to implement a Citywide paperless workflow solution for updating policies and recording employee receipt and acknowledgements.</p>	<ul style="list-style-type: none"> • Create a project management plan for implementation of the PowerDMS platform that prioritizes the review, update, and dissemination of current HR policies. • Review policies and update them to reflect current practices, if reasonable and legal, or to update policies and/or educate employees based upon proper policies. • Develop a practice of reviewing each policy on a recurring basis for updates to current practices or law. • Consider organizing policies based on intended audience and developing an Employee Handbook.
Job Descriptions	<p>Many of the City's job descriptions were written or updated 15-25 years ago. Job description formats are variable, and some omit important information (e.g., FLSA status).</p> <p>Roles and responsibilities for staff shift over time and job descriptions are not updated to reflect these changes.</p>	<ul style="list-style-type: none"> • Create and implement a process for routinely reviewing and updating job descriptions to ensure that they reflect expectations and current practices.

¹⁰ The scope of this study and the assessment of current conditions did not include the Saline Police Department. It is to be expected that several of these best practices would apply to the oversight of Police personnel as well, and that there are likely several other areas for strategic HR partnership with the Police Department.

Topic	Current Conditions	Best Practice
Workforce Training and Development	<p>No formal workforce training and development program exists. The responsibility to identify and fund training opportunities for staff is decentralized.</p> <p>Employee survey data reflects that employee training and development needs are not being met.</p> <p>Anticipated upcoming retirements in several key areas will likely lead to a loss of institutional knowledge and expertise.</p>	<ul style="list-style-type: none"> Develop a centralized workforce training and development program to create an environment of continuous learning where employees are encouraged to participate in improving their skillsets and apply these skills in their current jobs.
Performance Evaluations	<p>The City Manager has historically provided annual performance evaluations for department directors, and this year has mandated that all employees shall have an evaluation completed prior to the end of the fiscal year.</p>	<ul style="list-style-type: none"> Create a robust employee performance system that aligns performance expectations with Citywide and department strategic goals and work plans. Provide ample training and resources to managers and staff to effectively administer the employee performance system.
Centralized Recruitment	<p>Recruitment for vacant positions is handled in a decentralized manner. The City Manager's Office posts openings and reviews applicants for some positions, with departments such as Parks and Recreation maintaining responsibility for posting openings and reviewing applicants for others. Recruitment processes are manual and labor intensive.</p>	<ul style="list-style-type: none"> Centralize all recruitment processes within the City Manager's Office, led by the Human Resources Manager. The implementation of recruitment support software would create a faster and more efficient recruitment process for both staff and the applicants.

Recommendation 6: Develop and implement a Citywide succession planning program.

The City of Saline recognizes that several key positions throughout the organization may be vacated within the next five years due to pending retirements. According to MERS actuarial data provided by the City, at least 20 employees are eligible to retire between now and 2024, including several in key leadership positions. The City Manager and department directors have been discussing individual aspects of succession planning. However, the City currently lacks a formalized, comprehensive approach for addressing these upcoming retirements, and this issue was identified by the City Council during their initial discussions for the Vision Tour 2024 strategic planning process.

Succession planning is the process of identifying critical roles and developing internal talent within the organization to address these needs upon the retirement or departure of professional and executive staff. Succession planning not only positions an organization for future success, but it also helps ensure that an organization can perform at a high level during periods of transition by equipping staff with the skills and abilities needed to meet unexpected challenges. Having a plan in place allows for an organization to predict where critical needs are or will be, provides time to adjust and plan, allows adequate time for employees to be trained, and if necessary, time to recruit potential candidates. The goal is to have seamless or uninterrupted service within the organization.

It is recommended that the City develop and implement a Citywide succession planning program to help prepare for the organization's future. "Effective succession planning is an ongoing process of identifying, assessing and developing talent to ensure leadership, management and supervisory continuity throughout an organization and, moreover, to sustain its performance."¹¹

The first step should be to establish a Succession Planning Steering Committee, consisting of the Human Resources Manager, City Manager and key managers/supervisors throughout the organization, who would be able to identify critical positions. The Committee should identify those critical positions that may become vacant within the next five years. The Committee should look at positions at all levels of the organization including executive, middle management, and supervisory staff.

Once the critical positions have been identified, the Committee should review the organization's key competencies and those needed to fill the identified critical positions and determine if there are potential knowledge gaps. The Committee should then determine training needs, which may fall into two categories: 1) technical and skill based or 2) leadership and management.

A component of developing employees for future leadership positions includes coaching and mentoring. The Committee should look at opportunities to expand coaching and mentoring beyond the performance appraisal process.

Other ways to coach and mentor employees include:

- Regular coaching sessions with senior leadership
- Job shadowing
- Interim assignments
- Attending higher level meetings
- Position rotations
- Committee or task force assignments

A successful plan should help prepare and transition front-line workers to take on the role of supervisor. However, what often happens is that employees that are not prepared to be supervisors are moved into a role before they are ready. While they may have knowledge regarding their job and be a qualified practitioner, they may not be equipped with the skills or training necessary to be a good supervisor. Developing a succession plan and the appropriate development training programs can help the City prepare and equip employees to be both good practitioners and effective supervisors, even in departments or program areas that are not experiencing turnover.

¹¹ Governing – *Why Governments Need to Ramp Up Succession Planning*, February 2016

Recommendation 7: Formalize and update the City's compensation and classification plan.

Compensation and classification systems help organizations develop an equitable, consistent, and competitive structure for categorizing employee positions and providing appropriate compensation. These systems are often informed by studies to evaluate the current labor market and determine whether the organization's pay structure is equitable or if it needs adjustment. They also help determine if the current job classification is appropriate, if new job classes are needed, or if classes should be merged or renamed.

The City currently uses a combination of job descriptions, pay tables, personnel policies, and budgetary constraints to govern the compensation and classification of employees. Many of these tools are outdated and may not be in line with other communities in a competitive marketplace. As the City experiences heightened levels of turnover due to numerous anticipated retirements in the next five years, it will be important to make certain that systems are in place to ensure appropriate compensation and classification of employees.

The first step in this process is to review job descriptions for existing positions and update them to define current work roles and responsibilities. The next step is to evaluate those job descriptions within the strategic framework provided during the strategic planning and performance management processes, and to engage in a process to amend job descriptions to reflect revised work plans and priorities. As a result, the job description amendment process should not begin until the strategic planning process is completed, and the performance management system is in place.

The next step is to complete a comparative benchmark process to define pay and benefit ranges for comparable positions in peer organizations in Michigan and the region. This data should be used to inform policy discussions regarding compensation and benefits philosophy by the City Council. This philosophy should include a set of guiding principles regarding Saline's culture, workforce, and public and private employer competitors, as well as whether the City wants to pay at, below or above market rates. Further, a plan for implementation of changes and how budgetary impacts will be addressed should also be developed. Finally, revised job expectations and associated work plans should be integrated into the City's performance management system described in Recommendation 2.

Developing a compensation and classification plan will involve specialized work and will require negotiations with the City's collective bargaining units. For these reasons, it is appropriate for the City to engage a specialized compensation and classification consultant to assess the City's current compensation structure and design an effective compensation and classification system in accordance with the City's compensation philosophy.

Communications

Recommendation 8: Enhance internal and external communications by creating a Communications Assistant position and communications work plans.

Responsibility for external communications, including media relations, public information, messaging and marketing is currently dispersed throughout the organization. The City Manager's Office Administrative Assistant develops general notices, flyers, the quarterly community newsletter, and other informational materials about programs and services. Other specific departmental needs are handled on an ad hoc basis. For example, the Parks and Recreation Department develops and disseminates its own marketing and communications materials using in-house staff.

The need for enhanced communications, both internally and externally, was identified in Vision Tour 2024. In staff interviews as well as the employee survey, City staff reported that there is a need to improve communications as well. Specifically, nearly half of respondents to the employee survey indicated important information about the organization is not provided to them in a timely manner (46%), that Department and City leadership do not clearly describe the reasons behind policy decisions (49%), and that communication between departments is not effective (49%). Additionally, an initial assessment of the City's communication tools, including the City's online presence and its policies and procedures, highlighted several opportunities to enhance the timeliness and content of communication with staff and the public.

Timely, coordinated, relevant, and professional dissemination of information to the public is a critical responsibility of the City. Without dedicated resources and collaborative planning, this cannot be accomplished effectively. Therefore, it is recommended that the City enhance its internal and external communications by creating a dedicated staff resource and collaborative internal and external communications work plans.

The staff resource recommended to accomplish this effort is a Communications Assistant position that would report directly to the City Manager. Under the direction of the City Manager and in collaboration with City departments, the Communications Assistant would be responsible for executing external communications, including media relations, public information, messaging, and marketing. This employee would maintain the City's website and social media channels and keep City leadership informed on the topics and content that the community engages with most frequently. It would be appropriate and in keeping with best practices for enhanced internal communications efforts to be led by the Human Resources Manager, with the support of the Communications Assistant.

Determining the appropriate areas of focus for internal and external communications should be accomplished through the development of an annual work plan for communications. This work plan should be developed collaboratively with all City departments, and led by the City Manager's Office. This work plan should address both internal and external communications for the City and meet the following objectives:

- Define key messages that relate to the City's goals.
- Define the primary audiences for the City.
- Determine preferred and appropriate delivery methods.
- Identify needed resources for internal and external communications.
- Provide feedback/measurement methods.

The estimated first year cost for the Communications Assistant position is between \$75,000 and \$83,000, including benefits.¹²

¹² Salary and benefits estimate based upon classification of position in Staff grade 1, between steps 1 and 5. Family level insurance coverage is assumed, and all other fringe benefits are included.

The following organization chart summarizes the recommended structure for the City Manager's Office. New or modified positions are highlighted in green.

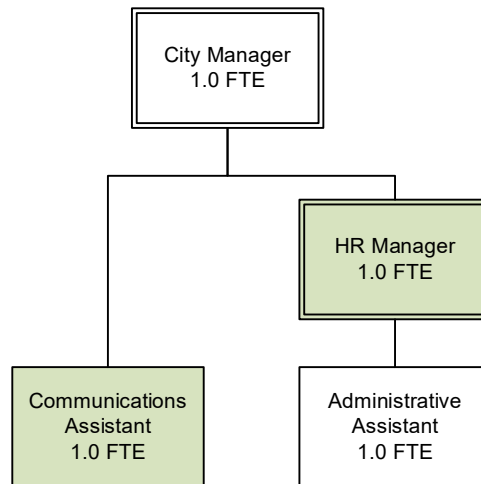


Figure 4: Recommended City Manager's Office Organizational Structure

City Treasurer's Office

The Saline City Treasurer's Office is responsible for the collection and reconciliation of all City funds, including taxes, water and sewer funds, payroll, accounts payable, and accounts receivable. Additionally, the Treasurer's Office coordinates the annual budget and capital improvement planning processes, supports the information technology needs of the City organization, and works with the City Manager's Office to provide economic development assistance to businesses and developers. The City Treasurer's Office also provides customer service at the City Hall front counter and the Municipal Ordinance Violation Bureau.

The Treasurer's Office is staffed with six positions, led by the City Treasurer/Business Ambassador who is responsible for both overseeing the direction and operations of the Treasurer's Office and serving as the City's economic development practitioner. The Treasurer provides oversight and policy direction for all budget and financial management activities in the City, including budget and capital improvement plan development, accounting, payroll, investment management, and billing and collections activities. The Treasurer also provides direct supervision for the City's technology staff as well as Treasurer's Office staff.

The Deputy Treasurer leads the development of the City's operating and capital budgets and is responsible for accounting functions including compiling year-end financial reporting and monthly bank reconciliations. The Deputy Treasurer also provides back-up supervision and management oversight to the department in the absence of the City Treasurer.

The two Assistant Treasurer positions are responsible for performing billing and collections for the City. One Assistant Treasurer specializes in utility billing and works closely with the Public Works Department and a third-party printing company to ensure timely and accurate utility billing. The other Assistant Treasurer specializes in tax billing and works closely with the Assessor's Office and a third-party printing company to ensure timely and accurate property tax billing. These two positions also provide general customer service for telephone and walk-in customers to City Hall.

The Administrative Assistant position is responsible for performing accounting functions including accounts payable, as well as performing payroll services for the City.

The Technology Support Coordinator provides information technology (IT) support for the entire City organization, including procuring and maintaining desktop computers, oversight and maintenance of the City's IT infrastructure which includes networks, telephony, hardware, and software. The Technology Support Coordinator also provides project management support for new Citywide and department-level hardware and software deployments.

The following figure illustrates the departmental structure.

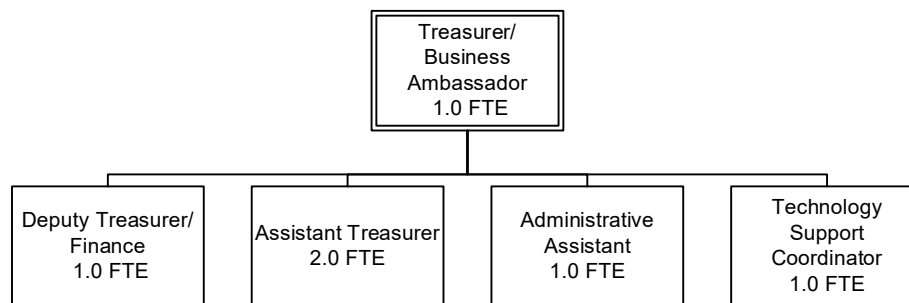


Figure 5: Treasurer's Office Organizational Structure, FY2019

Core Services

The following table summarizes the core services of the Treasurer's Office. It is not intended to be an all-inclusive list, rather a broad summary of programs and activities.

Table 33: Treasurer's Office Core Services

Function/Division	Program Area	Activities
Budget & Financial Management	Budget and CIP Development	<ul style="list-style-type: none"> • Compile departmental requests • Prepare estimates and forecasts • Update and coordinate information in BS&A system • Prepare budget and CIP documents
	Accounting	<ul style="list-style-type: none"> • Reconcile bank statements, financial systems • Process payments for all City expenditures • Account for all revenues and expenditures • Prepare financial reporting • Coordinate annual financial audit
	Payroll	<ul style="list-style-type: none"> • Compile timesheet data from various departments • Input and process payroll through Paylocity system • Prepare W-2 and 1099 forms
	Investment Management	<ul style="list-style-type: none"> • Custodian for all City funds • Manage investment portfolio
	Billing and Collections	<ul style="list-style-type: none"> • Bill and collect property taxes and utility bills • Collect and process fees and payments for permits, licenses and permits • Handle cash deposits
Information Technology	Maintain Personal Computers	<ul style="list-style-type: none"> • Provide trouble shooting of desktop and mobile hardware and software issues
	City Information Systems	<ul style="list-style-type: none"> • Manage and maintain the City's Information Technology infrastructure • Maintenance of the City's networks and servers • Maintenance of the City's telephone systems • Maintenance of the City's security systems
	Project Management	<ul style="list-style-type: none"> • Manages new citywide and department-level technology deployments and software implementations

Function/Division	Program Area	Activities
Economic Development	Business Ambassador	<ul style="list-style-type: none"> Point of contact for current and potential local businesses Provide assistance with development incentives and other financial arrangements

Staffing

The table below illustrates staffing levels in the City Treasurer's Office from FY2015 to FY2019. During this period, the number of authorized positions in the department has remained consistent.

Table 34: Treasurer's Office Full-Time Staff, FY2015 through FY2019

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	Percent Change FY2015 to FY2019
Full-Time Staff	6	6	6	6	6	0%

Budget

The following table illustrates the Department's expenditures over the last five fiscal years, along with the percentage change since FY2014. The increase in FY2018 Other Services and Charges was driven by the investment in new financial accounting software in FY2018.

Table 35: Treasurer's Office Expenses, FY2014 through FY2018

Expense Category	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Personnel Services	\$468,900	\$485,527	\$524,959	\$501,894	\$542,013	15%
Other Services and Charges	\$34,013	\$34,389	\$35,881	\$40,866	\$59,903	76%
Total	\$502,913	\$519,916	\$560,840	\$542,760	\$601,916	20%

Analysis and Recommendations

Over time, the City Treasurer's Office has assumed a number of non-traditional functions, such as overseeing information technology and managing economic development, while also absorbing the budget development duties of the Finance Department when that function was merged with the Treasurer's Office. This has been possible due to the willingness and ability of long-tenured City staff to accept new areas of responsibility. The Office has identified the need to prioritize succession planning and identified that department leadership is likely to turn over within the next three years due to anticipated retirements. This provides an opportunity to consider the Treasurer's Office core functions and how it can best serve as a strategic partner to City departments.

Budgeting and Capital Planning

Recommendation 9: Create a collaborative budget process focused on alignment with the City's strategic plan.

The City's budget process is overseen by the City Manager, with the Treasurer's Office providing coordination and technical expertise. At the start of the annual budget process, the City Treasurer

provides a memo to department directors outlining the request process. Departments then work individually with the City Manager and the City Treasurer to develop their departmental budgets and prioritize future needs. With the recent enhancements to its financial management software, BS&A Software™ (BS&A), departments manually enter their budget requests into the system. Typically, departments are permitted to request a modest percentage increase over the current year's budgeted line item amounts. The Treasurer's Office verifies that data is input correctly into the system.

After all of the department budget requests are compiled and verified by the Treasurer's Office, the City Treasurer and City Manager meet with each department director to review the request and make adjustments to establish final recommended budget amounts. The Treasurer then updates the proposed budget information in BS&A. This serves as the basis for the budget proposal transmitted to the City Council by the City Manager each year.

The City's use of the workflow function in BS&A is an improvement over the formerly manual data entry processes that existed prior to recent system upgrades. Departments are now able to input their budget requests themselves and include notes about how figures are developed. Previously, the process had more opportunities for manual data entry errors, and less information was maintained about how estimates were developed.

Developing a collaborative budget process that is driven by the City's strategic plan and informed by a performance management framework will further improve the City's ability to strategically allocate resources based on desired results. In order to improve collaboration between departments, the City should create an annual budget process that builds on the City's strategic plan and maximizes departmental interaction, encouraging departments to work together to address organizational priorities. A robust, collaborative budget process includes several key best practices which serve to streamline and improve budgeting in the City. The Government Finance Officers Association (GFOA) and National Advisory Council on State and Local Budgeting (NACSLB) have identified several best practice areas intended to help local governments maximize the utility and effectiveness of both the budget process and the budget document itself. These include: incorporating a long-term perspective; establishing linkages to broad organizational goals; focusing budget decisions on results and outcomes; involving and promoting effective communication with stakeholders; and providing incentives to government management and employees.¹³

Further, the GFOA has developed a Distinguished Budget Presentation Award Program¹⁴ and criteria that, when followed, improve the usability of budget reports as a tool for planning, policy-making, and communication. These criteria relate to the organization, detail, design, consistency, highlights, and format of the budget document itself, and when followed, create a document that truly tells the story of a City's operations, performance, and financial position. It also provides policymakers with the data they need to make strategic resource allocation decisions. The GFOA publishes its Distinguished Budget Presentation Award Program criteria and samples of budget documents that meet the award criteria online.¹⁵

¹³ GFOA, Recommended Budget Practices from the National Advisory Council on State and Local Budgeting (1998)

¹⁴ <http://www.gfoa.org/award-programs/distinguished-budget-presentation-award-program-budget-awards-program>

¹⁵ Ibid.

To develop a collaborative approach in Saline, the City should begin the budget process each year by scheduling meetings which include the City Manager, Treasurer, and all department directors to discuss budgetary priorities prior to submittal of individual departmental requests.

Meetings where all directors are able to discuss operational and capital needs represent an important opportunity to discover whether services and equipment can be shared between departments as well as how department staff can work together and prioritize initiatives that best serve the community. By identifying common challenges and needs in the budget process, the City can more effectively deploy the coming year's resources. These meetings allow the City Manager to more fully articulate the governing body's goals and priorities to department directors and facilitate more in-depth communications about the City's overall priorities, opportunities, and challenges.

Enhancing the presentation of the budget document to reflect the outcomes of this collaboration as well as to identify strategic linkages and performance measurement data will further improve the value of the City's budgeting process and lead to more informed decision-making and understanding of the City's financial position.

Recommendation 10: Enhance the City's Capital Improvement Plan (CIP) process to include strategic priorities and data-driven infrastructure assessments.

GFOA recommends that "state and local governments prepare and adopt comprehensive, fiscally sustainable, and multi-year capital plans to ensure effective management of capital assets. A prudent multi-year capital plan identifies and prioritizes expected needs based on a community's strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs."¹⁶

The City develops a multi-year CIP that includes a list of capital projects identified by City departments. However, the CIP does not reflect the results of comprehensive asset condition assessments because asset evaluation systems are not currently in place. As a result, the City does not utilize a data-driven process to identify total capital needs when assessing capital funding options. Further, the City's current CIP planning methodology does not comprehensively and consistently evaluate recommended projects' priority level, linkage with the City's strategic plan and other department-level plans or consistently include long-term operating and maintenance costs for each asset.

The City Treasurer, working together with the City Manager, should develop an enhanced CIP development process that prioritizes capital investments using the City's strategic priorities and data-driven infrastructure assessments. To accomplish this, City leadership must develop a shared understanding of organization-wide capital needs, critical issues and interdependencies, and community priorities. The Treasurer and City Manager should work with department directors to develop a common template for capital funding requests that includes meaningful evaluation criteria that will aid in developing the CIP. These evaluation criteria should include:

- Type of capital investment (new infrastructure, capital maintenance, capital asset purchase, asset replacement, etc.);
- Funding source;

¹⁶GFOA, Preparing and Adopting Multi-Year Capital Planning (2006)

- Condition of existing infrastructure (if funding request is for capital maintenance or improvements to existing capital infrastructure);
- Linkages with Citywide strategic plan or other City or department-level plans; and
- Financial impacts, including ongoing operating and maintenance expenses related to the investment.

Capital funding requests should also identify a priority ranking for each project. GFOA recommends that, when evaluating capital requests, projects are prioritized based on:

- Health and safety – With priority given to projects that will correct high risk safety concerns;
- Asset preservation – Replacement or renewal of capital assets based on asset lifecycle; and
- Service/Asset Expansions or Additions – New capital investments that support the government’s policies, plans and studies.¹⁷

Data about the condition of existing infrastructure and capital assets should be developed and integrated in the CIP process. This report recommends a number of technological and systematic improvements related to asset management and preventative maintenance that will allow the City to better anticipate and project both maintenance requirements and long-range capital needs. Data from these systems should be incorporated into the CIP process to ensure that capital infrastructure is maintained effectively.

Recommendation 11: Establish financial policies to guide budget development and provide for ongoing fiscal stewardship.

Financial policies create a framework for budgetary and financial decision making and action that ensures continuity over time and consistency with a City’s goals. The benefits of formal, written, and up-to-date financial policies are numerous, and include:

- Institutionalizing good financial management practices;
- Clearly defining a shared understanding of how the City will operate financially;
- Defining the scope of actions that staff may take without City Council approval;
- Supporting good bond ratings and reducing interest expenses;
- Promoting long-term, strategic financial management; and
- Managing risks to financial condition.

GFOA recommends that local governments adopt, at a minimum, financial planning, revenue, and expenditure policies to frame major policy initiatives.¹⁸

Financial planning policies focus on the fundamental principle that budgets should be balanced and that communities take a long-term view of their financial conditions. The GFOA recommends that such policies should:

- Define a balanced operating budget and ensure a commitment to it;
- Support long-range planning to assess the long-term implications of operating and capital budgets, budget policies, cash management and investment policies, program and assumptions; and

¹⁷ GFOA, “Multi-Year Capital Planning”

¹⁸ GFOA, “Adopting Financial Policies”

- Inventory all assets.

Revenue policies focus on maintaining stability in the event that there are revenue shortfalls. They include policies that:

- Encourage a diversity of revenue sources;
- Identify how fees and charges are set and the extent to which they cover the cost of service provided; and
- Discourage the use of one-time revenues for ongoing expenditures.

Expenditure policies focus on prudent expenditure planning and accountability so as to ensure fiscal stability. They include policies that:

- Specify when debt will be used and identifies the maximum amount of debt and debt service that should be outstanding at any time;
- Call for a prudent level of financial resources to protect against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures; and
- Compare actual expenditures to budget periodically to determine actions to bring the budget into balance when necessary.

The City maintains some financial policies that are in line with these best practices; however, several areas identified above do not appear to be explicitly addressed, and those policies that do exist may no longer be up to date. Specifically, the City provided the following financial policies:

- Fund balance policy (expenditure), adopted by City Council in 2013;
- Investment policy (financial planning) adopted by City Council in 1998; and
- Debt collection policy (revenue), adopted by City Council in 2000.

To ensure the City's continued financial stewardship, particularly in light of anticipated succession planning endeavors, it is recommended that the City develop a robust set of financial policies for City Council's review and approval. These policies should include:

- Financial planning policies that define a balanced operating budget, set forth the City's budget and capital investment framework, and address asset management and inventory;
- Revenue policies that encourage diversity of revenues, identify the City's fee-setting and cost-recovery philosophy, and discourage the use of one-time windfalls to fund ongoing operations; and
- Expenditure policies that govern the use of government debt, administration of grant funds, and funding long-term liabilities.

Further, all City financial policies should include a provision for timely review and re-adoption so that they remain relevant to the City's financial and policy environment, and in line with emerging trends and best practices.

Information Technology

Recommendation 12: Develop a centralized, comprehensive information technology work plan.

Technology is a critical internal service, serving every function within the City organization. All technology support in the City is provided by a single full-time employee who is responsible for the oversight and maintenance of all hardware, software and network systems in the City. The City's IT infrastructure currently includes:

- 90 desktop users and 120 e-mail users;
- 39 mobile devices including five police vehicles with in-car video and printers;
- 120 desk phones;
- Eight physical and six virtual servers;
- 18 access points, 22 switches, and seven firewalls;
- Six copiers, 16 desktop printers, and one ID printer;
- City Council audio/visual equipment
- Two network video recorders with 34 IP cameras;
- One physical access system with 15 gates and doors;
- Five City websites
- Five City social media platforms

Saline has several useful technology solutions in place in the City, including modern financial management and agenda management software, and a digital records management solution. However, there are opportunities to enhance their overall effectiveness by expanding their usage throughout the City.

Through the employee survey, staff indicated moderate dissatisfaction with the way the City uses technology (28%), the availability of technology and equipment that they need to do their work (33%), and the level of support they receive on technology issues (29%). In staff interviews, staff relayed appreciation for the quality of IT support they receive, but frustration with the limited staff capacity for IT issues, and the inability to address long-term strategic projects in addition to routine technology support.

Throughout the City, the level of technology investment and support required varies by department. While the Police Department was not included in the scope of this study, it was made known by staff that the Police Department has invested heavily in technology and that supporting the Police Department's technology needs requires a large portion of available IT staff time. On the opposite end of the spectrum, the Department of Public Works operates with relatively few IT systems, comparatively.

In some cases, technology-related projects appear to have been initiated, but not fully deployed throughout the City. One example of this is the DocuWare™ digital records management solution. The DocuWare system and associated hardware investments were initially implemented in FY2014. To date, only two departments have begun to use the system for digital records management, while others have need for a digital records system and appear not to know that the DocuWare system was already in place. Another example is the deployment of BS&A Software in the Building and Engineering Department. While investments in the software have been made, the City has not implemented the included customer service portal, and consequently are not receiving the full benefit of the software investment.

According to staff interviews, information technology management in the City occurs on a reactive basis, with software and hardware maintenance occurring as needed, as funding is available, and immediate

needs are filled as they are identified. Further, the City does not have any formal, written policies surrounding hardware and software maintenance or replacement schedules. Funding for information technology is decentralized by department, and the City lacks a formalized asset inventory or work order system to effectively prioritize and track technology issues.

In order to ensure that technology investments are made in accordance with the best interests of the City as a whole, it is recommended that the City develop a centralized information technology work plan. The City Treasurer and Information Technology Coordinator should be responsible for the development of this work plan, with significant assistance and input from all departments. This plan should be used as a budget planning tool (for both ongoing maintenance as well as technology capital investments), a long-term road map for capital initiatives for growth or contraction, and as a rational basis for prioritizing projects and daily work.

The major components of a centralized work plan for information technology should include:

- Establishment of an effective IT governance structure, reinforcing the role of the City Treasurer as providing oversight on Citywide IT strategy and funding priorities;
- Centralizing funding and decision-making for Citywide IT investments;
- Establishing a technology baseline that outlines current technology use by each department and work unit in the City;
- Establishing a work order tracking system that monitors time, equipment, and expenses related to technology support;
- Developing equipment replacement and IT investment policies;
- Assessing staffing needs for technology once workload and asset management data are available, including consideration of the effectiveness of engaging contract support for routine help-desk matters;
- Developing performance measures and evaluation systems to monitor system performance and effectiveness; and
- Developing clear expectations about technology service standards for each department.

Once a comprehensive information technology work plan is developed for the City, it should be reviewed regularly and used as a tool for developing data-driven staffing, budget, and capital investment requests.

Given the lack of available workload data, a data-driven analysis of staffing levels for Information Technology support and project management was not possible. In order to meaningfully assess staffing needs, the City should collect and monitor workload data of all IT support provided to departments and on core City infrastructure. Workload data that includes frequency and type of issue, department supported, direct costs, and work-hours required will provide City leadership with the information they need to determine the appropriate staffing model and service delivery expectations for the City.

City Clerk's Office

Per Saline City Code, the City Clerk's Office is responsible for keeping a journal of City Council proceedings, maintaining the care and custody of all City records not otherwise under the direction and care of other department directors, and performing other duties prescribed by City Charter, Michigan state law or City Council.¹⁹

The Clerk's office is also responsible for overseeing all elections in the City, including local, state and federal elections. Michigan election law requires that the City Clerk maintain the registration records for the jurisdiction and be responsible for administering all federal, state, county, and local elections.²⁰

Additionally, the City operates Oakwood Cemetery. While the Department of Public Works performs the physical maintenance and upkeep of the cemetery, including interments, the Clerk's Office processes all sales and transfers of cemetery lots, maintains interment records, and responds to inquiries from the public about the cemetery.

Since 2004, the City has processed passport applications for the public. This work entails maintaining training standards put forward by the U.S. Department of State, fielding questions from the public about required documents and the passport application process, and processing passport applications once submitted. The Clerk's Office also takes passport photos as a service to the public.

The Clerk's Office consists of two full-time staff members, the City Clerk and a Deputy Clerk, and a part-time Assistant Clerk. The City Clerk maintains primary responsibility for development of City Council agendas and meeting proceedings. This position also maintains central City records, including contracts, agreements, and easements.

While the Deputy Clerk is cross-trained to support these functions, this position's primary responsibility is the administration of elections for the City. The number of elections can vary each year, sometimes reaching as many as four in a year. This position serves as the passport manager, overseeing the passport program and keeping staff up-to-date on regulatory requirements. This position also provides frequent ad hoc clerical support to the Mayor.

The Assistant Clerk position is shared between the Clerk's Office and the Department of Water Production and Wastewater Treatment but located full-time in the Clerk's Office. This position compiles and publishes the agendas and minutes for the Planning Commission, orders office supplies for City Hall, processes public notices and postings, provides clerical support to the Clerk's Office, and processes passport applications.

In addition, a full-time Fire Department Administrative Assistant position is included in the City Clerk's Office for administrative and funding purposes, but this position is located separately and does not directly support the work of the Clerk's Office.

The following figure illustrates the City Clerk's Office organizational structure.

¹⁹Saline, Michigan, Municipal Code, art. III, div 3, sec 2-86 – 2-89

²⁰Michigan Bureau of Elections, Election Officials' Manual, 2019

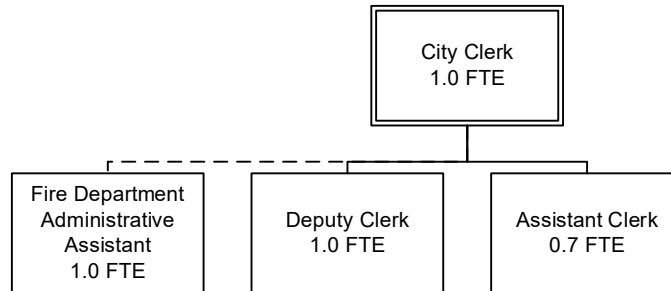


Figure 6: City Clerk's Office Organizational Structure, FY2019

Core Services

The following table summarizes the core services of the City Clerk's Office. It is not intended to be an all-inclusive list, rather a broad summary of the programs and activities.

Table 36: Clerk's Office Core Services

Function/Division	Program Area	Activities
City Clerk	Meeting Management	<ul style="list-style-type: none"> • Compile and publish City Council agendas and supporting documentation • Record City Council minutes • Publicize meeting notices and agendas • Provide staff support to City boards and commissions
	Elections	<ul style="list-style-type: none"> • Manage voter registration • Recruit and manage election workers • Administer elections • Process absentee ballots
	Records Management	<ul style="list-style-type: none"> • Maintain the City's public records • Serve as custodian for deeds, easements, contracts, and agreements • Maintain digital records system
	Passport Services	<ul style="list-style-type: none"> • Process passport applications • Take passport photos
	Cemetery Administration	<ul style="list-style-type: none"> • Maintain cemetery records • Process sales and transfers of ownership for cemetery spaces • Schedule interments

Staffing

Over the past five years, staffing in the Clerk's Office has remained steady, with the exception of the minor fluctuations to the division of cost and time-sharing for the Assistant Clerk position with other departments. The following table illustrates actual staffing levels since FY2015.

Table 37: City Clerk's Office Full-Time Staff, FY2015 through FY2019

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	Percent Change FY2015 to FY2019
Full-Time Staff	3.7	3.8	3.8	3.8	3.7	0%

Budget

The following table illustrates the Department's expenditures over the last five fiscal years, along with the percentage change since FY2014. The primary driver of costs in the Clerk's Office is personnel services. Changes to Other Services and Charges over the years have primarily varied based on expenses related to elections, as the Clerk's Office budget includes expenses for election workers, supplies, and equipment.

Table 38: Clerk's Office Expenses FY2014 through FY2018

Expense Category	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Personnel Services	\$267,677	\$300,352	\$314,462	\$298,883	\$331,618	24%
Other Services and Charges	\$28,153	\$31,501	\$30,876	\$49,599	\$25,235	-10%
Total	\$295,830	\$331,853	\$345,338	\$348,482	\$356,853	21%

Analysis and Recommendations

The City Clerk's Office provides several important services to Saline's elected and appointed bodies, as well as the public. It is apparent that this Office provides a high level of customer service to the public and has made investments in improving operations related to records and agenda management. The following recommendations address opportunities to realize the full benefit of these systems and to make workloads more predictable while remaining responsive to the needs of the public.

Records Management

Recommendation 13: Develop a Citywide records management policy and program led by the Clerk's Office.

The City is required to retain and destroy public records in accordance with the state of Michigan's general records retention schedules for local governments. Currently, the City Clerk's Office maintains the majority of records in the master files, including those associated with deeds, easements, contracts, agreements, and meeting proceedings according to state requirements. The Clerk's Office maintains a mix of paper and digital records which include official meeting proceedings, contracts and agreements, and property records for the City.

The City's approach to records management is decentralized, with each department responsible for maintaining its own records in accordance with Michigan state records retention laws. While the City Clerk's Office utilizes the State of Michigan Records Retention Schedule, Saline lacks a formal written policy to guide records management activities throughout the City. No single department or position has provided ownership or oversight of records management across the City to ensure compliance with state regulations as well as best practices. Further, interviews with staff indicated that there is a need in other departments to address records retention and storage issues.

In 2014, the Clerk's Office invested over \$20,000 in the DocuWare digital records system and now pays an annual license fee of \$2,500 for ongoing use. This system is used in the Clerk's Office to catalog and retain new contracts and agreements. However, scanning and back-filing historic records has not been prioritized. The Parks and Recreation Department is also using DocuWare to store a selection of operational records. Interviews with other City departments indicated a need for digital records storage and a lack of awareness that this resource was already in place in the City.

In order to ensure consistent application of Michigan records retention policies and ensure that records are appropriately maintained and accessible when required, Saline should develop a Citywide records management policy and program.

The first step will be to adopt a formal written policy regarding Citywide records management that reaches beyond simple retention. A records management policy clearly states what constitutes a record, who is responsible for record maintenance, as well as the retention schedule and appropriate records disposition methods. The state of Michigan's record retention schedules for local governments are comprehensive; however, it is recommended that the City formally adopt a records management policy overseen by the Clerk's Office, as the City's expert in records management. This is a common best practice of local governments across the country.

In conjunction with developing a formal, written policy for records management, the City should develop a records management program led by the City Clerk's Office. The Clerk's Office records management responsibilities should include:

- Maintaining awareness of current records laws and best practices;
- Developing a Citywide records management policy clearly outlining roles and responsibilities for records retention, disposition, and destruction throughout the City;
- Providing resources and training to department staff responsible for maintaining records;
- Developing systems for indexing historical records and assisting departments with their systems;
- Assisting departments in the orderly disposition of records, including destruction;
- Coordinating the digital records management system to ensure proper records retention; and
- Developing a records disaster plan.

The Clerk's Office current efforts to implement an electronic document management system are commendable and should be expanded to alleviate space, storage, and document retrieval constraints across the City. Training on the use and capabilities of the DocuWare system should be provided to all departments. Further, a plan for digitization of existing records across the City should be developed. This plan should include prioritization of historical record types that should be digitized. Due to the cost and effort associated with digitizing historical records, those records with a shorter retention period may not require digitization, while those with longer term retention needs may.

Because digitization requires retrieving, scanning, and categorizing the City's existing paper records, it is likely that this effort may require considerable staff time to complete within a reasonable timeframe. It is common for organizations implementing document management to contract with third-party providers for one-time digitization services. This approach avoids burdening staff with processing a backlog of records and allows the City to focus on effective implementation of the new system for all new records.

Agenda Management

Recommendation 14: Fully implement electronic agenda management system for all boards and commissions.

The City Clerk's Office is responsible for developing agendas and managing meeting proceedings for City Council, Planning Commission, Arts and Culture Commission, Cemetery Board of Appeals, and Cemetery Task Force. In July 2018, the City purchased NovusAGENDA™ agenda management software to help streamline the development and distribution of agendas. The Clerk's Office has begun implementation of this system for City Council agenda support.

The NovusAGENDA system includes a web-based portal for drafting agendas and attaching associated documents. Meeting materials are routed through a review and approval process and accessed on any device. The system automates the process for taking minutes during meetings and publishing meeting proceedings online.

When purchased, the intent was to utilize the NovusAGENDA system to enhance the workflow for City Council agenda items and enhance ease of access for City Council members and the public. In staff interviews, staff relayed a desire for all boards and commissions currently supported by the City Clerk's Office to eventually use the NovusAGENDA system as well. To date, the Clerk's Office has only partially adopted the NovusAGENDA solution for City Council agendas and meetings. At this point in the adoption process, not all Council Members utilize the electronic system, so duplication of effort exists when the Clerk's Office has to create a second set of PDF documents for their review. While the current process is a significant improvement over previous paper and labor intensive processes, the City is not utilizing the system as it was intended.

In order to improve efficiencies and streamline the agenda processes for all boards and commissions, the Clerk's Office should fully implement the NovusAGENDA software for City Council meetings. Additionally, a detailed implementation plan should be developed for all City boards and commissions, with specific dates and deadlines. In order for this process to be successful and for the City to realize the financial benefits of its investment in this system, all City Clerk's Office staff must be trained and be required to use the system. Members of the City Council and other boards and commissions must also be provided appropriate training and support to ensure full compliance. Ongoing training should also be made available to existing members, as well as any new members.

Within the City, there are several other boards and commissions that receive staff support from individuals outside of the City Clerk's Office. These include the Historic District Commission, Parks Commission, and multiple commissions related to economic development. To ensure consistency in support and meeting proceedings, the City should assess the support requirements of each board and commission to determine whether it is advantageous for staff outside of the Clerk's Office to provide their staff support. In the event that it continues to be appropriate for staff outside of the Clerk's Office to provide administrative support, those individuals will require training in the NovusAGENDA system as well. Should the City choose to use a different electronic agenda management system in the future, developing a detailed implementation plan will remain a critical step to ensure an improved and streamlined agenda process is developed.

Workload Management

Recommendation 15: Streamline passport procedures to reduce workload variability.

The City Clerk's Office processes passport applications and photographs as a convenience for residents. Passport application processing and photography services are also available at the Saline Post Office. The Clerk's Office staff, as well as the two Assistant Treasurers, have been trained to accept passport applications. Clerk's Office staff report that the time to process passport applications can vary depending several factors, such as how many family members are present, documentation issues and questions, and whether or not photos are required. During high workload times, this variability, coupled with the unpredictability of walk-in passport customers, can be challenging for the department, particularly during busy election seasons.

The Clerk's Office has posted hours during which it accepts passport customers (Monday through Friday from 9:00 am to 3:45 pm) and publicizes that passports are taken by appointment only. However, in practice, the hours are not enforced, and staff assist applicants any time they come to City Hall. While this is a certainly appreciated by customers, this practice has significant impact on the workload of the Office. In order to reduce workload variability related to passport applications, it is recommended that the Department implement an online scheduling function for passport appointments. Additionally, staff should be instructed to reinforce that applications are processed by appointment only.

Online scheduling improves customer service by allowing applicants to see available time slots in real time and provides a quick and convenient way to schedule an appointment. It also reduces staff time and interruptions by encouraging people to book online rather than call or visit in person. Those who schedule their appointments online should be emailed an appointment confirmation that includes a list of the necessary documentation to bring with them to their appointment. In-person inquiries could be further reduced with signage posted at City Hall indicating the passport processing hours and the steps to book an appointment online.

The process of scheduling passport appointments online could utilize an online form similar to the current volunteer interest form that is available on the City website.²¹ Passport applicants could enter preliminary information like their name, contact information and dates/hours of availability, thus saving staff from having to collect this information over the phone or during the appointment.

²¹ <http://www.cityofsaline.org/?module=Page&slID=residents--volunteer>

City Assessor's Office

The City Assessor's Office is responsible for estimating the market value of all property within the City of Saline for tax purposes. For each parcel of property, the Assessor's Office annually determines two separate values, an assessed value and a taxable value. These valuations serve as the basis for the property taxation in the City, as well as those portions of other taxing jurisdictions with boundaries either totally or partially within the City, such as Washtenaw County and the Saline Area Schools.

The Saline Assessor's Office maintains records for each parcel of property, which include assessment history, lot size, building data, legal description, and ownership changes. The Assessor's office also updates and maintains the Principal Residence Exemption (PRE) status for residential homes, as well as any other tax exemptions that an eligible property is due.

Each spring, the Assessor's Office provides assessment notices to property owners in Saline and administers a Board of Review hearing for taxpayer concerns about property values as well as requests for Hardship Exemptions. After the Board of Review is completed, the Assessor's Office provides the finalized taxable valuation rolls to the City Treasurer's Office for the creation of annual tax bills and to Washtenaw County for equalization review.

The Michigan state legislature and State Tax Commission set detailed training and annual certification requirements for Assessors based upon the size of the community. The Saline Assessor is required to maintain Michigan Advanced Assessing Officer (MAAO) certification based upon the total assessed value for the City.

The Saline Assessor's Office is currently staffed by one part-time Assessor and one full-time Assistant Assessor. The Assessor oversees the inventory, classification, and valuation of real and personal property in the City to ensure that it is fairly and equally assessed. The Assessor currently conducts the bulk of the City's property appraisals and field inspections related to new construction and re-appraisals.

The Assistant Assessor primarily completes the administrative and customer-service related work associated with developing property valuations, maintaining up-to-date assessment records, and administering the annual Board of Review. The Assistant Assessor periodically assists with field inspections and measuring new construction and completes field measurements for all property improvements for which building permits are issued.

The following organizational chart details the Assessor's Office organizational structure.

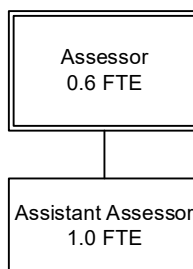


Figure 7: Assessor's Office Organizational Structure, FY2019

Core Services

The following table summarizes the core services of the Assessor's Office. It is not intended to be an all-inclusive list, rather a broad summary of the programs and activities.

Table 39: Assessor's Office Core Services

Function/Division	Program Area	Activities
Property Assessing	Annual Property Reassessment	<ul style="list-style-type: none"> • Annually reappraise existing properties • Appraise new construction and building improvements when completed • Estimate value of all real and personal property annually • Process Principal Residence Exemptions • Respond to taxpayer inquiries • Participate in Board of Review appeals
	Assessment Records Management	<ul style="list-style-type: none"> • Maintain parcel records and assessment rolls • Maintain subdivision and easement records

Staffing

The Assessor's Office is currently staffed by one part-time (3 days/week) Assessor and a full-time Assistant Assessor. This is a change from the historic staffing that included a full-time Assessor. The following table details the Assessor's Office staff from FY2015 to present.

Table 40: Assessor's Office Full-Time Staff, FY2015 through FY2019

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	Percent Change FY2015 to FY2019
Full-Time Staff	2	2	2	2	1.6	0%

Budget

The largest driver of expense within the Assessor's Office budget is personnel. From FY2014 through FY2018, these expenses have increased by 37% due to increasing costs of salaries and fringe benefits. The annual variation within Other Services and Charges is primarily driven by professional services and computer-related expenses. The following table details the Assessor's Office expenses from FY2014 through FY2018.

Table 41: Assessor's Office Expenses FY2014 through FY2018

Expense Category	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Personnel Services	\$187,307	\$205,910	\$218,538	\$195,886	\$255,813	37%
Other Services and Charges	\$23,732	\$10,283	\$18,851	\$30,230	\$13,719	-42%
Total	\$211,039	\$216,193	\$237,389	\$226,116	\$269,532	28%

Analysis and Recommendations

The Saline City Assessor is responsible for estimating the taxable value for all properties within the City and certifying these valuations annually. Saline is a growing community, with a recent residential annexation and multiple housing development expansions planned in the near future that will add approximately 300 new residential units over the next several years.

When the long-time Assessor retired last year, the City was unsuccessful at filling the vacancy with a full-time replacement due to a shortage of qualified candidates. As a result, the City identified a part-time alternative for Assessor services. The challenge for the City going forward is to identify a long term solution that meet the needs of the City while accounting for the difficulty in maintaining legally required Assessor services in a cost-effective manner.

In December 2018, after a lengthy legislative process, the Michigan state legislature passed Public Act 660, which added and amended sections that define the state's property tax assessment process and certification requirements for assessors. This law includes sections that support non-traditional arrangements for assessing districts, including contract-based Assessors, multi-jurisdictional boards of review, and county-level designated assessors for assessing districts within their boundaries. These legislative changes appear to recognize the challenges of filling Assessor positions in Michigan jurisdictions with qualified employees, and provided alternatives for assessing services.

In addition to the recommendation below related to the service delivery model for certified Assessor services, this study includes a reorganization recommendation which would move this function from being a small, standalone department to reside within a newly created Department of Community Development, as detailed in the subsequent Building and Engineering Department section of this report.

Staffing

Recommendation 16: Develop a contract services model for the City Assessor.

By state law, every city and township in Michigan is required to have a properly certified Assessor identify and annually estimate the value of every parcel of property in the jurisdiction for the purpose of setting assessments for property taxation. In addition, the Assessor is responsible for administering property tax exemptions, maintaining records relevant to assessments including appraisal record cards, personal property records, historical assessment data, tax maps, and land value maps.

In Saline, the Assessor role was recently vacated after the retirement of a long-tenured employee. After attempts to fill the position on a full-time basis failed due to a shortage of qualified candidates, the City hired a qualified and properly certified Assessor to work on a part-time basis, three days per week (0.6 FTE). This individual also provides part-time Assessor services to multiple nearby jurisdictions in addition to performing assessing work for a private firm. While this arrangement has met the City's need for an appropriately certified Assessor in the short-term, a long-term and cost-effective solution should be developed to ensure long term sustainability.

While state law does require that an appropriately qualified and certified Assessor directly supervise the development of assessed valuations and sign off on the tax roll, it does not require that the field work associated with these activities be completed by the Assessor. Many Michigan communities distribute the responsibilities for appraisals and field inspections to other staff members that are supervised by an Assessor. Currently, Saline's part-time Assessor completes the bulk of the field work associated with

appraising. These duties are not being completed by the full-time Assistant Assessor due to the need to have an individual available at City Hall to manage the administrative and customer-service functions of the Assessor's Office. Having a highly compensated director-level employee completing this field work is not cost-effective for the City. As such, the Assistant Assessor should be allowed to spend more time in the field completing tasks directly in support of the Assessor, such as calculation of residential real property and conducting field inspections to verify building measurements, type and quality of construction, site improvements and other factors which affect value.

Additionally, the Building and Engineering section of this report outlines a recommendation to convert the City's currently vacant part-time Code Compliance Officer position to a full-time position that could support appraising duties for the Assessor's Office. This employee would need to be appropriately trained and qualified to complete field inspections and appraisals under the supervision of a certified Assessor.

This shift in the workload would reduce the City's need for qualified and certified Assessor services. Continuing to attempt to fill this position with a part-time employee is not sustainable in the long-term both because of the challenge in finding qualified individuals willing to work part-time. Instead, the City should create a contract services model for the City Assessor function and develop a work plan for the Assessor's Office that appropriately divides responsibilities between the contract-Assessor, Assistant Assessor, and Code Compliance Officer.

The challenges of a shortage of qualified assessors and increasing assessment standards are not local to Saline, but rather are part of a larger statewide issue. The Michigan legislature recently passed assessing reform legislation with Public Act 660 of 2018. This law provides new baseline compliance standards for how local assessments should be completed and creates a framework for Michigan communities to share services related to assessing and Boards of Review and promotes the concept of multi-jurisdictional collaboration.

Ideally, rather than develop a contract services model in isolation, Saline should engage with neighboring communities to develop a collaborative, regional approach to providing Assessor services. The greater buying power associated with a multi-jurisdictional approach would provide greater access to potential service providers and ensure consistency in cost and service-levels across jurisdictions.

Building and Engineering Department

The Building and Engineering Department is responsible for planning and design of City construction projects and plan review of other development projects. It also conducts inspections throughout the City to ensure compliance with building and zoning codes. Much of the Department's work, including building inspections and plan reviews, is conducted by outside contractors and overseen by Department staff.

The Department is staffed with three positions, two full-time and one part-time, under the direction of the City Superintendent and Engineer (City Engineer) who manages the staff responsible for inspections and oversees the City's engineering and plan review programs. The position is responsible for working with City leadership to develop the annual recommended capital improvement plan. Design and construction of specific projects are handled by contracted engineering firms; the City Engineer drafts the scope of City engineering needs and manages the selected contractors.

The City Engineer also oversees plan review for private development in the City. The Engineer reviews all plans submitted to the Department and determines which plans can be reviewed in-house and which are beyond the City Engineer's capacity. Large plan reviews are completed by a contracted planning firm - Carlisle Wortman Associates, Inc. The City Engineer also serves as the staff liaison to the City's Zoning Board of Appeals and the Planning Commission, and coordinates submission of development plans for review by the Commission.

Building and zoning code compliance is overseen by the Building Inspector. The Building Inspector reviews and approves all building permit applications, conducts building inspections, and oversees the Department's inspection program. Some building, plumbing, electrical, and mechanical inspections are conducted by contractors; some are contracted from other municipalities and some are individuals with the appropriate experience and qualifications. Zoning inspections are handled by the Code Compliance Officer, a 0.6 FTE position who enforces the City's Zoning Code. The Code Compliance Officer responds to public complaints and patrols the City to ensure compliance with the Code.

The following figure illustrates the Department's structure.

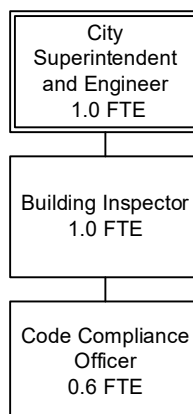


Figure 8: Building and Engineering Department Organizational Structure, FY2019

Core Services

The following table provides an overview of the Building and Engineering Department's core services. It is not intended to be an all-inclusive list, rather a broad summary of the programs and activities.

Table 42: Building and Engineering Department Core Services

Function	Program Area	Activities
Plan Review	Plan Review	<ul style="list-style-type: none"> Review smaller development plans Oversee review of larger plans by outside contractor
Construction	Engineering	<ul style="list-style-type: none"> Develop scope and criteria for City construction projects Oversee contracted engineering firms
	Capital Planning	<ul style="list-style-type: none"> Develop the City's recommended Capital Improvement Plan in consultation with City Administration
Building Inspections and Permitting	Inspections	<ul style="list-style-type: none"> Conduct building inspections Oversee contractors conducting building, mechanical, electrical, and plumbing inspections
	Permitting	<ul style="list-style-type: none"> Review applications for building permits
Code Enforcement	Zoning Enforcement	<ul style="list-style-type: none"> Proactively address zoning issues to focus on compliance Respond to resident complaints Issue citations for violations as applicable

Staffing

The following table shows the annual number of full-time positions in the Department for the past five fiscal years. The additional position in FY2017 was an Administrative Assistant; in FY2018 the Department transitioned clerical services to a contractor, who provides 20 to 29 hours per week of support. The number of positions remained flat between FY2015 and FY2019.

Table 43: Department Full-Time Staff, FY2015 through FY2019

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	Percent Change FY2015 to FY2019
Full-Time Staff	2	2	3	2	2	0%

Budget

The Department's operating expenses are funded through the General Fund. Expenditures increased by 34% between FY2015 and FY2018, largely due to increases in the number of inspections completed by the Department. The Department's inspections are completed largely by contractors who are paid a flat fee per inspection; the total number of inspections increased by 417% between 2015 and 2018 and thus the Department's professional services costs also increased during that time. The cost of contracted inspectors increased by \$31,520, or 174%, between FY2015 and FY2018.

Table 44: Department Expenses FY2014 through FY2018

Expense Category	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Personnel Services	\$234,935	\$228,372	\$261,659	\$198,482	\$245,474	4%
Other Services and Charges	\$32,376	\$24,422	\$32,889	\$82,465	\$111,813	245%
Total	\$267,311	\$252,794	\$294,548	\$280,947	\$357,287	34%

Analysis and Recommendations

Staffing capacity is limited in the Building and Engineering Department; it relies significantly on outside contractors for building inspections and plan review. However, even with these outside contractors, the existing staff does not have the capacity to effectively perform all duties expected of the Department. As a result, the City relies on the Director of Public Works, a former Building and Engineering employee, to complete many of the Building and Engineering Department's tasks. Some of these concerns can be addressed by maximizing efficiencies in the Department, such as by fully-implementing its BS&A permitting system. However, alternative approaches to managing the work of the Department are warranted.

Structure and Staffing

Recommendation 17: Create a Community Development Department responsible for planning and development, assessing, and business ambassador functions led by an Assistant City Manager/Community Development Director.

The City Engineer/Superintendent's responsibilities go well beyond engineering services. The position not only provides engineering services for the City, including overseeing the construction of City projects, and engineering plan reviews, but is also responsible for community development, planning, and for overseeing building inspections. This is a significant scope of responsibility for one position with only 1.6 FTE staff support.

The City Engineer does rely on staff and contracted assistance to perform many roles; large plan review projects are contracted out, and building inspections are largely handled by the Building Inspector and a number of outside contractors. One contract employee also provides some clerical support for the Department, in addition to conducting inspections. However, even with staff and contracted support, the current City Engineer reports that he regularly works much more than the 40 hours per week that are reported. The City Engineer workload, therefore, exceeds what is intended as a 1.0 FTE position.

Furthermore, some duties that should fall under the responsibility of a City Engineer, including management of the City's Stormwater Program, are currently under the purview of the Public Works Director. The current Public Works Director previously worked in the Building and Engineering Department and has retained these Engineering responsibilities in his new role because of limited staff capacity in the Building and Engineering Department. While this has been a necessary solution in order to meet workload demands, it limits the Public Works Director's capacity to address pressing needs in the Public Works Department.

As a result, the current situation is unsustainable. Performing these functions with staff in separate departments can impede collaboration and coordination on engineering issues. Additional staff capacity is therefore required to ensure that the City's engineering and planning roles are performed effectively while allowing the Public Works Director to focus on managing the Public Works Department.

In a growing City like Saline, an emphasis on community development and long-range planning is important to ensure that the City continues to be an attractive, vital place for its residents and businesses. Many City employees are concerned about the City's ability to effectively manage and plan for an expanding population and economy; in the Employee Survey, "growth" was the most common category of response when employees were asked about the City's biggest challenges. The City should ensure that its structure best supports community development.

Therefore, it is recommended that the engineering and planning functions currently housed in the Building and Engineering Department be divided to allow the City Engineer to focus on engineering responsibilities and a Community Development Department be created to focus on planning and development, overseen by an Assistant City Manager/Community Development Director.

The new Department should include the building inspection and code enforcement functions, currently housed in the Building and Engineering Department. Inspection and permitting workloads are closely tied to the amount of development and redevelopment within a City, and therefore coordination with the City planning functions can help ensure that the City is prepared for future inspection and permit needs. Code enforcement is an important tool for ensuring that the City is an attractive, safe place for residents and visitors, and is thus closely tied to community development.

Additionally, the Community Development Department should incorporate the Assessor's Office. Assessing services align with building inspections and code enforcement; all three lines of business are concerned with evaluating the qualities of City properties, and collaboration and information-sharing can help staff perform these roles more effectively. As noted, the current City Assessor is a part-time position. Under this recommended structure, the Community Development Director can assist with day-to-day staff management and support, which has been limited by the part-time nature of the Assessor's position.

The Community Development Director should oversee the newly-created Community Development Department, responsible for all planning and community development functions for Saline. This includes serving as staff liaison to the Historic District Commission, Planning Commission, and Zoning Board of Appeals, as well as preparing and implementing the City's Master Plan per the Planning Commission's direction. The Community Development Director should also be responsible for the City's land use planning and for developing other long-term plans and goals.

As previously discussed, the City Treasurer currently serves as the City's Business Ambassador. Under this new structure, the Community Development Director should assume these responsibilities. The City's Business Ambassador is responsible for supporting new and existing businesses to help them thrive in Saline. The customer-facing role of Business Ambassador is not a natural fit in an internal services department like the Treasurer's Office. Furthermore, the current Treasurer estimates that she spends approximately half of her time on the Business Ambassador program. However, the Treasurer's primary role should be to oversee the City's finances and manage the Treasurer's Office. The additional responsibility of the Business Ambassador role limits the Treasurer's capacity to perform core duties. Taking the Business Ambassador role out of the Office of the Treasurer and placing it in the same

department as other community development initiatives will increase the Treasurer's capacity and allow the City to coordinate its outreach to businesses with other economic development strategies.

The City Manager maintains a significant number of direct reports without a deputy position for professional operational support. Assistant City Managers serve an important role in supporting the City Manager with managing the organization. Assigning the Community Development Director as Assistant City Manager reflects the important role that community planning has in a fast-growing city and recognizes the need to provide high level support to the City Manager and the organization.

The cost of the Community Development Director's salary is estimated to be approximately \$130,000 to \$145,000 in the first year.²²

Recommendation 18: Transfer the City Engineer/Superintendent functions and FTE to the Department of Public Works City and revise the existing job description.

The consolidation of planning and development functions within the new Community Development Department creates an opportunity to also consolidate engineering functions. Therefore, it is recommended that the engineering functions as well as the City Engineer/Superintendent position be transferred to the Department of Public Works.

The position should no longer be responsible for any planning or community development activities, although the City Engineer should still be responsible for engineering reviews of infrastructure, stormwater, and other plans. This allows the City Engineer to assume responsibility for any engineering responsibilities still being managed by the Public Works Director, including the City's Stormwater Program.

These changes will consolidate all engineering responsibilities and give the City additional staff capacity for engineering services. It will also allow the City Engineer to focus on his or her primary area of expertise. The position should be retitled "City Engineer" rather than "City Engineer/Superintendent," and the position description should be updated to reflect the changes in core responsibilities.

Recommendation 19: Convert the part time Code Compliance Officer position into a full time position.

Since 2016, the City has had to recruit for a new Code Compliance Officer position three times due to turnover; as of February 2019, the position is again vacant. This level of turnover poses a significant challenge for the City; not only does turnover limit capacity for code enforcement, but each new position represents significant staff time spent recruiting for the position and training the new hire to be proficient in the duties of the position.

Staff report that in most of these instances of turnover, the individual serving as Code Compliance Officer departed to take a full-time position in another organization. The Code Compliance Officer position is part-time; as such, the employee does not have access to the benefits and pension contribution of a full-time employee, and this has purportedly severely limited the City's ability to attract and retain qualified candidates for this position.

In addition to assisting with its core code compliance responsibilities, this full time position would likely have capacity to assist with other workload needs, including building inspections and appraisals. As a position that would spend the majority of their time in the field, the Code Compliance Officer could

²² Salary and benefits estimate based upon classification of position in Staff grade 4, between steps 1 and 5. Family level insurance coverage is assumed, and all other fringe benefits are included.

provide additional support to the Assessor and Assistant Assessor by conducting appraisals. This could ultimately allow the City to reduce the number of hours the City must contract for Assessor services.

The City, therefore, should reclassify the 0.6 FTE Code Compliance Officer into a 1.0 FTE Code Compliance Officer. The reclassified Code Compliance Officer/Appraiser should focus primarily on fieldwork, including proactive and reactive code enforcement, building inspections, and property appraisals. The Code Compliance Officer position currently reports to the Building Inspector; the reclassified position should report directly to the Community Development Director, as the role has the potential to span multiple functions within the Department.

When recruiting for the position, it is unlikely that the City will find candidates with knowledge of appraisals, building inspections, and code enforcement. Therefore, the City should ensure that there is ample opportunity for training and mentoring as part of a new employee's onboarding process.

The annual net cost of the new position is estimated to be approximately \$44,000 to \$51,000 within the first year, when accounting for the \$33,000 annual cost of the current Code Compliance Officer salary.²³

Recommendation 20: Create a Permit Technician position in the Community Development Department.

The Building and Engineering Department currently utilizes a contractor to provide between 20 and 29 hours per week of clerical support for inspection and code enforcement services. The contractor is responsible for functions such as processing and issuing permits, processing code violation complaints, and reviewing temporary sign requests for consistency with City Code.

Based on current trends, the need for this type of support will only continue to grow. The number of inspections increased by more than 400% and the number of permits increased by nearly 150% between 2015 and 2018, as shown in the following table.

Table 45: Total Inspections and Permits by Type, 2015-2018

Inspection/Permit Type	2015	2016	2017	2018	Percent Change 2015-2018
Building Inspections	574	836	2,930	1,619	182%
Electrical Inspections	167	332	329	583	249%
Mechanical Inspections	180	260	490	1,258	599%
Plumbing Inspections	111	329	277	1,873	1587%
Total Inspections	1,032	1,757	4,026	5,333	417%
Building Permits	174	276	338	406	133%
Electrical Permits	77	111	140	277	260%
Mechanical Permits	122	171	210	253	107%
Plumbing Permits	72	162	123	170	136%
Total Permits	445	720	811	1,106	149%

²³ Salary and benefits estimate based upon classification of position in Staff grade 1, between steps 1 and 5. Family level insurance coverage is assumed, and all other fringe benefits are included.

Furthermore, the newly-created Community Development Department will also have other administrative needs, not only to support the Assessor, but also related to planning and development initiatives, the Planning Commission, and other advisory boards and committees. The breadth of these additional tasks is beyond the scope of the contract currently in place.

Therefore, it is recommended that the City create a full-time Permit Technician position to support the Department's permitting functions and provide other forms of administrative assistance. The Permit Technician would be based in the office and therefore able to provide front desk customer service full time to both walk-in as well as phone traffic, in addition to assuming the responsibilities currently provided by the contract inspector (processing permits and code violation complaints and reviewing temporary sign requests, etc.). This position would also be expected to support the Assessor's administrative needs. For example, having a position in the office would also allow the Assistant Assessor more time in the field, as outlined in the current job description.

The cost of the Permit Technician position is estimated to be approximately \$77,000 to \$84,000.²⁴

The figure below illustrates the structure of the proposed Community Development Department. Green shading indicates a new or reclassified position.

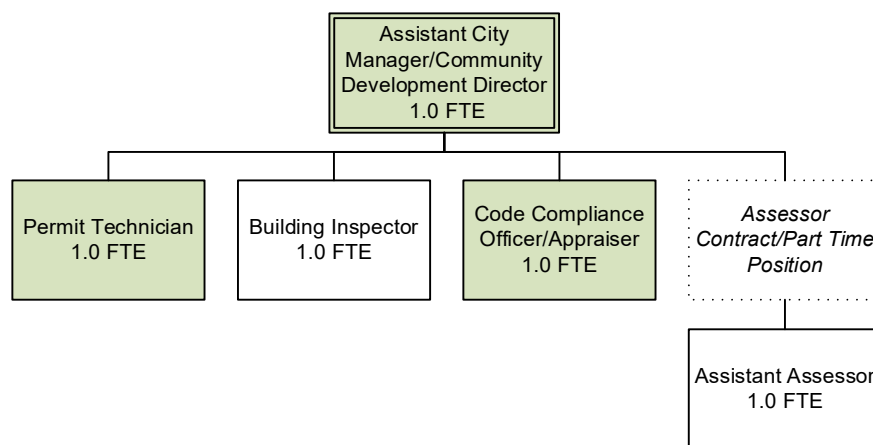


Figure 9: Proposed Community Development Department Organizational Structure

The creation of a new Department and the addition of staff capacity will help the City address the needs of a growing community. The City can also implement other measures to ensure that the newly-created Department operates as efficiently and effectively as possible, as discussed in the following sections.

Technology

Recommendation 21: Develop a plan to fully-implement existing technology assets.

The Building and Engineering Department has made significant investment in technological assets in recent years. It purchased and implemented BS&A software, which allows the Department to store digital permit records and track data about permitting and inspections. The Department also recently purchased

²⁴ Salary and benefits estimate based upon classification of position in Staff grade 1, between steps 1 and 5. Family level insurance coverage is assumed, and all other fringe benefits are included.

iPads for several of its inspectors to allow them to access and log data while conducting inspections in the field.

These investments are important tools for ensuring that the Department operates as efficiently as possible. However, they have not yet been fully implemented, and thus the Department has not yet realized the full value of its investments. There is no online customer service portal in place, for example, even though that is part of the BS&A Software's capability. Applicants must call or visit the office to schedule inspection appointments and must submit a physical copy of their application in-person. Online application submittal and appointment scheduling capabilities would not only make the process easier for applicants but would reduce staff time spent scheduling appointments and processing documents.

Furthermore, although all new permits are being stored in BS&A Software, the Department still has a backlog of years of paper permits that were filed before BS&A was implemented. This makes it difficult to efficiently research the history of inspections on a property. Finally, although some inspectors have iPads, some part-time inspectors do not. For those who do have iPads, the tablets are not equipped with keyboards. Inspectors report that they generally take notes on paper at a job site and then transcribe them by hand when they get back to the office and have access to a keyboard. This not only reduces the efficiency of inspections, but the transcription process makes the notes more prone to errors.

The Department should inventory all of its existing technology assets and determine whether they are being utilized to their full potential to help the Department with its work. Where needed, the Department should develop a plan for implementation. Plans should include an estimate of resources required for implementation, including cost and staff time for implementation and training, a strategy for securing the necessary resources, and a timeline for implementation.

These plans should include full implementation of BS&A, including implementation of a customer service portal and digitization of paper files. A recommendation in the City Clerk section of this report addresses digitization; the Department should work with the Clerk on that process and ensure that the digitized files are appropriately uploaded and stored in the BS&A system. The Department should also ensure that all of its inspectors, including part-time inspectors, have access to the technology to both access data and efficiently enter notes at the inspection site.

Inspections

Recommendation 22: Track turnaround time of key processes and develop a plan to consistently meet timeliness requirements.

The Department tracks a number of metrics, including the number of permits issued and the number of inspections conducted. These are important tools for understanding the Department's workload and the state of Saline's development activity. However, the Department does not currently track total processing time for each request. Understanding the amount of time between when a permit application is submitted and when it is approved, and the amount of time between an inspection request and when the inspection is completed, is important to ensure that the Department is providing quality customer service and for making data-based decisions about resource allocation.

Turnaround time tracking is especially important in Saline because of the Department's increase in workload. The number of inspections increased by 417% between 2015 and 2018, as previously shown. If the growth trend continues, the Department will be required to manage more requests for service in coming years; it is critical for the life safety of the community that inspections and permit application reviews continue to be thorough and timely despite growing workload pressures.

The Department should work with the City Manager to develop timeliness expectations for each type of service it offers. It should also begin to track total processing time for each of its services and log how often these timeliness expectations are met. These metrics should be part of the monthly permitting report produced by the Department. They should also inform the Department's staffing, work hours, and resource allocation decisions.

Department of Public Works

The Department of Public Works (DPW) is responsible for maintenance of City facilities, including buildings (except for the Recreation Center), parks, trails, and the City-owned cemetery. The Department also maintains City infrastructure, including streets, sidewalks, and utility lines and meters, as well as the City's fleet.

The Department is managed by the Public Works Director who oversees Department operations and staff and is responsible for the Department's asset management program. The Director also has significant responsibilities for programming that was formerly managed by the Building and Engineering Department. This includes serving as the City's stormwater program manager. The City must develop a stormwater management plan and submit the plan to the State for approval. It is the Director's responsibility to ensure the plan is followed.

As noted previously, the Director also previously served as the liaison to the City's Historic District Commission and coordinates the submission of any proposed construction projects within the City's historic districts for Commission review and approval. The Director also works with the City Engineer to oversee any municipal public works projects. These responsibilities, a carryover from budget and organizational decisions made during the recession, have impacted the current Director's capacity to focus on Public Works issues.

The Department's maintenance work is carried out by a team of 10 maintenance staff, overseen by three Foremen. The Parks/Forestry & Cemetery Foreman is responsible for overseeing maintenance activities for the City's more than 190 acres of parks and 3.6 miles of trail, including planting and trimming of trees. The Foreman also oversees activities at the City-owned 9.5-acre cemetery, including cemetery maintenance and interments. The Streets/Utilities Foreman oversees construction, repair, and maintenance of City-owned streets and sidewalks, locating City-owned underground utilities, and the installation, maintenance, and repair of water and wastewater lines and utility meters. The Chief Mechanic is the third supervisor, although in practice the position largely works alone. The position is responsible for maintenance of the City's fleet of 46 vehicles, as well as other DPW machinery and equipment.

Although the Foremen have specialized areas of responsibility, the maintenance staff are considered generalists and support each function of the Department. Their work varies daily depending on the Department's needs.

The Department's Office Manager assists the Foremen in assigning daily work. The position receives requests for service from the public and works with the Foremen to prioritize and assign the Department's response. The position also handles other administrative and accounting responsibilities for the Department.

There is a total of 15 full-time positions in the Department, as illustrated in the following figure.

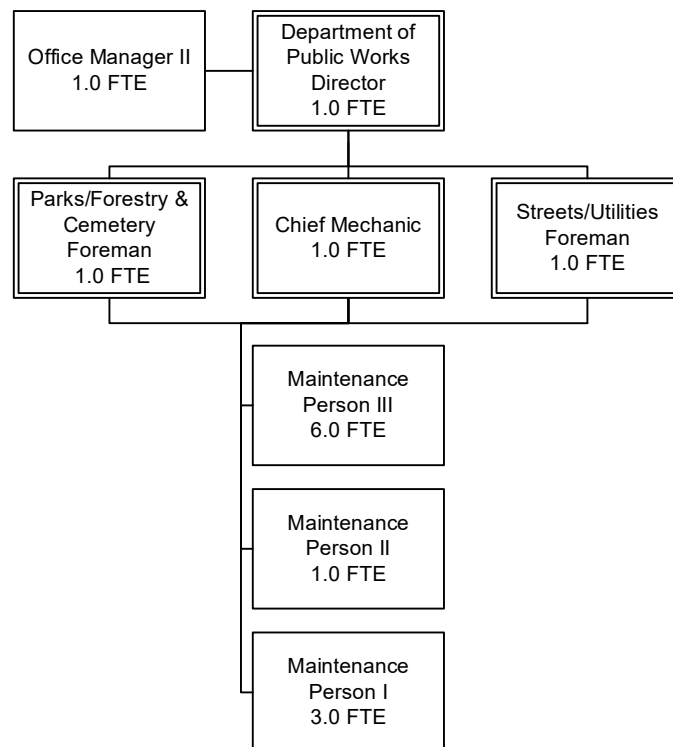


Figure 10: DPW Organizational Structure, FY2019

Core Services

The following table provides an overview of the Public Works Department's core services. It is not intended to be an all-inclusive list, rather a broad summary of the programs and activities.

Table 46: Public Works Department Core Services

Function	Program Area	Activities
Water, Wastewater, and Storm	Utility Line Installation and Maintenance	<ul style="list-style-type: none"> Construct and repair water distribution and wastewater collection systems Locate underground utilities Read water meters
	Stormwater Management	<ul style="list-style-type: none"> Maintain sewers, inlets, ditches, and other stormwater management assets
Parks and Trails	Park and Trail Maintenance	<ul style="list-style-type: none"> Maintain and repair parks, trails, and park facilities
Streets	Street and Sidewalk Maintenance	<ul style="list-style-type: none"> Construct and repair City-owned streets and sidewalks (crack-filling and line painting contracted out) Remove snow from City streets Plant and trim street trees Decorate streets for holidays and special events
	Streetlights	<ul style="list-style-type: none"> Provide customer service and contract management

Function	Program Area	Activities
Facility Maintenance	Facility Maintenance	<ul style="list-style-type: none"> • Maintain and repair City-owned buildings (except for the Saline Recreation Center) • Mow lawns at City-owned buildings (except for Recreation Center and water and wastewater facilities)
Cemetery	Cemetery Maintenance	<ul style="list-style-type: none"> • Maintain cemetery grounds • Conduct interments
	Internment	<ul style="list-style-type: none"> • Dig graves and assist with other interments upon request
Fleet	Fleet and Equipment Maintenance	<ul style="list-style-type: none"> • Complete routine maintenance and repairs on City-owned vehicles • Maintain and repair other DPW mechanical equipment (e.g., lawnmowers)
Solid Waste Management and Recycling	Solid Waste and Recycling	<ul style="list-style-type: none"> • Provide customer service and contract management • Maintain public corrals and park trash/recycling facilities

Staffing

The number of authorized full time-staff in the Department increased by one position between FY2015 and FY2019. The change reflects the addition of a Maintenance position. The department was reduced by six positions between FY2008 and FY2013 due to downsizing in the aftermath of the recession; since then, the Department has been working to build back some staff capacity.

Table 47: Department Full-Time Staff FY2015 through FY2019

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	Percent Change FY2015 to FY2019
Full-Time Staff	14	14	14	14	15	7%

Budget

The Department is supported by the General Fund, along with six other funds, including the water and sewer funds, dedicated to construction and maintenance of streets, maintenance of the City-owned cemetery, municipal building maintenance, and sanitation services, which are provided by a contractor.

Table 48: Department Expenses FY2014 through FY2018

Expense Category	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Personnel Services	\$501,177	\$706,236	\$861,576	\$747,608	\$756,766	51%
Other Services and Charges	\$646,032	\$834,740	\$759,103	\$850,659	\$1,146,186	77%
General Fund Total	\$1,147,209	\$1,540,976	\$1,620,679	\$1,598,267	\$1,902,952	66%

Expense Category	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Municipal Streets Fund	\$606,739	\$576,433	\$579,527	\$587,193	\$582,057	-4%
Cemetery Fund	\$19,891	\$2,650	\$0	\$11,399	\$192,822	869%
Refuse Fund	\$609,503	\$606,997	\$615,966	\$571,899	\$690,577	13%
Municipal Building Fund	\$331,574	\$1,796,137	\$314,032	\$318,558	\$316,686	-4%
Local Streets Fund	\$529,323	\$226,776	\$273,280	\$526,312	\$296,949	-44%
Major Streets Fund	\$751,279	\$486,449	\$1,040,055	\$393,004	\$782,310	4%
Total	\$3,995,518	\$5,236,418	\$4,443,539	\$4,006,632	\$4,764,353	19%

The Department's expenditures increased by 19% between FY2014 and FY2018, largely driven by a 66% increase in General Fund expenditures. Increases in expenditures are due in part to a number of equipment purchases made in FY2018,²⁵ including a backhoe and a vactor truck used for sewer cleaning. Personnel costs also increased over this period due to the additional position as well as a higher cost of benefits.

Analysis and Recommendations

The City has prioritized the investment in quality equipment and facilities for Public Works functions. This decision not only helps maximize the efficiency and effectiveness of Department operations, but also helps bolster employee morale and safety; staff report satisfaction with the equipment provided and feel secure that they have tools they need to do their jobs well. Investing in these assets is important to ensure that the Department has the resources it needs to perform effective services for the City. However, it is equally important for the Department to invest the appropriate resources into maintaining these assets in order to maximize their reliability and their usable life.

The Department has developed asset management plans for water mains and pavement, and it is in the process of developing asset management plans for storm and sanitary infrastructure. Additionally, it included a comprehensive inventory, condition assessment, and preventative maintenance program for water values in the FY2020 budget proposal. The next step will be for the Department to translate these plans into preventative maintenance and capital improvement work plans. Minimal proactive maintenance is currently being performed; the Department instead focuses on responding to reactive requests. This report recommends comprehensive asset management planning that is tied to detailed work plans to ensure that the Department completes the appropriate required maintenance on all of its assets.

The report also recommends restructuring the Department to ensure that its operations are carefully coordinated with long-term planning. Creation of a Deputy Director of Public Works to oversee operations will ensure that the Department's workload is appropriately coordinated and prioritized, and relocation

²⁵ When preparing the FY2019 budget, staff forecasted a surplus in FY2018 and a shortfall in FY2019; they consequently shifted some equipment purchases slated for FY2019 to FY2018.

of the City Engineer from the Building and Engineering Department to Public Works will help ensure that capital planning accounts for future maintenance needs.

Finally, the report offers recommendations on how to maximize the value of the Department's staff. Most of the Department's maintenance workers are generalists, working on different projects every day, with limited interaction with Department leadership. This structure limits their opportunities to develop professionally and can leave them feeling disconnected from the Department as a whole. By providing opportunities for more robust internal communication and for staff to take on higher-level tasks, the Department can help cultivate their skills and better maintain the City's infrastructure assets.

Structure and Staffing

Recommendation 23: Create a Deputy Director of Public Works position to oversee public works operations.

The Public Works Director is the only management-level staff position in the Department. The three Foremen, the only other supervisors in the Department, focus on operations within their specific scope of work rather than management of the Department as a whole.

The lack of any additional management positions means that Director is responsible for both overseeing the Department as a whole and monitoring day-to-day operations; these are two significant tasks that are difficult to complete with the capacity of a 1.0 FTE position. The current Director reports, for example, that he does not currently have the capacity to conduct regular ride-alongs with maintenance crews, even though such experiences are important to understanding the nature of the crew's work, building morale, and facilitating communication. This lack of management capacity makes the Department vulnerable to service interruptions in the case of the Director's absence. If the Director is out of the office, or leaves City employment, there is no one readily available to provide overall guidance for the Department. Additionally, as previously noted, the Director spends a significant amount of time on engineering functions, thus further limiting his capacity for Department leadership and daily management.

It is recommended that the City address these issues through the creation of a Deputy Director of Public Works, responsible for overseeing operations. The position would serve as a direct supervisor to the three Foremen and provide management support for the Director.

The creation of a Deputy Director for operations position would allow the Director the opportunity to focus on high-level issues, as well as provide daily operational supervision and leadership to the Foremen and maintenance crews. The Deputy Director would also be able to serve as backup when the Director is out of the office and would be another point of contact for decision-making in the Department.

Furthermore, a more consistent focus on operations will help the Department operate more efficiently and effectively. A Deputy Director will have the capacity to work closely with the Foremen and maintenance staff to better understand their priorities, concerns, and workloads. The Deputy Director can also ensure that the efforts of the three Foremen are coordinated and that resources are allocated to the most appropriate areas. Additionally, the Deputy Director should play an integral role in developing the City's capital plans and should therefore work closely with the City Engineer.

The cost of the Deputy Director position would be approximately \$130,000 to \$145,000 in the first year.²⁶

²⁶ Salary and benefits estimate based upon classification of position in Staff grade 4, between steps 1 and 5. Family level insurance coverage is assumed, and all other fringe benefits are included.

Recommendation 24: Incorporate the City engineering function into the Public Works Department.

As discussed in the Building and Engineering Department section, a new Community Development Department has been recommended to focus primarily on planning, economic development, building inspection, and code enforcement. It has further been recommended to incorporate engineering into the structure of the Public Works Department.

The true cost of infrastructure projects consists of both initial construction costs and long-term maintenance costs. The cost of maintaining infrastructure is affected by initial design, materials, construction quality, usage, environmental factors, and the level of preventative maintenance. According to the *American Public Works Association (APWA) Public Works Management Practices Manual*, effective feedback from maintenance and operations produces more efficient and effective designs. Considering the maintenance and operations implications of infrastructure projects can minimize lifecycle costs. Input from Public Works should be considered during the design process and should be used to forecast the long-term costs of capital infrastructure projects. Therefore, the infrastructure engineering and operations functions must be very closely linked.

Currently the City Engineer, working out of the Building and Engineering Department, is responsible for developing and overseeing implementation of the City's capital plan, as well as other municipal construction projects. DPW is responsible for maintaining City assets. The result of the current location of engineering expertise within the City organization is a potential loss of efficiency and quality of capital projects. The City may benefit from creating a stronger linkage between the infrastructure engineering and maintenance functions. Therefore, it is recommended that that City Engineer be located in the Public Works Department.

Having these functions more closely aligned allows the City to take advantage of shared management and a collaborative working relationship to fully coordinate the efforts of engineering and maintenance functions. Locating the City Engineer in Public Works also give Department staff access to engineering expertise when developing preventative maintenance schedules and performing other tasks.

It is important, therefore, for the two functions to work together closely. Capital planning should consider future repair and replacement needs of existing assets. The Engineer should also work with DPW staff to understand the impact on workload and operating costs of proposed capital improvements.

As the Department transitions to this new structure with a Public Works Director, Deputy Director, and City Engineer, there may be an opportunity to utilize additional contract assistance for engineering work. The use of contract engineering support can help manage the peaks and valleys of workload, as well as augment the skillsets and capacity of existing and future staff.

Recommendation 25: Create an additional Maintenance Person III position to assist the Chief Mechanic and perform other maintenance duties.

The Department currently has one certified mechanic on staff who is responsible for managing a fleet of 46 vehicles as well as more than 300 other pieces of equipment. The Chief Mechanic largely performs repair and maintenance tasks alone, although during busy times maintenance staff assist with basic activities like oil changes when their workload allows.

Although the Chief Mechanic does currently log work orders, this has not been a historical practice. However, the Chief Mechanic reports that workload fluctuates throughout the year, and at times he does not have the capacity to complete work orders in a timely manner. These longer down times for

equipment and vehicles impacts City operations throughout the organization. Further, when the Chief Mechanic has a heavy workload of urgent repairs, important preventative maintenance is not completed.

Working as a mechanic involves heavy equipment as well as the use of potentially hazardous chemicals. In the current environment, the Chief Mechanic is often working alone in the shop. If a safety incident occurs, there may not be anyone nearby to assist. The presence of an additional person in the mechanic's shop would help mitigate this risk.

The Department should create an additional Maintenance Person III position to assist the Chief Mechanic and to address this safety concern. A Maintenance Person, rather than a Mechanic, is appropriate because much of the Department's fleet and equipment management does not require a skilled mechanic; tasks like oil changes, tire rotations, and bulb replacements need not be performed by someone with a high level of expertise. A Maintenance Person III would be able to assist with these tasks, freeing up the Mechanic's capacity to address higher-level issues, and would also have the flexibility to assist with other Department functions when workload allowed. An additional maintenance position will provide capacity to help implement a preventative maintenance schedule as well.

It is preferable to hire someone with some mechanical knowledge and experience; therefore, a Maintenance Person III classification is recommended. Based on the current union contract,²⁷ the cost for the position is estimated to be approximately \$76,000 in the first year.²⁸

The following figure illustrates the recommended structure and staffing levels for the Public Works Department. New or modified positions are shaded in green.

²⁷ International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of American Local No. 2014

²⁸ Family level insurance coverage is assumed, and all other fringe is included.

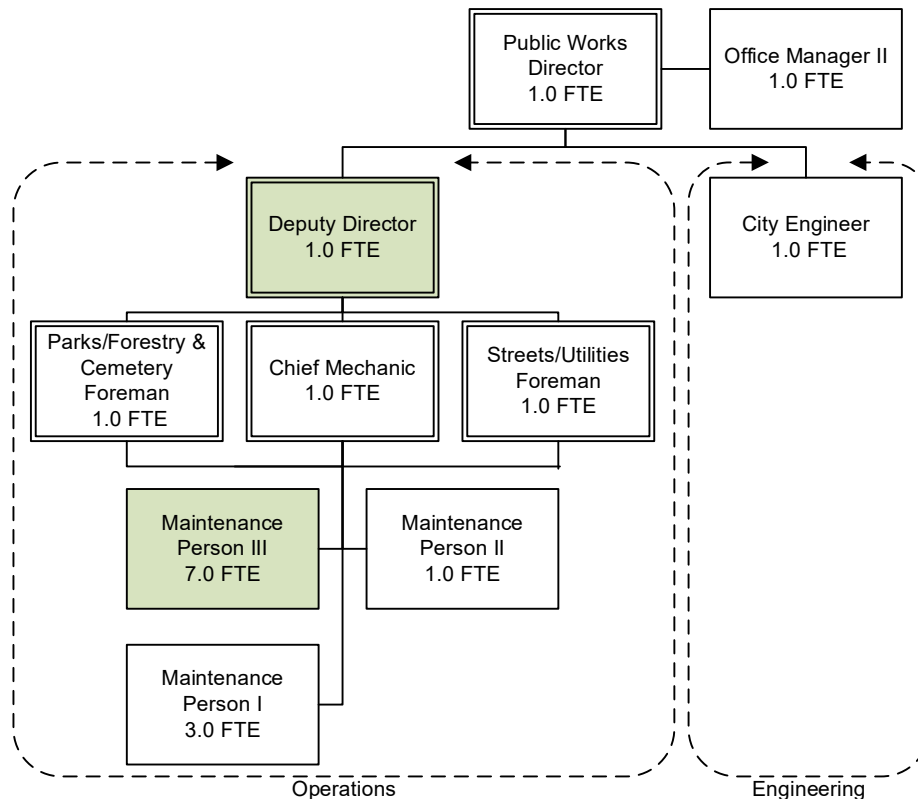


Figure 11: Recommended DPW Organizational and Staffing Structure

One of the most important tasks of the newly-created Operations Division will be the development of Department work plans based on comprehensive asset management strategies.

Asset Management and Work Planning

Recommendation 26: Create asset inventories and preventative maintenance schedules.

As noted previously, the Department has asset management plans for water mains and pavement and is currently in the process of developing management plans for the rest of its assets. However, these plans have not yet been integrated into the Department's operations. There is currently no comprehensive asset management system or preventative maintenance plan in place in the Department. The Department does have preventative maintenance plans for catch basins, sanitary sewers, water mains, and traffic signals. However, Foremen's work assignments are largely based on reactive maintenance needs, as well as on requests from the public for service. There are no work plans in place; work is assigned on a daily basis.

The current process of assigning work has a number of drawbacks. By not conducting regular preventative maintenance, the Department is failing to maximize the lifespan of its assets, thereby reducing the value of the City's investments. The lack of work planning makes it difficult to assign work as efficiently and effectively as possible; crews tackle work on a day-to-day basis rather than grouping work by type or by geographic area.

A comprehensive asset management system tied to departmental work plans is an essential component of effective stewardship of City assets. The first step in creating a comprehensive asset management plan is the completion of an asset inventory (which the Department currently has) and condition assessment,

a project that the Department has already begun. A list of all Department assets, along with an evaluation of their conditions, will help Department leadership prioritize and assign work effectively. It will also help the Department clarify its maintenance requirements and scope of services and allow the Department to better plan for future capital expenditures.

The inventory should categorize all assets by the likelihood of an asset's failure and the predicted consequences of failure. When considering the likelihood of failure, the Department should consider the asset's condition and current performance. When considering the predicted consequences of failure, the Department should consider the safety risk of failure, the environmental risk of failure, and the impact of failure on the Department's permit status and/or ability to provide services.

Each of these factors can be quantified with an overall number between one and 10, where one equals low risk/minimum consequences and 10 equals high risk/significant consequences. The two numbers can be multiplied to produce the asset's overall risk quotient. For example, if an asset has a low risk of failure (two out of 10) but its failure would have a significant impact (eight out of 10), its overall risk quotient would be two multiplied by eight, or 16. Assigning risk quotients to each asset will allow the Department to identify its highest priorities for maintenance and repair.

The results of this assessment should continue to inform the Department's work planning. They should also play an important role in the capital planning process. Understanding each asset's condition will allow the Department to better budget for future repairs. Condition assessments should also inform decisions on whether to repair or replace an asset.

It will also be important for the Department to regularly update its asset inventory. Staff should be instructed to track an asset's status to ensure that the Department maintains an accurate record of its current conditions. Furthermore, the comprehensive inventory should be updated at least annually, and its results should be used to identify CIP needs. The inventory should also be used to determine the Department's scope of work, which will be an important data point when considering appropriate staffing levels.

Recommendation 27: Fully-implement asset management plans and use them to define Department work plans.

The completed asset management inventory should be used to develop a comprehensive asset management plan covering the full scope of Department operations. The Department should create a preventative maintenance schedule for each of its assets based on manufacturer recommendations, condition assessments, and industry best practices. These schedules of preventive maintenance tasks should be organized into an annual preventive maintenance work plan that schedules maintenance tasks throughout the year. The Department should use this work plan to inform its work planning and ultimately specific maintenance crew daily assignments.

The Department should also identify projected repair, upgrade, and replacement schedules for its assets based on condition assessments and industry norms. Larger repairs and replacements should be incorporated into the capital improvement plan, and all projects should be incorporated into annual work plans for the Department.

When developing these schedules, the Department should consider which repairs and replacements can be accomplished in-house and which will require the assistance of outside contractors. The Department can then estimate the ongoing costs for maintenance, repair, and replacement of assets for budgeting.

Recommendation 28: Establish a formal service level agreement between Parks and Recreation and Public Works.

The Department's preventative maintenance schedules should include regular upkeep of the City's parks and trail assets. The Public Works and Parks and Recreation Departments share responsibility for the City's park and trail system. DPW staff are responsible for park and trail maintenance, including facility maintenance, mowing, and tree trimming. DPW is also responsible for developing the recommended Parks CIP. Parks and Recreation is responsible for parks programming, and the Parks and Recreation Director serves as the City's liaison to the Park Commission, an appointed advisory committee responsible for overseeing the City's park system and making recommendations for improvements.

It is important for DPW to understand the concerns and priorities of the Parks Commission and for both departments to understand and agree upon parks' capital needs. However, an effective communication system is not currently in place, limiting the departments' ability to effectively collaborate on maintenance, capital planning, and other initiatives.

To formally address these issues and ensure proper care and maintenance of park assets, the two departments should establish a service-level agreement: an internal contract outlining each Department's roles and responsibilities, as well as minimum quality standards for park facilities. The agreement should include specifics on staff's roles and responsibilities. It should also outline the expectations for each Department regarding the maintenance and development of the City's park system. The agreement should specify how frequently it should be reviewed and the procedure for modifications if necessary.

The specificity and breadth of minimum quality standards should be determined by the two departments. Before the agreement is finalized, the Directors of both departments should review it with the City Manager and then present it to the Parks Commission for their input. Criteria to consider include:

- Frequency of seasonal mowing and trail cleaning
- Procedures for renting a park facility or hosting a public event at a park, including clean-up expectations after the event
- Maintenance standards for park facilities
- Timeliness expectations for reactive maintenance requests
- Formal procedures for development of the recommended Parks CIP that includes input from both departments

As discussed in the following recommendation, work order systems should be implemented in both departments to help track compliance with these agreed-upon service levels.

The agreement should also formalize communication responsibilities between Department leadership. The two Department Directors should meet at least quarterly to discuss parks issues, with more frequent meetings during the budget development process. Further, it is recommended that the Public Works Director and the Parks/Forestry & Cemetery Foreman should attend Parks Commission meetings at least quarterly to update the Commission on the state of the parks system.

Recommendation 29: Develop a plan for implementation of a work order system.

Maintenance requests for the Department are generally processed by the Office Manager. The Office Manager receives SeeClickFix reports, upcoming cemetery interments, and other requests for service and passes them on to the Foremen who are responsible for assigning the maintenance crew's daily tasks.

Some information about the tasks is logged; the Office Manager keeps track of work hours by category, for example, and tracks response time to SeeClickFix requests. However, the Department does not track work hours per task for all key activities of the Department. Tracking work hours in detail would allow the Department to make more informed decisions about staffing levels and allocation of work.

Work order systems allow detailed tracking of staff work hours. They also allow a Department to easily track what has been completed and what is outstanding, as well as progress on the Department's annual work plan. Once the Department implements a preventative maintenance schedule and annual work plan, a work order system will be an important tool for ensuring that maintenance work is completed on schedule and that the work plan's tasks are being carried out.

The Department is working on implementation of the asset management system Lucity™. The system is in place and the City is in the process of uploading data into the system and developing a training plan for staff. As part of this process, the Department should develop standards for how work orders will be tracked and distributed, as well as how task hours will be logged. Aspects that should be included in the system include how different types of work will be categorized, how staff will update the system, how the system will incorporate preventative maintenance work plans, and how work orders will be distributed to staff.

Furthermore, the work order system should be shared with the Parks and Recreation Department. This will not only allow both departments to monitor adherence with agreed upon service levels, but it will also aid in sharing work requests across Departments. While most maintenance needs are addressed in-house by the Parks and Recreation Department, there are times when the two Departments share services, depending on staff expertise and capacity. A shared work order system will allow the Departments to formalize and track these instances.

Tracking work hours will allow the Department to better understand the staff capacity required to complete different kinds of tasks, as well as the total work hours spent on different programs. This information will be important when determining optimal staffing levels for the Department.

Recommendation 30: Implement fleet management software.

As noted, the Department's Chief Mechanic is responsible for managing and maintaining the entire City fleet, as well as all DPW equipment. As of FY2019, the inventory included 376 separate pieces of equipment and a fleet of 46 vehicles. The Mechanic keeps track of this inventory using spreadsheets. The Department also stores records on the work completed, but records are not indexed to the vehicle inventory. As a result, there is no easy way to look up a particular vehicle's history. Furthermore, although the Department has a practice of selling vehicles after 12 years, there is no formal vehicle replacement policy or schedule.

Without a detailed inventory of each asset's condition, mileage, and repair history, the Department is unable to maximize the value of its fleet. The lack of maintenance history means that there is no method in place to determine when it is no longer cost-effective to maintain a vehicle. Furthermore, maintenance history would help the Department understand which vehicles are the most reliable given the City's use patterns, which is important information to consider when making decisions about fleet purchases.

Use of fleet management software would allow the Department to track each vehicle and piece of equipment, including its condition, repair history, operating cost, and preventative maintenance schedule. Implementing a fleet management program would not only help the Department better

understand how to maximize the value out of its assets but would also allow the Mechanic to plan and record data more efficiently. Furthermore, it may ultimately save the City money by informing the purchase of vehicles and equipment based on actual usage and overall lifetime costs, rather than an arbitrary number of years.

The Department should first investigate the capabilities of its current asset management system to see if it would meet the City's fleet management needs. When selecting the asset management/work order system funded by the SAW grant, the City specifically chose a program that could be expanded to include all key functions within Public Works, including fleet. Therefore, implementation of this recommendation should require exploration of existing software and training on usage to all involved staff.

Recommendation 31: Determine appropriate staffing levels to implement Department work plans.

Once the Department has developed an annual preventative maintenance work plan, it can determine the staff capacity required to complete all of the preventative maintenance tasks. Preventative maintenance tasks should be a high priority for the Department, excluding emergencies. Regular preventative maintenance will ultimately reduce the amount of time necessary for reactive response. While some percentage of staff time should also be devoted to reactive maintenance, industry best practices is that it should be limited to 25% or less of staff capacity.

For each preventative maintenance task, the Department should estimate the total number of staff hours it will take to complete. It can then determine the total staff capacity required throughout the year to carry out the work plan, and determine the additional staff capacity required, if any, to allocate 20-35% of staff time to reactive maintenance.

When determining staff capacity, it is important to factor an estimate of the amount of leave time taken by employees, as it is unrealistic to assume individuals are fully available 40 hours each week of the year. In DPW, maintenance workers²⁹ took an average of 285.8 hours of paid leave per year between holidays, personal leave, sick leave, and vacation. This translates to a total of 35.7 days, or 0.1 FTEs. Each full-time staff person, therefore, effectively represents 0.9 FTEs of hours worked, excluding overtime. The Department's current staff of 10 full-time maintenance workers thus has a combined capacity of nine full-time staff. This estimate can also be applied to estimate capacity of any additional staff positions.

Based on current preventative maintenance effort levels, it is anticipated that additional staff resources will be needed. However, until work plans are developed, a detailed analysis of staffing needs cannot be completed. If work plans and asset management requirements support the need for additional resources, the Department should evaluate whether additional capacity should be in the form of full-time staff, part-time or seasonal staff or outside contractors.

Full-time staff positions should be added if the Department determines it has a need for skilled staff capacity. While part-time staff should be considered, there are drawbacks to that approach. The Department reports that historically it has had limited success in attracting and retaining part-time staff. It may be appropriate for the City to consider what incentives beyond salary it can offer to part-time staff, such as training or other development opportunities.

The Department should create a detailed annual work plan based on asset management plans. The Department should then evaluate the work plan month by month and estimate total staff capacity

²⁹ All Department staff excluding foremen, the Office Manager, and the DPW Director

required to complete all items in the plan while also allowing some capacity to address reactive or emergency maintenance requests. It should also evaluate each task and determine which tasks can be addressed by part-time staff, seasonal staff, or contractors, and which must be handled by employees of a higher skill level. Once this process is complete, the Department can evaluate the most appropriate way to achieve the necessary staff capacity.

Recommendation 32: Contract out mowing services, and other tasks as appropriate.

As discussed in the previous recommendation, the Department should evaluate all of its services and determine which require the expertise of full-time staff and which would be more appropriate for part-time staff, seasonal staff, or contractors. Tasks that are especially appropriate to contract out are those that take significant time, do not require day-to-day supervision, and do not require a particularly advanced set of skills to perform. Conversely, contractors may also be utilized when the project benefits from a level or type of expertise that full-time staff do not possess. Any change in service delivery would need to be coordinated with the City's current union contracts.

There may be many opportunities to contract services that the Department determines as it reviews its lines of business. However, one service that is commonly performed by contractors in municipal organizations is mowing of City-owned properties and rights of way. Mowing is a time-consuming task with simple deliverables; the Department can easily monitor whether the required mowing is being completed to Department specifications. Furthermore, it does not require a high level of skill. Transferring mowing tasks to contractors will increase the full-time staff's capacity to perform higher-level tasks that make better use of their skills and experience. The contract should also include areas currently being mowed by the Parks and Recreation and Water Production and Wastewater Treatment Departments, thus freeing up those staff to focus on their core duties.

Careful contract management will be essential to ensure that the service meets quality expectations. The Department should work closely with the Parks and Recreation Department to develop quality metrics for the contract, based on the service level agreement recommended previously. Service expectations may vary depending on location, usage, and other factors.

The Department should assign a position, either the Deputy Public Works Director or the Parks/Forestry & Cemetery Foreman, to monitor the contract, including regular evaluation of the contractor's work to ensure compliance. The position in charge of contract management should also communicate regularly with the Parks and Recreation Department so any concerns raised about the quality of park and trail maintenance are addressed.

Water Meters

Recommendation 33: Develop a plan for implementation of an Advanced Metering Infrastructure (AMI) system.

Although utility billing is the responsibility of the Treasurer's Office, the DPW is responsible for maintaining the City's more than 3,700 meters and for collecting flow data. The City's meters have different levels of capability; while more than 1,700 are radio readers which can be read from a distance, nearly 1,900 require a staff person to travel to the meter to electronically collect the data. An additional 186 meters require manual transcription of the data. Data is collected quarterly.

The process of traveling to different points in the City to periodically collect data is time consuming. Furthermore, because data from these analog meters is only collected quarterly, the City and utility customers may not be alerted to a leak or other potential issue for several months.

The City has begun the process of investigating implementation of an AMI system. An AMI system would allow all meters to be read remotely, eliminating the need for physical collection. Flow data could also be collected in real time, allowing issues, such as leaks or breaks, to be more quickly identified and subsequently addressed. Additionally, many AMI systems include customer portals, allowing utility customers to view real-time data on their water use.

The Department estimates that planned development could add as many as 300 new meters in the near future; proactively implementing an AMI system will allow the Department to continue to monitor its utility system effectively as the City grows.

An AMI system will save staff time and improve customer service. Therefore, the Department should implement an AMI system to meet the needs of its developing City. In order to be of most value to the City, the system should:

- Cover all existing and planned water meters (which means replacing all analog readers)
- Allow for real-time monitoring of flow data, including leak detection
- Include a customer interface portal to help residents make informed decisions about their water use
- Allow the Department to control the system remotely, shutting off water to a meter in the case of a leak or other issue

Ensuring that the AMI system includes all of these features will maximize the value of the City's investment, reduce staff time spent monitoring and managing meters, and improve customer service for customers.

Staff Development and Safety Management

Recommendation 34: Assign individual Maintenance staff to serve as "Team Lead" on specific programs.

Maintenance staff in the Department are generalists; they are expected to assist on a wide variety of tasks, from tree trimming to utility line maintenance to road repairs. They are also assigned work on a day-to-day basis depending on what reactive maintenance requests the Department has received.

This configuration allows the staff to gain experience in a wide variety of areas. However, it is not conducive to professional development. Maintenance staff have no opportunity to gain any specialization or depth of knowledge in a particular area. Furthermore, the fact that their work changes day to day limits their ability to gain comprehensive knowledge on any particular project or program.

The Department should develop a "Team Leader" program. Each Maintenance Person should be assigned as Team Lead for one or more programs, depending on his or her experience level and interest. The Team Lead should oversee work on that particular program, in consultation with the Foremen, and should be responsible for ensuring the work plan for that program is carried out in a timely and comprehensive manner. For example, a Maintenance Person may be assigned as Team Lead for storm drain maintenance. He or she should be responsible for ensuring that the preventative maintenance schedule for storm drains is followed and that any reactive maintenance requests involving storm drains are addressed appropriately. This will give the Maintenance Person a better understanding of the resource and workload requirements of a stormwater management system and develop his or her abilities to assign work and lead a team.

Team Leads should have regular communication, including one-on-one meetings, with their Foremen to address any issues and to ensure that the work plans are being carried out appropriately. Team Leads should also be given opportunity to provide input on any potential process improvements they observe. Finally, Team Leads should rotate programs to give each staff person exposure to a number of different programs.

This process will not only build the skills of existing staff but also help communicate that they are trusted and valued employees. The Department can also demonstrate the value of its employees by ensuring that they have access to all necessary training, and that they have input into Department safety processes and protocols.

Recommendation 35: Ensure that all staff receive appropriate training on equipment usage.

Because the maintenance staff are generalists, they are expected to be proficient in the use of virtually every piece of equipment used by Public Works. The Department Director's goal is to provide as many staff as possible training on a new piece of equipment at the point of purchase; but often in practice, heavy workloads result in only a small number of employees receiving formal training. These trained staff are then expected to pass along what they have learned to other staff who did not attend the training.

The intention of the current system is to minimize the interruption of work caused by training, but it has a number of drawbacks. Relying on employees who have just learned about a piece of equipment to train others on its use could result in employees unintentionally dispensing inaccurate, incomplete or misleading information. Furthermore, maintenance staff report that employees who receive the formal training often fail to pass on that training to the rest of the crew. Staff are still expected to use equipment without appropriate training.

A professional, experienced trainer can relay information more effectively and concisely than a non-experienced employee expected to train their peers. Employees who are fully-trained on a piece of equipment are likely able to operate the equipment more effectively than employees unfamiliar with its operations.

When the Department purchases a new piece of equipment, the Department should provide professional training for all staff who may have occasion to use the equipment. The Department should also work with the vendor to develop a set of instructions for each piece of equipment's use for later reference and to use as an aid when onboarding future employees. An investment in employee time when a piece of equipment is first purchased will help ensure that the DPW remains a professional, safe, and efficient operation.

The Department should also consider designating certain staff as "experts" on a particular piece of equipment and require one of them to operate the equipment whenever needed. While this may post some logistical challenges in work scheduling, it would allow each staff person to gain deeper knowledge of certain pieces of equipment, rather than requiring them to be generalists. This may promote safer and more efficient practices.

Recommendation 36: Enhance existing Safety Committee to review safety protocols and make recommendations for improvements.

Maintenance staff and Foremen work on construction projects, trim trees, operate heavy machinery, and perform a wide variety of tasks that could put them at risk of injury. For that reason, it is important that

all staff follow strict safety protocols and procedures, and the Department continuously evaluate opportunities to minimize risk and enhance safety.

The DPW's adopted Rules and Regulations detail the Department's safety standards. The standards include rules for safe equipment operation, a checklist of required personal protective equipment (PPE), and other general rules for maintaining safety. The Rules and Regulations also lay out the penalties incurred for failure to follow safety protocols; failure to wear the appropriate PPE, for example, results in a written warning for the first offense, suspensions for the second and third offenses, and termination for the fourth.

These regulations lay an important foundation for safe working conditions. However, they were last modified in 1991, nearly 30 years ago. Safety standards are most useful when they are regularly reviewed and updated to ensure that they continue to be as relevant, specific, and comprehensive as possible.

The Department should create a Safety Committee for the purpose of regularly reviewing these regulations and recommending updates as necessary, as well as reviewing any reported safety incidents and monitoring general working conditions. The Committee, which should include representatives from all levels of the Department, is also an opportunity for maintenance staff, who are often exposed to the most risk, to actively participate in the development of policies and practices to improve their safety.

The City currently has a Safety Committee which includes the City Manager and a representative from each City department. However, there is an opportunity to build on these efforts to include line staff.

The Michigan Municipal Workers' Compensation Fund (MMWCF) has released a useful guide for establishing a Safety Committee.³⁰ The guide recommends that the first step in establishing a Safety Committee be for management to issue a Safety Policy: a clear, concise statement that indicates that safety is the Department's highest priority and states that workers have the right to a safe workplace.

The Director should then designate members of the Safety Committee. The Deputy Director should be a member, along with at least one Foreman and three to four members of the maintenance crew. The Director should designate the Deputy Director or one of the foremen to chair the Committee and to be in charge of making recommendations to the Department Director on safety protocol and practices. It is important for one person to have ownership over the safety initiative to ensure that the program stays on-track and that recommendations are implemented. Committee members should rotate periodically to ensure that the group considers different perspectives.

The MMWCF's guide includes a suggested agenda for Safety Committee meetings, which the Department can adapt to best fit its purposes. The Committee should meet at least quarterly, or more often if necessary, in the aftermath of a serious incident, for example. The Committee should be responsible for the following:

- Reviewing all reported safety incidents and making recommendations on how best to prevent them from reoccurring
- Reviewing the Department's processes and making suggestions to improve safety

³⁰ "Organizing a Municipal Safety Committee." Michigan Municipal Workers' Compensation Fund.
https://www.mml.org/insurance/shared/publications/s_and_h_manual/3F.pdf

- Reviewing the Department's safety training procedures and making any recommendations for improvement
- Reviewing any staff reports of unsafe conditions and recommending changes as appropriate
- Reviewing and discussing any concerns reported by Committee members on safety conditions and/or emerging risks
- Developing recommended safety protocols for any new Department tasks or pieces of equipment

The Safety Committee and other measures can help maximize employee engagement in the Department. Careful work planning can also help ensure that their talents are being utilized as effectively as possible.

Work Practices

Recommendation 37: Develop a task-based policy for when to authorize overtime.

The agreement between the City and the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America which represents the DPW's maintenance staff, specifies that staff are "expected to work reasonable amounts of overtime" as part of their roles. However, the Department does not have a formal policy in place for when overtime is used.

Staff report instances when they are asked to stop working on a task, even when it is near completion, because doing so would require the use of overtime. While this practice may appear to save the Department money by limiting overtime costs, it can impact overall Department efficiency. If a crew works on a project over two days, rather than one, they are doubling the amount of time they are spending traveling to and from the site, setting up, and closing down a site. It may also entail returning to the shop and re-equipping for the rest of the day's work. There also may be other factors that would impact efficiency, such as site protection and safety, competing priorities, availability of key staff, or the project being impacted by exposure to the elements.

The Department should develop a policy to clarify overtime use. This will help staff understand how to balance overtime costs with the desire to complete a project most efficiently. The policy should designate a timeframe for when overtime can be authorized. For example, the policy may state that if a non-urgent project has an estimated two hours or less until completion, as determined by the Foreman or Team Lead, overtime should be authorized to finish the project, subject to approval by the appropriate Foreman.

Setting guidelines can help the Department approach projects more efficiently while giving crews and Foremen clarity on when overtime is appropriate. The Department Director should review the policy at least annually to ensure that it is fulfilling its purpose and that overtime hours are being used effectively.

Recommendation 38: Develop standards for response time to reactive maintenance requests.

The Department can also work more efficiently and limit overtime by ensuring that work is assigned based on priority, not based on the order it is requested. There is currently no formally-established expectation for how quickly the Department should respond to resident complaints. The City uses the SeeClickFix system,³¹ a platform that allows residents to publicly post about issues encountered and allows City staff to publicly answer. As noted, the Office Manager receives any public works-related requests and forwards them to the Foremen if applicable, who assign crew to work on the issue. The Office Manager also processes other requests for service that come to the Department.

³¹ <https://en.seeclickfix.com/saline>

There is no documented expectation for how quickly these requests should be responded to, but staff report a sense of urgency on many of the issues and an expectation that an issue should be handled within 24 hours. Responding to tasks as they come in, regardless of prioritization, can interrupt other work and result in an inefficient use of Department resources. Systems such as SeeClickFix are extremely popular. However, communities need to ensure that the desire to respond to issues does not override the need to perform preventative and scheduled maintenance. This can be a significant problem for communities like Saline.

The Department should establish formal service level expectations for non-emergency issues in order to ensure that work is prioritized effectively. The Department should develop formal expectations for the total response time to resolve common service requests, based on knowledge of the complexity and time involved, and should develop an accompanying policy on how staff will be assigned to fulfill the request.

When a request is submitted, the City should communicate the appropriate service-level expectations so that the public has a reasonable understanding of the time involved. DPW staff should also be made familiar with these expectations so that tasks can be appropriately incorporated into work planning. This approach will help manage expectations, both with the public and with City staff, and will help the Department prioritize work more effectively.

Recommendation 39: Document processes and implement cross-training to ensure support for the Office Manager position.

The DPW's Office Manager plays an important role in managing the Department's workload requests. The position is also responsible for a number of other key assignments, including receiving and processing maintenance requests, tracking work hours and producing reports, administering the Department's payroll, tracking Department finances, tracking the Department's vehicle inventory, and completing other general office management and administrative tasks.

There is no natural backup for the Office Manager's position within the Department; when the Office Manager is out of the office, many of the position's duties are not completed. Furthermore, many of the processes overseen by the position are relatively complex, making it difficult for another person to step into the role without training. The current Office Manager has also developed several systems and databases on which no one else has been trained.

The Department should ensure that support is in place for the Office Manager position and that institutional knowledge is retained. To do this, the Department should first work with the City Manager's Office to identify employees from other departments who could be cross-trained in the Office Manager's systems and practices, and the departments should work together to implement a training schedule for these staff.

Training these staff will help ensure that the Department retains full administrative capacity in the Office Manager's absence. Cross-training will also be a professional development opportunity for other administrative staff and can help foster connections between City departments. The Office Manager should also develop written manuals for the position's work to ensure that institutional knowledge is preserved in the event of that employee's departure.

Communication

Recommendation 40: Enhance communication and information sharing within the Department.

According to staff interviews, communication within the Department is largely limited to practical discussion about daily operations. The Office Manager is responsible for managing maintenance requests and assigns the work to the Department's Foremen on a daily basis.³² For most staff, tasks are assigned daily and there are limited opportunities to discuss how daily work aligns with overall work goals or the Department's long-term plans. There is also little direct communication between the Director and line staff; the Department does not have regularly-scheduled all-staff meetings and assignments are communicated through the Office Manager and Foremen.

Robust communication among all levels of the Department is important for a well-functioning DPW. Line staff have significant insight into the day-to-day issues faced in their work, and this information is vital to asset management and capital planning efforts. Without regular communication, line staff's knowledge about opportunities, problems or deficiencies may not be conveyed to Department leadership in a timely manner. Furthermore, many of the Department's line staff reported feeling disconnected from the Department as a whole and from the City's overall mission; they get their assignments on a day to day basis and have no opportunity to provide input into work planning or long-term goals.

The Department should be purposeful about teambuilding among staff of all levels. Regular staff meetings are important to create a collaborative, cohesive atmosphere. The Department should hold all-staff meetings at least quarterly. These meetings are an opportunity for Department leadership to inform staff about any upcoming initiatives or changes and for other staff to voice any questions or concerns. Department leadership should also involve staff in asset management; line staff should be given the opportunity to offer input on a new piece of equipment, for example, since they are the ones who will have to work with the equipment on a daily basis. This has been the practice for several equipment purchases over the last four years.

Finally, the Department Director should prioritize regularly scheduled interaction with the maintenance crews, including periodic ride-alongs with staff. Workload demands have limited the Director's ability to do this. However, these informal interactions will help illustrate to maintenance crews that the Department understands the work that they do and appreciates their input.

³² With some exceptions; requests to dig a grave are usually scheduled a day or more in advance, for example

Department of Water Production and Wastewater Treatment

The Department of Water Production and Wastewater Treatment (WP & WT) is responsible for providing clean drinking water and treating wastewater for the City of Saline. The Department operates a Water Treatment Plant and a Wastewater Treatment Plant, both operated and overseen by the same group of staff. In addition to the two treatment plants, the Department manages five well pumps with a total capacity of approximately 4,500 gallons per minute when fully-operational,³³ two water storage towers with a combined capacity of 850,000 gallons, and seven sewage lift stations.

The Water Treatment Plant uses greensand filters and reverse osmosis to treat the water pumped from wells; it has a maximum capacity of 3.5 million gallons per day and an average output of 1.2 million gallons per day. The Wastewater Treatment Plant has an average inflow of 1.2 million gallons per day and a 4.1 million gallon per day maximum. The Department uses a tertiary treatment system for its wastewater; wastewater goes through a number of treatment steps, including rotating biological contactors and ultraviolet light disinfection.³⁴

There are six full-time positions and one part-time position³⁵ in the Department. Shift Operators and Utility Persons are responsible for day-to-day operations at both plants, overseen by a Superintendent and Assistant Superintendent. The WP & WT Superintendent is responsible for managing operations at both plants, developing and administering the Department's budget and capital plan, and ensuring that the Department's equipment and practices comply with state and federal law. The position supervises the Assistant WP & WT Superintendent, who is responsible for maintaining the Department's laboratory and for supervising the line staff who carry out day-to-day operations.

A group of four staff are responsible for oversight and maintenance of the Department's daily operations. They staff the plants from 7:00 am to 3:00 pm daily and are on call to respond to any after-hours incidents. They are responsible for operation and general maintenance of the equipment and facility; more specialized repair and maintenance tasks are contracted out. Maintenance of the utility lines and meters is the responsibility of the Department of Public Works.

The following figure illustrates the Department's organizational structure.

³³ Equipment is currently not operational for two of the wells, so they are out of circulation. This reduces current capacity to approximately 2,500 gallons per minute.

³⁴ The ultraviolet system is currently not operational; chlorine treatment is being used as a temporary measure

³⁵ The Assistant Clerk is a full-time position that splits time between the WP & WT Department and the Clerk's Office

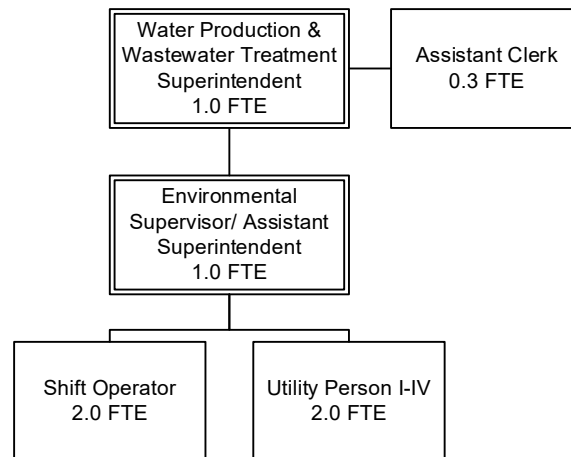


Figure 12: Water Production and Wastewater Treatment Department Organizational Structure, FY2019

Core Services

The following table summarizes the core services of the WP & WT Department. It is not intended to be an all-inclusive list, rather a broad summary of the programs and activities.

Table 49: Water Production and Wastewater Treatment Department Core Services

Function/Division	Program Area	Activities
Water	Treatment	<ul style="list-style-type: none"> Pump water from wells and treat to ensure potability Maintain well and treatment facilities; daily monitoring Maintain two water storage facilities
	Testing	<ul style="list-style-type: none"> Test water samples to ensure compliance with regulations
Wastewater	Treatment	<ul style="list-style-type: none"> Treat wastewater prior to releasing to river Maintain wastewater treatment facility and seven sewage lift stations; daily monitoring
	Testing	<ul style="list-style-type: none"> Test wastewater samples to ensure compliance with regulations

Staffing

The number of full-time positions in the Department has remained steady since FY2015. The partial position refers to an Assistant Clerk, a full-time position that is primarily based out of the Clerk's Office but who provides support to WP & WT.

Table 50: Water Production and Wastewater Treatment Department Staffing, FY2015 through FY2019

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	Percent Change FY2015 to FY2019
Full-Time Staff	6.3	6.2	6.2	6.2	6.3	0%

Budget

The Department is funded through two separate funds, Water and Sewer, which are financed by utility fees. Total operating expenses have increased by 19% over the last five fiscal years, largely driven by Sewer Fund expenditures. The increased Sewer Fund expenditures can largely be attributed to recent grant funding from the State of Michigan's Stormwater, Asset Management, and Wastewater (SAW) program including the Lucity system and stormwater system improvements.

Table 51: Water Production and Wastewater Treatment Department Operating Expenses FY2014 through FY2018

Expense Category	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Personnel Costs	\$348,291	\$356,789	\$189,668	\$596,563	\$393,498	13%
Debt Service	\$194,600	\$355,380	\$160,590	\$142,288	\$124,401	-36%
Depreciation Expense	\$487,860	\$500,966	\$511,123	\$517,388	\$534,905	10%
Other Services and Charges	\$620,218	\$583,600	\$620,593	\$663,686	\$742,322	20%
Water Fund Total	\$1,650,969	\$1,796,735	\$1,481,974	\$1,919,925	\$1,795,126	9%
Personnel Costs	\$581,947	\$985,604	\$824,898	\$940,103	\$748,000	29%
Debt Service	\$126,895	\$123,527	\$115,455	\$134,538	\$218,786	72%
Depreciation Expense	\$511,509	\$520,753	\$552,412	\$531,828	\$614,005	20%
Other Services and Charges	\$615,046	\$677,728	\$684,028	\$811,763	\$782,044	27%
Sewer Fund Total	\$1,835,397	\$2,307,612	\$2,176,793	\$2,418,232	\$2,362,835	29%
Total	\$3,486,366	\$4,104,347	\$3,658,767	\$4,338,157	\$4,157,961	19%

Analysis and Recommendations

The WP & WT Department is entrusted to provide clean and reliable drinking water to Saline residents, as well as with ensuring the City's wastewater is treated and released safely back into the environment. In order to perform these tasks, the Department relies on many millions of dollars' worth of equipment. This equipment requires regular preventative maintenance and inspections to ensure that it continues to function effectively. However, some of this maintenance has not been prioritized. As a result, many critical pieces of equipment have lapsed into disrepair. This is a critical time for the Department; significant, expedient intervention is required in order to ensure the Department is able to continue to effectively provide service.

Many of these issues are at the Wastewater Treatment Plant, which is also the source of significant odor complaints by City residents. The Department is evaluating options for the future of the Plant, including relocating it or forming a regional wastewater authority. However, as discussed below, regardless of the

Plant's long-term future, immediate investment in its continued performance is required as it will still be in operation for many years in the short-term.

Other recommendations detailed herein address the urgent need to establish preventative maintenance schedules for the Department's assets. They also address technology improvements that can aid in maintenance and work planning. They also call for the establishment of performance expectations for staff at all levels to ensure that all employees have a clarity of purpose and are held accountable for their part in helping the Department meet its goals.

Future Planning

Recommendation 41: Develop a plan for the future of the Wastewater Treatment Plant.

The Wastewater Treatment Plant facility will require significant capital investment in coming years. The rotating biological contactors used for treating wastewater were installed in 1986 and may be nearing the end of their useful life. Limited preventative maintenance is being performed on the Plant's assets, shortening their lifespans and increasing the cost of their eventual repair and replacement. Additionally, many pieces of equipment at the Plant, such as the ultraviolet treatment system, are semi-functional or nonfunctional. The 2019-2024 Capital Improvement Program includes more than \$3 million for repairs, replacements, and upgrades in the Plant, but further investment will be required to ensure that the Plant continues to function reliably. The City is also growing, and future development is projected to put additional strain on the system.

The Plant is currently located in a residential area, resulting in frequent odor complaints from nearby residents. The City is working to address this issue through a \$4.15 million odor reduction project, but its close proximity to homes and the City's continued growth and development may continue to pose difficulties in the future.

For these reasons, the City is appropriately planning to evaluate options for the future of the Wastewater Treatment Plant and is in the process of preparing a request for proposals (RFP) to be issued in May for a consultant to conduct a siting study. The study will evaluate the options of: joining with other nearby municipalities to form a regional authority; relocating the existing plant; and continuing to make improvements to the existing plant.

This is an important process for the City to prioritize. As part of the process, it should work to carefully define the scope of the RFP to ensure that it gets the level of evaluation appropriate for such a significant decision. The selected consultant should complete a comprehensive asset inventory and condition assessment as part of the evaluation. This assessment should be used to develop a detailed cost estimate for future capital investments in the existing plant. The consultant must consider population and development projections for the City and develop recommendations that would serve the City's needs for at least the next two decades. Finally, the consultant should develop a timeline for implementation of each potential option. All of these factors will be important considerations for the City as it evaluates its options after the study is complete.

Although the results of this study may impact long-term planning for the Wastewater Treatment Plant, they will not affect the specific recommendations detailed in this report. Even if the City does make the decision to relocate the Plant, designing and constructing a new facility will be a multi-year process. The current Plant must remain operational for at least several years, and it is important that it remain safe and reliable for the City of Saline for as long as it is in use. None of this report's recommendations should be put on hold pending results of the study.

One vital first step to help ensure the continued viability of the Wastewater Treatment Plant is implementation of a comprehensive asset management plan.

Asset Management

Recommendation 42: Develop and implement an immediate priority plan to assure that critical functions are sustained, and regulatory requirements are met.

The Department is planning improvements to its facilities; the 2019-2024 Capital Improvement Plan includes more than \$7 million for the Department's assets. However, some of its needs may require more urgent attention. Many of the Department's assets are not fully-operational, requiring staff to rely on temporary work-arounds in order to keep the systems functional.

The Department's highest priority should be to safeguard its critical functions and the status of its state and federal permits to ensure that it can continue to provide high-quality, uninterrupted utility services to the residents of Saline. Significant investment may be required, but it is necessary in order to ensure continued provision of vital services.

The first step should be for Department leadership to identify critical assets. Critical assets are defined as assets necessary for the system to function and/or for the Department to remain in regulatory compliance. The next step should be for Department leadership to work with staff to identify which of these assets are less-than-fully functional and/or are at risk of failure.

Once the assets are identified, the Department should inventory all current repair and replacement needs necessary for restored or continued functionality. It should then identify the resources required to complete these repairs; in some cases, they may be able to be completed in-house, in other cases the Department will require the services of an outside contractor. After resource requirements are defined, the Department should work with the City Manager's Office to secure the necessary resources.

Finally, the Department should work with staff and contractors to develop a timeline of implementation for the repairs and replacements, prioritizing the assets at highest risk of impacting the Department's functionality and/or permitting status.

Recommendation 43: Establish and implement preventative maintenance schedules for all equipment based on manufacturer recommendations.

It is standard for most assets maintained by water production and wastewater treatment plants to have a preventative maintenance schedule proscribed by the asset's manufacturer. However, the Department does not currently have a formal, regular preventative maintenance program for its assets. This limits the Department's ability to maximize the usable life of these assets. Fortunately, the Department has recognized this need and begun the process of documenting preventative maintenance needs.

A comprehensive preventative maintenance schedule should be informed by an asset inventory and condition assessment, as discussed in the following recommendations. However, the first step should be to compile all of the existing manufacturers' recommendations for preventative maintenance schedules, and to use these schedules to develop a calendar of preventative maintenance activities that should occur on a regular basis. The Department should then implement the preventative maintenance plan, supplementing it as needed based on the results of the condition assessment.

Recommendation 44: Conduct a complete asset inventory and condition assessment.

After the Department has identified a plan for repair and safeguarding of its highest-risk assets and developed a basic plan for regular preventative maintenance, it should take a more complete look at its assets overall. A comprehensive approach to asset management is vital to ensure that the Department safeguards its assets and get the most value out of the City's investments.

The first step in creating a comprehensive asset management plan is the completion of an asset inventory and condition assessment. A list of all Department assets, along with an evaluation of their conditions, will allow the Department to prioritize and assign work effectively. It will also help the Department clarify its maintenance requirements and scope of services to better plan for future capital expenditures.

The contractor hired to complete the siting study should prepare the inventory for the Wastewater Treatment Plant. The Department should complete the inventory for all other assets and should work with the contractor to ensure consistency and to ensure that the entire asset inventory can eventually be incorporated into the Department's Lucity asset management software.

The Department, working with the contractor, should create an inventory of all of its assets categorized by the likelihood of an asset's failure and the predicted consequences of failure, similar to the process detailed in the Department of Public Works section of this report.

This asset inventory should eventually be part of the Department's Lucity system, but the process of inventorying and assessing assets should begin before the software has been implemented. It is important to start this process as soon as possible so that the Department can begin to implement a comprehensive asset management plan.

As in the Department of Public Works, it will be important for the Department to regularly update its asset inventory. Once Lucity implementation is complete, staff should be instructed to input asset information in the system in real-time to ensure that the Department maintains an accurate record of its current status. The comprehensive inventory should be updated at least annually, and its results should be used to identify capital planning requirements for the Department.

Recommendation 45: Develop a comprehensive asset management plan, including preventative maintenance schedules, and use it to inform Department work plans.

The completed asset management inventory should be used to inform the development of a comprehensive asset management plan covering the full scope of Department operations. The Department should develop a management plan for each of its assets based on manufacturer recommendations and industry best practices. The management plans should identify a preventative maintenance schedule for the asset, as well as a repair and replacement schedule.

The Department should also identify which of the elements of the plan can be accomplished in-house and which will require the assistance of outside contractors. The Department can then estimate the ongoing costs for maintenance, repair, and replacement of assets for budget planning.

Technology

Recommendation 46: Develop a plan for implementation of the Lucity™ asset management system.

The City's asset management and work planning should be supported through effective use of technology to track tasks, work hours, and asset conditions. The WP & WT Department does not currently have an asset management system in place. However, the State's SAW program has provided the City with Lucity asset management software, a program that will allow the Department to maintain asset inventories and condition assessments and track work orders and preventative maintenance plans.

Implementation of the Lucity software will improve efficiency, organization, data tracking, and reporting for the Department. The system has been put into place and the City is in the process of populating it with data. However, the system cannot be implemented until staff have been trained on the system, which just began at the beginning of April.

The Department should develop a comprehensive plan for implementation and continued use of the system, including a timeline for implementation, resources required for implementation, time required to train the staff, and how the system will integrate into the Department's day to day work. A detailed plan for implementation will help ensure a smooth transition to the new system and provide a realistic assessment of the time, resources, and training involved.

The Department should also begin to lay the groundwork for how the system should be used. Careful planning will help ensure that Lucity is used effectively. The Department should develop clear protocols around who is responsible for maintaining its databases, how work order information will be distributed, and how hours and tasks will be logged.

Recommendation 47: Fully implement Supervisory Control and Data Acquisition (SCADA) capability at both plants and pumping stations.

The City of Saline relies on complex mechanisms to treat its water and wastewater; many moving parts must function together correctly in order for the system to be effective. SCADA is a tool to improve a Water and Wastewater Department's ability to oversee and manage these multipart systems. It is a software solution that monitors the entire system and allows staff to access real-time operational data, turn devices on and off remotely, and to track performance trends over time. It has the capacity to save a department significant time and money; when a problem occurs in the system, staff can immediately identify where the failure is occurring and can remotely shut down the system to prevent waste. The system's ability to track trends over time also helps inform maintenance and capital planning efforts by highlighting any ongoing equipment performance issues.

SCADA, therefore, is an important tool for operating water and wastewater systems as efficiently and effectively as possible. The WP & WT Department does have a SCADA system; however it is not fully operational. The system was purchased in 2005 and was originally a radio-based system. Radio monitoring became unreliable, however, causing the Department to switch to a system based on signals from cellular towers. However, the signals cannot be accessed from the Wastewater Treatment Plant.

While the Water Plant is monitored using SCADA, the wastewater system depends on manual oversight. The system does have an alarm to alert staff of potential issues, but the alarm is generalized; there is no way for staff to narrow down the cause of the issue without physically examining the system. Full SCADA implementation would reduce the time spent troubleshooting issues, thus increasing staff capacity and reducing the overtime cost from time spent visiting the plant to investigate alarms after-hours. Tracking

performance trends would also help the Department identify and proactively manage equipment and system issues, reducing the time spent on reactive fixes.

Since the Department has already purchased SCADA, it should develop a plan for full implementation so that it can realize the value of its investment. It should work with the SCADA manufacturer to evaluate the current status of the system and options for implementation for all Department assets. The Department should select the option that best meets the City's needs and develop an estimate of the resources required for implementation. It should then work with the City Manager's Office to budget the resources required and develop an internal plan with the steps and timelines required for implementation.

Work Planning

Recommendation 48: Establish and enforce performance expectations for management and union employees.

The Department's long-time Superintendent recently retired after many years, and in this period of transition many staff have expressed uncertainty about the scope and performance expectations of their roles. For example, one reason preventative maintenance largely does not occur is a lack of clarity on who is responsible for developing and implementing maintenance work plans.

The Department should review the roles of all positions within the Department, including management, and ensure that the scope of work is clear and reflects the position's best use. The Department should also develop performance expectations for positions at all levels. For example, performance expectations for maintenance staff could include adherence to the set preventative maintenance schedule, timely completion of reactive maintenance tasks, completion of regular inventory condition assessments, and consistent reporting of work hours. Implementation of the Lucity system will aid in the Department's ability to track these expectations.

Department leadership should also collaborate with the City Manager to develop performance expectations for the Department's Superintendent and Assistant Superintendent. The City should clarify each role's scope of responsibility and performance expectations. Performance expectations for management roles could include holding regular meetings with all staff, maintaining a comprehensive asset management system, maintaining a rigorous safety protocol, completing capital plans based on asset conditions, timely and accurate reporting to regulatory agencies, and maintaining all required permits and licenses.

These expectations should be tracked and used as part of each employee's annual performance review. Supervisors should also have check-in meetings with their reports at least quarterly to discuss employee progress as well as any concerns or issues.

Purchasing

Recommendation 49: Implement multi-year purchasing contracts for supplies.

Operation of water and wastewater systems requires the use of chemicals and other materials that must be continuously resupplied as they are used. The Department's current practice is to order these supplies on an as-needed basis. Every purchase must receive administrative approval, and purchases over \$15,000 also require approval from City Council. These approval processes require staff time to process and limit the speed at which an order can be placed.

The Department's use of these supplies can be reasonably estimated by reviewing the amount of supply ordered in previous years. The Department can save staff time and make the purchasing process more efficient by implementing purchasing contracts for one or more years, allowing them to obtain necessary supplies without the need for additional approval throughout the contract term. The Department should evaluate all of its purchases and work with the City Treasurer to determine which of its frequently-purchased supplies may be appropriate for a purchasing contract, and work with the Treasurer to initiate the process.

Parks and Recreation Department

The Parks and Recreation Department was established in 1991, as a result of civic-minded citizens who wanted to coordinate recreational activities throughout the community and manage the growth of programs for the benefit of Saline residents. The Department is responsible for overseeing the management of 12 parks, the Saline Recreation Center and surrounding campus, and administering over 50 year-round programs and over 30 seasonal activities and events.

The Department is staffed by six full-time employees led by the Parks and Recreation Director. In addition, the Department has several seasonal part-time employees (lifeguards, camp staff, etc.) and at times utilizes independent contractors for instructors, coaches, and trainers. The number of part-time employees, and hours worked vary by season depending on programming and participation.

The Parks and Recreation Director plans, develops, and administers the Department's recreation programs, oversees the Recreation Center operations, and is responsible for managing the City's park system. The Director provides budget oversight for the department, ensuring the fiscal sustainability and success of the Recreation Center and its programs. Budget management involves both short and long-term planning and analyzing data to make recommendations and decisions regarding programming and the facility itself. The Director is also responsible for developing and cultivating partnerships within the community and identifying potential revenue opportunities for the Department. The Director is a staff liaison to both the Parks Commission and Youth Council.

Programming for the Department is the responsibility of three full-time staff: the Facility Manager, Recreation Supervisor, and Aquatic Coordinator. The Facility Manager is responsible for maintaining a master schedule of activities and coordinating rentals within the facility and the park system. The Facility Manager is also responsible for coordinating fitness, youth sports, and athletic programming, and for managing the facility's custodial contract. The Recreation Supervisor coordinates several programs including youth day camps, adult sports leagues, and childcare offered at the Recreation Center. The Aquatic Coordinator is responsible for developing and overseeing the aquatic programming for the facility which includes swim instruction, lifeguard training, and water aerobics.

Each supervisor is responsible for evaluating attendance counts and budget expenditures for their programs and making recommendations to the Director regarding costs and fees. They each oversee part-time staff and contractors who provide programming, and they also manage one or more of the special events held by the Department throughout the year, such as Summer Movies in the Park, Nerf Wars, American Girl Tea Party, Daddy Daughter Dance, Princess and Superhero Family Fun Night, and Springfest.

The maintenance of the Recreation Center is the responsibility of the Building Maintenance Supervisor who oversees all building and pool operations and performs maintenance. The position is assisted by external contractors and DPW staff when additional expertise and/or capacity is required.

The Department is supported by a team of part-time administrative staff, led by a full-time Parks and Recreation Secretary. The administrative employees staff the Recreation Center's front desk, answer questions from the public, and process membership applications and program registrations.

Staff works closely with the Parks Commission, a nine-person volunteer board appointed by the Mayor and City Council. The Parks Commission operates, constructs, maintains and plans a system of public parks and playgrounds.

The organizational chart below illustrates the current structure within the Department.

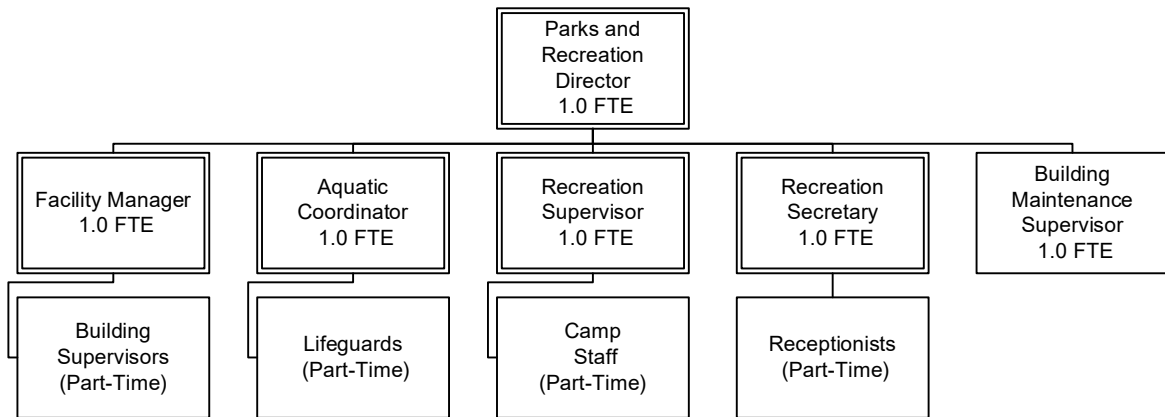


Figure 13: Parks and Recreation Department Organizational Structure, FY2019

City Parks

The Parks and Recreation Department, in collaboration with DPW, manages 12 parks and open spaces totaling more than 200 acres. Parks range from a neighborhood or mini-park including a landscaped area with a bench to a community park providing a wide range of recreational facilities including playgrounds, picnic areas, athletic fields, and natural areas.

DPW is responsible for park maintenance including playgrounds, play equipment, picnic areas, fields, basketball courts, boat launch ramps, restrooms, and other special facilities. Parks and Recreation staff is responsible for coordinating the programming and reservations within the City's Parks system and makes recommendations for park capital improvements. The following is an inventory of the City's current parks.

Table 52: Inventory of the City of Saline Parks

Park	Type	Size
Canterbury Park	Neighborhood Park	4 acres
Colony Park	Neighborhood Park	3.5 acres
Marlpool Park	Neighborhood Park	.3 acres
Risdon Park	Neighborhood Park	.24 acres
Salt Springs Park	Neighborhood Park	15 acres
Stonecliff Park	Neighborhood Park	4 acres
Brecon Park	Community Park	6 acres
Curtiss Park	Community Park	50 acres
Mill Pond Park	Community Park	54 acres
Peoples Park	Community Park	10 acres
Tefft Park	Community Park	40 acres
Wilderness Park	Community Park	22 acres

Recreation Center

The Recreation Center is a 43,000 square foot facility which offers members of the community, both residents and nonresidents, amenities such as basketball, volleyball, and racquetball courts, an indoor track, swimming pools, weight room, and aerobics studio. The Recreation Center offers fitness classes, sports leagues, recreational programming, and child care. Its campus also includes four softball fields, four tennis courts, a soccer field, two sand volleyball courts, a disc golf course, and the pavilion.

The Recreation Center's facilities and programming are available to both residents and non-residents, although non-residents pay higher fees. The City has set a goal for the Department to be as self-sustaining as possible from user fees. Although the Department has not yet achieved that goal, no programming is run at a loss.

Core Services

The following table summarizes the core services of the Parks and Recreation Department. It is not intended to be an all-inclusive list, rather a broad summary of the programs and activities.

Table 53: Parks and Recreation Department Core Services

Function	Program Area	Activities
Administration	Customer Service	<ul style="list-style-type: none"> • Greet Recreation Center members • Respond to member requests • Assist with registration
	Board Support	<ul style="list-style-type: none"> • Staff Liaison to Parks Commission • Staff Liaison to Youth Commission
	Budget Development	<ul style="list-style-type: none"> • Develop and administer the Department's annual budget • Seek and apply for appropriate grant funding and corporate sponsorships
	Facility Coordination	<ul style="list-style-type: none"> • Coordinate program schedules for entire facility • Rent out City park spaces to the public • Rent out space in the Rec Center to the public
	Internal Support	<ul style="list-style-type: none"> • Process receivables, payables, and purchase orders • Track payroll and assist with processing
Maintenance	Maintenance	<ul style="list-style-type: none"> • Complete basic repairs and general maintenance of the Rec Center building and grounds • Oversee outside contractors • Maintain pools
Aquatics	Pool Operations	<ul style="list-style-type: none"> • Schedule and manage pool staff • Provide pool staff with appropriate training • Conduct lifeguard training
	Pool Facility	<ul style="list-style-type: none"> • Perform daily chemical testing while pool is in operation • Monitor and replace filters and chemicals as needed
	Swim Lessons	<ul style="list-style-type: none"> • Coordinate swim lessons, water aerobics, and other programming as required • Schedule classes

Function	Program Area	Activities
		<ul style="list-style-type: none"> • Coordinate registration • Assign instructors
Recreation	Youth and Adult Sports	<ul style="list-style-type: none"> • Coordinate youth and adult sports registrations • Create leagues and team assignments • Schedule games • Maintain collaborative relationships with team coaches • Procure uniforms and other athletic supplies • Coordinate with Public Works regarding athletic field maintenance and preparation
	Fitness Programming	<ul style="list-style-type: none"> • Develop fitness programming schedule • Coordinate fitness program registrations
	Youth Camps	<ul style="list-style-type: none"> • Coordinate youth day camps and registration • Hire and oversee part-time staff and contractors as camp counselors
	Child Care	<ul style="list-style-type: none"> • Staff child care center during Rec Center hours
Special Events	Special Events	<ul style="list-style-type: none"> • Develop and coordinate annual special events (Daddy Daughter Dance, Summer Movies in the Park, Mom 2 Mom, etc.)

Staffing

Staffing within the Department has remained consistent from FY2015 to FY2019.

Table 54: Parks and Recreation Department Staffing, FY2014 through FY2018

	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Actual	Percent Change FY2015 to FY2019
Full-Time Staff	6	6	6	6	6	0%

Budget

Parks and Recreation facilities and services are supported by the General Fund, user fees, and charges. The following table includes funding for the Recreation Center and all associated personnel, programming, and operations costs. The substantial recreation bond fund increase from FY2017 to FY2018 is attributed to \$1.3 million in roof repairs to the Recreation Center which were funded through the sale of bonds. Expenses associated with parks and their maintenance are included in the DPW budget.

Table 55: Parks and Recreation Department Expenses – All Funds, FY2014 through FY2018

Expense Category	FY2014 Actual	FY2015 Actual	FY2016 Actual	FY2017 Actual	FY2018 Actual	Percent Change FY2014 to FY2018
Recreation Bond Fund	\$106,949	\$1,047,462	\$102,885	\$103,603	\$1,473,882	1278%
Recreation Complex Fund	\$1,291,625	\$1,314,716	\$1,383,529	\$1,438,808	\$1,460,600	13%
Total	\$1,398,574	\$2,362,178	\$1,486,414	\$1,542,411	\$2,934,482	107%

Analysis and Recommendations

The Parks and Recreation Department provides valuable services to the community which enhance the quality of life and promote health and wellness opportunities. Staff is committed to meeting the needs of the community and providing year-round recreational programming opportunities for youth and adults.

Many of the recommendations included in other sections of this report will have a direct and positive impact on the operations within the Department. For example, due to the Department's high number of part-time and seasonal hires, the creation of an HR Manager will be a benefit and assistance to staff. This position will be able to assist with the recruitment and hiring of personnel.

Additionally, staff currently spend a large percentage of their time promoting the Recreation Center and its programming. Marketing activities range from drafting press releases to developing program brochures to flyers and newsletters. For a program to be successful, outreach to a wide audience is essential. The creation of a Communications Assistant position will be an important resource for staff. It will be an asset to have an individual on board who can provide professional assistance, advice, and guidance when staff is working with the media, drafting press releases, or developing community outreach plans.

While the Parks and Recreation Director manages the City's park system, all funding and maintenance for parks is under the purview of DPW. This results in the need for constant collaboration and communication between the two departments. The recommendations included in the DPW section of this report focus on improved communication, implementing a work order system to track the status of service requests, and establishing a service level agreement for park maintenance to develop more collaborative practices between the departments.

The recommendations in this section are intended to help the Department build upon its current successes and proactively prepare for its future. Recommendations focus on developing a facility needs assessment, establishing cost recovery goals, identifying alternative revenue opportunities, and address the potential need for an additional staff resources as programing grows.

Financial Planning

Recommendation 50: Develop a Facility Needs Assessment to assist in prioritizing capital and maintenance needs at the Recreation Center.

In February 2016, the City of Saline adopted a Parks and Recreation Master Plan which articulates a vision for parks and recreation in the community. The purpose of the Master Plan is to guide recreation planning and development efforts of the Parks and Recreation Department over the next five years.³⁶ The Master Plan is used to guide programming and funding decisions regarding parks and recreation. The Master Plan included a detailed inventory of the City's park and recreation facilities, as well as recreational amenities in nearby communities. The Plan identified goals and objectives for the next five years, including:

1. Park maintenance
2. Park development
3. Shared-use pathway establishment
4. Recreation programming
5. Administration and communication

³⁶ Parks and Recreation Master Plan, 2016

It should be noted that the goals, objectives, and action plan included in the document do not specifically address the future of the Recreation Center or identify any immediate or long-term maintenance needs for the facility. This is notable as the Recreation Center and the programs, events, and activities that take place in the facility are the primary revenue generator for the Department. However, achieving several of the goals included in the Plan such as continuing to improve recreation programs and maintaining financial sustainability of parks and recreation are directly impacted by the maintenance of the Recreation Center.

The Recreation Center is approaching 30 years old and is experiencing significant equipment and maintenance issues. In FY2017, the roof was replaced at a cost of \$1.3 million, and in FY2016, \$330,000 was spent on infrastructure improvements, including \$165,000 on the north parking lot and \$134,000 on the natatorium ventilation project. Staff is currently projecting \$900,000 in future capital improvement needs to be completed by FY2025. This includes projects such as resurfacing the pool deck and flooring, resealing the pool, equipment replacement, and parking lot improvements. Based on revenue projections for the Recreation Center, staff anticipates having funds available through FY2023.

Recognizing that the Department's revenue is dependent on the functionality of the Recreation Center, it is vital that the facility be well maintained. It is therefore recommended that the Department complete a facility needs assessment. A needs assessment will provide the City with an assessment of current conditions and assist in prioritizing major capital, maintenance, and equipment needs.

Without a facility needs assessment, it is difficult to proactively prioritize pending capital projects. Prioritization becomes increasingly more important when funds are limited. While staff does review, evaluate, and discuss the magnitude and importance of each project while developing the CIP each year, without a thorough facility assessment, it is difficult to approach maintenance from a proactive perspective.

The needs assessment should include an estimate of all ongoing and long-term maintenance costs so the City can make prudent and informed decisions regarding the allocation of resources, plan for the replacement of outdated equipment, and maintain ongoing performance and programming. The assessment should address the following questions:

- **Identify the facility's needs.** Assess the general physical condition and function of the Recreation Center.
- **How suitable is the current facility?** Evaluate the size and scope of current operations.
- **What is the best long-term plan?** Identify necessary short-term and long-term improvements and opportunity for growth; evaluate future viability of the Recreation Center.
- **How do we get there?** Prioritize the Recreation Center's on-going maintenance and capital needs; identify funding mechanisms.

Having a Recreation Center facility needs assessment will help staff effectively plan for the future of the facility and its needs. It can assist staff by providing revenue goals and targets, as staff better understands immediate and long-term facility needs. In addition, it can help staff begin to plan for the long-range future of the facility.

Recommendation 51: Establish a formal cost recovery policy for the Recreation Center.

The Saline City Council has set an informal goal that facilities and programs should be as self-sustaining as possible or revenue neutral. While not an adopted policy, it is a practice that City staff tries to adhere to

whenever possible. At the Recreation Center, staff has been working diligently to increase revenue for Recreation Center through membership and programming fees.

From FY2014 to FY2018, revenue generated through membership fees has increased 24%, and the number of members at the Recreation Center has increased by 16%, as illustrated in the following table.

Table 56: Trends in Recreation Center Membership Rates and Membership Revenue, FY2014 through FY2018

	Membership	Revenue
FY2014	2,264	\$727,265.63
FY2015	2,452	\$790,999.96
FY2016	2,587	\$853,710.08
FY2017	2,664	\$989,432.68
FY2018	2,621	\$905,096.12

In contrast to memberships, programming experienced a 6% decrease in revenue from FY2014 to FY2018, with fitness programming (-35%) and youth sports (-40%) experiencing the largest decreases. It should be noted, that members received over 40 free fitness classes with their Recreation Center membership, which may attribute to the lower revenue figures in fitness programming. The table below provides an overview of revenue in each programming area.

Table 57: Trends in Recreation Center Programming, FY2014 through FY2018

Programming	FY2014	FY2015	FY2016	FY2017	FY2018	Percent Change
Kids Camps	\$160,003.50	\$143,784.00	\$164,543.00	\$149,224.00	\$159,137.00	-1%
Aquatics	\$131,642.95	\$138,554.44	\$140,215.50	\$142,465.50	\$129,794.10	-1%
Special Events	\$22,820.00	\$32,061.00	\$26,567.00	\$21,623.00	\$24,463.87	7%
Youth Sports	\$28,560.82	\$30,260.50	\$14,252.00	\$17,121.00	\$17,240.00	-40%
Tots & Preschool Program	\$10,314.25	\$11,148.68	\$10,089.25	\$10,383.67	\$8,591.00	-17%
Adult Sport Leagues	\$52,594.00	\$53,870.00	\$53,596.50	\$44,654.00	\$46,535.00	-12%
Fitness Programs	\$20,581.90	\$19,533.00	\$16,879.19	\$11,678.00	\$13,396.00	-35%
Total	\$426,517.42	\$429,211.62	\$426,142.44	\$397,149.17	\$399,156.97	-6%

However, even with an increase in memberships and programming revenue, the facility is not self-sustaining. The General Fund continues to support the Department. In FY2018, the Department had an operating budget of \$3 million and received a transfer of \$1.4 million from the General Fund for capital improvements.

The Department works diligently to promote and advertise the Recreation Center and its programs. Staff use a variety of measures to evaluate the success of its programs including surveys, evaluating attendance, and review of program revenue. The Department also has an internal practice of discontinuing programs that do not recover the full cost of operations. In addition, staff analyzes the cost of each program (sports, aquatics, recreation, etc.) and reviews comparable programs and services in the market place and adjusts

costs accordingly. However, other than the directive to be as self-sustaining as possible, and the Department's internal practice to not operate programs that are not revenue neutral, the Department does not have any specific cost recovery goals or policies to help assist with pricing programs and services.

Establishing a formal cost recovery policy will enable staff to better determine whether Recreation programs are priced in a way that supports the City's strategic goals. This is especially important in communities like Saline, where major programs and events sponsored by the Department (such as youth activities, aquatics, special events) generate considerable participation from surrounding communities. A cost recovery policy can be a key component to maintaining financial sustainability, providing equitable pricing, and identifying core services.

To help staff ensure programs are priced appropriately and support future efforts to analyze the effectiveness of recreation programming, it is recommended that the City adopt a formal cost recovery policy. Effective cost recovery policies identify acceptable revenue targets and subsidy rates for programs based on category, target audience, and other factors important to the City Council.

Across the country, cost recovery levels vary from organization to organization. Cost recovery goals are determined based on values, vision, mission, stakeholder input, funding, and/or other criteria. For example, in 2011 the City of Corvallis, Oregon developed a tiered cost recovery approach for recreation programming based on the target audience of each program. Program prices designed to produce revenues that achieve rationally derived cost-recovery targets are dependent upon there being reasonably accurate estimates of service costs. If a pricing decision is based on a goal of 50% cost recovery or aims to cover operating costs, if the costs are not accurately identified, then the goals are meaningless.³⁷

The tiered approach in Corvallis allowed the City to price programs based on the audience and the governing body's program priorities. For those programs where the governing body is willing to provide a subsidy, the City has the ability to lower prices while continuing to offer the program. The cost recovery tiers utilized by the City of Corvallis include:³⁸

- **Mostly Individual Benefit** – Those services which have revenue positive potential. In this tier, services should be priced to recover full cost in addition to a designated revenue positive percentage.
- **Considerable Individual Benefit** – Services designed for specific groups, and those which may have a competitive focus. Services in this tier, may be priced to recover full cost, including all direct and indirect expenses.
- **Balanced Community/Individual Benefit** - Services which promote individual physical and mental well-being and provide an intermediate level of skill development. The individual fee is set to recover a higher percentage of cost than those services that fall within the lower tiers.
- **Considerable Community Benefit** - Services which promote individual physical and mental well-being and may begin to provide skill development. They are generally traditionally expected services and/or beginner instructional levels. These services are typically assigned fees based upon a specified percentage of direct (and may also include indirect) costs.

³⁷Journal of Parks and Recreation Administration, *Using the Benefits Continuum, Enterprise Funds, and Cost Finding to Implement Best Pricing Practices*. Winter 2016

³⁸ <https://archives.corvallisoregon.gov/public/ElectronicFile.aspx?dbid=0&docid=919448>

- **Mostly Community Benefit** - Those services including programs and facilities which mostly benefit the community as a whole. These services may increase property values, provide safety, address social needs, and enhance quality of life for residents. The community generally pays for these basic services via tax support. These services are generally offered to residents at a minimal charge or with no fee.

Developing formal cost recovery goals for the Recreation Center and its programs will provide staff with clear direction. Utilizing a tiered model for pricing and cost recovery will help the Department effectively implement its programs and evaluate success. These cost recovery rates will help staff determine not only how much to charge for programs and activities, but how many participants will be needed to achieve recovery targets.

Recommendation 52: Identify alternative funding and revenue opportunities for the Parks and Recreation Department.

In addition to setting cost recovery goals for its programs, staff should also explore alternative funding and revenue opportunities. Several revenue options exist including adopting a park millage, establishing a non-profit park foundation, adjusting membership fees, and adjusting programming schedules. The options are highlighted below.

Adopt a Parks and Recreation Millage/Levy

Currently, the City of Saline does not have a dedicated millage/levy for its Parks and Recreation function. However, residents do pay millages towards parks. In May 2017, voters in Saline passed a Recreation Millage (0.5 mills for 10 years) which was designed to provide funding for recreation programs and facilities that enhance the life of residents within the Saline Area School District community. The millage provides funding for five specific programs:

- Saline Area Senior Citizen Center
- Saline Area School Pool
- Saline Area School Theater Management
- Saline Community Education Recreation and Enrichment Programs

In addition, Washtenaw County has a Parks and Recreation millage (\$.2409) which was approved in 2010 for 10 years and was renewed in November 2018 for 0.2314 mills. The millage supports the Washtenaw County Parks system and is used for acquiring, developing, and maintaining parklands and operating recreation facilities.

A park levy in the City of Saline could provide dedicated funding for:

- Maintaining and improving existing parks and open spaces
- Enhancing park maintenance
- Improving neighborhood and community parks
- Ensuring more parks are accessible to people with disabilities
- Improving parks and sports fields
- Maintaining a variety of recreational programs for seniors, children, youth and adults
- Replacing outdated and failing equipment
- Maintaining and offset the overall increasing operational and maintenance costs at the Recreation Center

The creation of a parks levy would take the vote of the residents of the City of Saline. However, it could generate additional funds for parks maintenance, programming, and the maintenance of the Recreation Center or for the development of future facilities.

Establish a Park Foundation

The Department may want to consider the development of a Foundation or Friends of the Parks non-profit organization. It is not uncommon for communities to recognize that parks and recreation needs cannot be met through public funding alone, and that in order to enhance and maintain parks, open spaces, recreational facilities, and continue certain special events the community often must get involved.

These organizations are typically independent, donor-supported, non-profit organizations separate from the City. They are, however, often associated in some capacity with the community's park commission or board and often work closely with City staff in helping identify funding priorities and projects. Their goal is typically to promote the importance of parks and recreation in the community.

It is often easier for a non-profit to ask for and accept donations for short-term and long-term projects and their assets can be invested for planned future use. In addition, these organizations often become instrumental in developing volunteer programs and creating events and activities for the community. A non-profit can help promote recreation activities, messaging, and programs and can assist in developing capital fundraising campaigns.

Adjust Recreation Center Membership Fees

It is important to note that the Recreation Center attracts members from not only the City of Saline, but the surrounding communities as well. On average, residents make up 70% of the Recreation Center's membership, with non-residents making up 13% and corporate members consisting of 17%.³⁹ The following table illustrates the trends in resident, non-resident, and corporate memberships at the Recreation Center from FY2014 to FY2018.

Table 58: Membership Breakdowns, FY2014 through FY2018

	Resident	Non-Resident	Corporate	Total Membership	Membership Revenue
FY2014	1,503	376	385	2,264	\$727,265.63
FY2015	1,773	296	383	2,452	\$790,999.96
FY2016	1,795	305	487	2,587	\$853,710.08
FY2017	1,880	354	430	2,664	\$989,432.68
FY2018	1,910	324	387	2,621	\$905,096.12

Staff regularly reviews its rates to comparable facilities in nearby communities and adjusts as needed. The Recreation Center most recently adjusted membership fees in December 2017 and increased the fees by 10% (cost of living/inflation increase). Prior to that, the fees had not been adjusted since January 2014.

Recognizing the capital needs of the Recreation Center, it may be necessary to increase fees in the coming years to maintain the facility and equipment. Currently, the Recreation Center has a varied fee structure

³⁹ Local businesses or organizations can seek to be recognized by the Recreation Center; allowing employees to join at a discounted rate.

and has different rates for residents, non-residents, families, seniors, couples, and youth. The following table illustrates the current fee structure.

Table 59: Current Fee Schedule for the Recreation Center, 2019

Fees	Annual Pre-Paid Contract	12 Month	Month to Month
Resident	\$319	\$33	\$50
Non-Resident	\$409	\$42	\$65
Youth Resident	\$253	\$26	\$40
Youth Non-Resident	\$319	\$33	\$50
Family Resident	\$617	\$64	\$99
Family Non-Resident	\$759	\$79	\$121
Senior Resident	\$253	\$25	\$38
Senior Non-Resident	\$319	\$33	\$50
Senior Family	\$239	\$48	\$74
Senior Non-Resident	\$319	\$58	\$89
Couple Resident	\$479	\$50	\$77
Couple Non-Resident	\$614	\$64	\$98

One way to increase revenue for the facility is to adjust the fees. For example, the following tables highlight those membership categories that are the largest revenue generators for the Recreation Center. A modest increase of 5% to 10% in membership rates could generate \$45,000-\$90,000 in additional revenue assuming membership numbers stay the same.

Table 60: Estimated Revenue from Resident Memberships

Resident Membership Type	Total	Fee	Revenue	5% Increase	Revenue	10% Increase	Revenue
Family Yearly	394	\$617	\$243,098	\$648	\$255,253	\$679	\$267,408
Senior Family Yearly	179	\$461	\$82,519	\$484	\$86,645	\$507	\$90,771
Individual Yearly	282	\$319	\$89,958	\$335	\$94,456	\$351	\$98,954
Individual Monthly	275	\$50	\$13,750	\$53	\$14,438	\$55	\$15,125
Senior Individual Yearly	268	\$461	\$123,548	\$484	\$129,725	\$507	\$135,903
Youth Individual Monthly	104	\$40	\$4,160	\$42	\$4,368	\$44	\$4,576
Couple Yearly	135	\$479	\$64,665	\$503	\$67,898	\$527	\$71,132
TOTAL	1,637	-	\$621,698	-	\$652,783	-	\$683,869

Table 61: Estimated Revenue from Non-Resident Memberships

Non-Resident Membership Type	Number	Total	Revenue	5% Increase	Revenue	10% Increase	Revenue
Family Yearly	37	\$759	\$28,083	\$797	\$29,487	\$835	\$30,891

Non-Resident Membership Type	Number	Total	Revenue	5% Increase	Revenue	10% Increase	Revenue
Individual Yearly	65	\$409	\$26,585	\$429	\$27,914	\$450	\$29,244
Individual Monthly	62	\$65	\$4,030	\$68	\$4,232	\$72	\$4,433
Senior Family Yearly	18	\$319	\$5,742	\$335	\$6,029	\$351	\$6,316
Senior/Youth Individual Yearly	42	\$319	\$13,398	\$335	\$14,068	\$351	\$14,738
Senior/Youth Individual Monthly	37	\$50	\$1,850	\$53	\$1,943	\$55	\$2,035
Couple Yearly	20	\$614	\$12,280	\$645	\$12,894	\$675	\$13,508
TOTAL	281	-	\$91,968	-	\$96,567	-	\$101,165

Table 62: Estimated Revenue from Corporate Memberships

Corporate Memberships ⁴⁰	Number	Fee	Revenue	5% Increase	Revenue	10% Increase	Revenue
Family Yearly	167	\$653	\$109,051	\$686	\$114,504	\$718	\$119,956
Individual Yearly	129	\$348	\$44,892	\$365	\$47,137	\$383	\$49,381
Couple Yearly	62	\$533	\$33,046	\$560	\$34,698	\$586	\$36,351
TOTAL	358	-	\$186,989	-	\$196,339	-	\$205,688

Staff should begin to analyze and evaluate membership rates and recommend a fee increase to the Council by January 2020. Ideally, fees should be reviewed on a regular, ongoing basis and adjusted accordingly.

Adjust Programming Fees

As staff plans the recreation programming for the next year, the Department should take a more holistic approach and determine where there is the greatest interest, potential for growth, and revenue opportunity. While many of the Department's programs have proven to be successful, many have been phased out over time, and it may be time to redesign or revamp existing offerings. The following table illustrates trends in programming revenue from FY2014 to FY2018.

Table 63: Recreation Center Programming Revenue, FY2014 – FY2018

Programming	FY2014	FY2015	FY2016	FY2017	FY2018	Percent Change
Kids Camps	\$160,003.50	\$143,784.00	\$164,543.00	\$149,224.00	\$159,137.00	-1%
Aquatics	\$131,642.95	\$138,554.44	\$140,215.50	\$142,465.50	\$129,794.10	-1%
Special Events	\$22,820.00	\$32,061.00	\$26,567.00	\$21,623.00	\$24,463.87	7%
Youth Sports	\$28,560.82	\$30,260.50	\$14,252.00	\$17,121.00	\$17,240.00	-40%
Tots & Preschool Program	\$10,314.25	\$11,148.68	\$10,089.25	\$10,383.67	\$8,591.00	-17%

⁴⁰ Assumes a Corporate Level 3 Group Membership Plan

Programming	FY2014	FY2015	FY2016	FY2017	FY2018	Percent Change
Adult Sport Leagues	\$52,594.00	\$53,870.00	\$53,596.50	\$44,654.00	\$46,535.00	-12%
Fitness Programs	\$20,581.90	\$19,533.00	\$16,879.19	\$11,678.00	\$13,396.00	-35%
TOTAL	\$426,517.42	\$429,211.62	\$426,142.44	\$397,149.17	\$399,156.97	-6%

The most successful youth programs have been summer camps and swimming lessons, with the greatest potential for growth appearing in youth sports and in many of the mini day-camps offered throughout the year. Recognizing that many of the Department's programs have remained steady year to year, it is appropriate to adjust costs to ensure programming is covering the cost of all operations. In addition, staff should continue to review historical data to better understand participation trends.

The Department spends a great deal of time and resources producing special events; however, the two most successful events - the Daddy Daughter Dance and Mom 2 Mom - generated just over \$5,000 each in FY2018. Staff should determine if putting on two to three large, quality events is more cost effective than producing multiple smaller scale events throughout the year which generate little revenue but involve extensive staff time and resources.

Staffing

Recommendation 53: Consider the creation of an additional Recreation Supervisor position to expand recreation programming.

As previously discussed, the Recreation Center has three staff members who assist with programming at the Recreation Center: the Aquatics Coordinator, Recreation Supervisor, and Facility Manager. Each position has currently reached its programming capacity. However, there is the potential to grow programming in several areas in order to increase revenue and meet customer demand.

To maximize operations at the Recreation Center and to create more programming options, it is recommended that an additional Recreation Supervisor position be created if the City wants to provide additional recreation programming. This position could assist the existing Recreation Supervisor with programming and could be responsible for sports programming, fitness programming, (adult and youth), developing new programs, and special events.

The Recreation Supervisor could also be responsible for the development of Parks and Recreation collateral materials like the Recreation Center program brochure, flyers, newsletter, and website. This position would also work closely with the Communications Assistant position in the City Manager's Office to promote the Department when writing press releases or working with the media.

The creation of this position will allow the Facility Manager to focus their attention on primarily managing the facility including scheduling programs, activities, and rentals and overseeing operations such as the budget, expenditures, and attendance. This position would continue to maintain oversight of the gym and its equipment.

The Facility Manager is the point person for developing the Recreation Center membership program and driving retention rates. Currently the only staff member who is involved in parks operations and maintenance is the Parks and Recreation Director. With the creation of a Recreational Supervisor, the

Facility Manager could assist the Director with oversight of the City parks maintenance. The cost of creating a Recreation Supervisor position would be approximately \$75,312 to \$91,519, including benefits.

Attachment A – Employee Survey Tool

The City of Saline has retained The Novak Consulting Group to conduct a Management, Organizational Structure, and Efficiency Study. The purpose of this Study is to ensure the organization is appropriately staffed and structured to meet the service level expectations of our residents, businesses, and elected officials. As part of this effort, The Novak Consulting Group developed this survey to gather input and suggestions from employees. Your ideas regarding the work environment as well as possible improvements in operations, structure, and procedures will be very valuable. We appreciate you taking the time to complete this survey and share your thoughts.

All responses are confidential and no identifying information will be reported. Your submitted survey results will be sent directly to the consultant and tabulated and summarized by The Novak Consulting Group.

Organization Overall

The following statements are about your overall perceptions of the City of Saline and are intended to gauge the effectiveness of your working relationships and your perceptions of the workplace environment.

1. Please rate your level of agreement with the following statements regarding **the organization overall**.
Scale - Strongly agree, Agree, Disagree, Strongly disagree

- I believe the City of Saline is moving in the right direction.
- I feel content with the City's management, practices, and operations.
- My direct supervisor uses my time and talents well.
- I have a clear understanding of my job responsibilities and expectations.
- My job gives me the opportunity to use my own judgment and initiative.
- I feel physically safe in my workplace.
- The City of Saline is a good place to work.

Employee Engagement

The following statements are intended to gauge your level of engagement as an employee in the City of Saline.

2. Please rate your level of agreement with the following statements regarding **employee engagement**.
Scale - Strongly agree, Agree, Disagree, Strongly disagree

- I am inspired to meet my goals at work.
- I get excited about going to work.
- Doing my job well gives me a sense of personal satisfaction.
- I am satisfied with the culture of my workplace.
- I am determined to give my best effort at work each day.
- I feel respected in the workplace by my peers.
- I feel respected in the workplace by my direct supervisor.
- I feel respected in the workplace by City of Saline leadership.
- I would recommend working for the City to a friend.

Work Environment

The following statements are about your perceptions of the workplace environment.

3. Please rate your level of agreement with the following statements regarding **your work environment**.

Scale - Strongly agree, Agree, Disagree, Strongly disagree

- I know what is expected of me at work.
- I have a clear understanding of how my work contributes to the overall success of the City in achieving its goals and objectives.
- I have the necessary training, materials, and equipment to do my job.
- My workload is reasonable.
- Someone at work has talked to me about my progress within the last six months.
- I feel my direct supervisor values diversity, inclusion, and multiculturalism.
- My fellow staff members are willing to go the extra mile to get the job done and be responsive to the public.

Communication

The following statements are about communication throughout the City.

4. Please rate your level of agreement with the following statements about **communication within the organization**.

Scale - Strongly agree, Agree, Disagree, Strongly disagree

- Important information about the organization is provided to me in a timely manner.
- Department and City leadership clearly describe the reasons behind policy decisions.
- Our Department does a good job involving employees in decisions that affect them.
- I feel comfortable expressing my own opinions/beliefs in a tactful manner.
- Technology is used effectively to communicate across the City.
- My Department Director and supervisor facilitate and encourages open, honest, and constructive communication.
- Communication between departments is effective.

Professional Development

The following statements relate to professional development opportunities in your department.

5. Please rate your level of agreement with the following statements regarding **professional development** opportunities.

Scale - Strongly agree, Agree, Disagree, Strongly disagree

- I am satisfied with my opportunities for professional growth and advancement.
- I am satisfied that I have the opportunities to apply my talents and expertise.
- Training is available to help me in my professional development.
- My direct supervisor supports my efforts toward professional development.
- Decisions regarding who attends professional development opportunities are made fairly.
- The Department's promotion process is transparent.
- I see my position at the City of Saline as part of a long-term career with the City.

Internal Services

6. Please rate your level of agreement with the following statements about **internal services (Human Resources, Finance, IT)**. If you do not have any interactions with one or more of the internal services listed below, please skip the relevant sections.

Scale - Strongly agree, Agree, Disagree, Strongly disagree

Finance

- Financial procedures in the agency are easy to understand.
- I trust the accuracy of the financial reports I receive.
- I have access to the budget and financial information I need to manage my program/work.
- Overall, I am satisfied with the level of customer service I receive from Finance.

Human Resources (HR)

- I am familiar with HR policies and procedures.
- HR procedures do not create an onerous burden on myself or other units or employees.
- Overall, I am satisfied with my level of support I receive on human resources issues.

Information Technology (IT)

- The City of Saline utilizes technology effectively in our work.
- I have the technology and equipment that I need in order to do my work.
- Overall, I am satisfied with my level of support I receive on technology issues.

Overall Experience

7. What do you believe the City of Saline does particularly well?
8. What do you believe is the most significant challenge facing the City of Saline?
9. If you could change one thing about the City of Saline, what would it be?
10. Are there any other thoughts or comments about the organization that you would like to share that would be helpful to this Efficiency Study?

Demographics

The following questions are intended to gather some information about you as a respondent. As a reminder, all responses are sent directly to The Novak Consulting Group, and individual responses will not be shared with the City. Any category (or combination of categories) with fewer than five responses will not be reported. Confidentiality will be preserved!

11. What is your department/functional area?
- Assessor's Office
 - Building and Engineering
 - City Administration
 - Clerk's Office
 - Parks and Recreation
 - Public Works
 - Treasurer's Office
 - Water Production and Wastewater Treatment

12. How long have you worked in the City of Saline?

- Less than 5 years
- 5 to 9 years
- 10 to 19 years
- 20 to 24 years
- 25+ years

13. Are you currently responsible for supervising other employees?

- Yes
- No

14. What gender best describes you?

- Male
- Female
- Other

Attachment B – Meeting Framework

ROUTINE 1-1 MEETINGS

<u>Purpose:</u>	The primary purpose is to have dedicated time for intentional dialogue between the City Manager and his/her direct reports.
<u>Frequency:</u>	Will vary – weekly, bi-weekly, some perhaps only monthly – has to fit your style
<u>Method:</u>	In person
<u>Attendees:</u>	The City Manager and Department Director – in some organizations also appropriate to have a key Deputy/Assistant present
<u>Time:</u>	Vary by department size and frequency: 60 to 90 minutes

Agenda⁴¹ Framework:

Operational Performance

- Operational Issues
- Accomplishments
- Horizon – what lies ahead

Employee Performance

- Vacancies
- Employee performance issues

Financial Performance

- Discussion about notable expenditures or revenues (i.e. cost of recent snow removal, storm clean-up, special event overtime, etc.) Revenue review (where appropriate)

Customer

- Public complaints/requests for service
- Follow up items from elected body
- CMO referrals/Miscellaneous

Key Projects:

- Review projects assigned to the department, status, milestones, etc.
- Anything Else

⁴¹ Note the department director is responsible for agenda preparation and note-taking

Attachment C – Sample Performance Measures

Department/Division/Office	Suggested Performance Measures
City Manager's Office	<p><u>Human Resources</u></p> <ul style="list-style-type: none"> • Turnover rate • Average number of working days to complete a recruitment • Number of employee grievances and appeals per FTE • Percent of grievances resolved before arbitration • Benefit funding level per employee per year • Percent of employees (Citywide) receiving annual performance evaluation • Percent of employees (Citywide) receiving annual professional development training • Percent change in the value of worker's compensation claims filed • Percent change in the number of worker's compensation claims filed
Treasurer's Office	<p><u>Budget and Financial Management</u></p> <ul style="list-style-type: none"> • Percent change in total revenue received • Ratio of expended budget to budgeted • Ratio of revenue collected to budgeted • Percent of operating expenditures covered by revenues • Ratio of actual year end fund balance to projected • Average annual rate of return on investments • Percent of available funds invested • Number of payroll checks/direct deposits processed per FTE • Cost per payroll check/direct deposit processed • Percent of payroll issued as direct deposit • Percent of payroll checks/direct deposits processed without error • Number of compliance citations in the annual audit • Number of audit adjustments passed in the annual audit • Percent change in the number of general ledger corrections made • Percent of bank reconciliations completed on time <p><u>Information Technology</u></p> <ul style="list-style-type: none"> • Number of help desk calls received per FTE • Percent of help desk calls resolved within 4 and 8 hours • Percent of telephone issues resolved within 24 hours

Department/Division/Office	Suggested Performance Measures
	<ul style="list-style-type: none"> • Total IT expenditures as a percentage of total City operating expenditures • IT expenditures per workstation • Average number of network outages • Average duration of network outages • Cost per project managed • Percent of projects completed as scheduled • Percent of projects completed as budgeted • Percent change in the number of projects managed <p><u>Economic Development</u></p> <ul style="list-style-type: none"> • Percent change in the number of economic development agreements executed • City vacancy rate • Percent change in the number of businesses contacted through business retention efforts
Clerk's Office	<p><u>Agenda Management</u></p> <ul style="list-style-type: none"> • Number of meetings managed per FTE • Cost per meeting managed (agenda preparation and minutes) • Percent of meeting minutes completed within 7 days of meeting <p><u>Records Management</u></p> <ul style="list-style-type: none"> • Number of records requests processed per FTE • Average response time for information or records requests <p><u>Elections</u></p> <ul style="list-style-type: none"> • Number of absentee ballots per FTE • Percent change in number of voter registrations <p><u>Passports</u></p> <ul style="list-style-type: none"> • Percent change in the number Passport applications processed • Number of Passport applications per FTE <p><u>Cemetery</u></p> <ul style="list-style-type: none"> • Percent of cemetery inventory available for sale
Assessor's Office	<p><u>Assessing Services</u></p> <ul style="list-style-type: none"> • Number of assessed parcels per FTE • Percent change in total assessed value (by type)

Department/Division/Office	Suggested Performance Measures
Building and Engineering Department	<p><u>Permitting and Inspections</u></p> <ul style="list-style-type: none"> • Average number of calendar days to complete one round of plan review (by type and discipline) • Percent change in the number of plans reviewed (by type and discipline) • Percent change in the number of building permits issued (by type) • Percent of first round of reviews completed within 14 days of submittal • Total number of permits issued (by category) • Average time from customer submittal of application to permit issuance (includes correction time) • Percent of permits issued same day • Residential building permits issued within 2 calendar days • Average number of calendar days to complete an inspection (by type) • Percent of inspections completed within 4 calendar days (by type) • Average number of inspections performed by day <p><u>Code Enforcement</u></p> <ul style="list-style-type: none"> • Total number of warnings and citations issued per FTE • Voluntary compliance rate • Rate of forced compliance • Average number of calendar days from case initiation to voluntary or forced compliance • Number of calendar days from first complaint to investigation • Percent of first inspections completed within 24 hours of receipt of complaint • Percent of violation cases carried over to the next month <p><u>Planning</u></p> <ul style="list-style-type: none"> • Number of applications received per year (by type) • Number of recommendations provided by staff per year (by type) • Percent of applicants receiving response letter within 14 days of submittal (by type) • Number of applications reviewed per FTE involved in application reviews • Percent of total staff time spent on special projects

Department/Division/Office	Suggested Performance Measures
	<ul style="list-style-type: none"> • Percent of total staff time spent providing administrative services for Boards and Commissions (e.g., training) • Percent of total staff time spent providing customer service not related to application review
Public Works Department	<p><u>General Maintenance</u></p> <ul style="list-style-type: none"> • Percent of preventative maintenance completed as scheduled • Average number of calendar days to complete a work order • Cost per repair completed (by type) • Percent of work orders completed within 3 working days • Average number of calendar days required to complete work (by type) <p><u>Vehicle Maintenance</u></p> <ul style="list-style-type: none"> • Overall fleet availability • Hours worked per vehicle or equipment • Percent of fleet expenditures contracted out <p><u>Street and Utility Maintenance</u></p> <ul style="list-style-type: none"> • Number of staff hours per snow event worked • Street sweeping expenditures per linear mile swept • Percent change in the tons of debris collected through street sweeping • Percent change in the number of snow events responded to • Percent of streets cleared within 24 hours of a snow event • Road rehabilitation expenditures per paved lane mile • Cost per linear foot of pipe maintained (by type) • Number of meters maintained and read per month (by type) <p><u>Park Maintenance</u></p> <ul style="list-style-type: none"> • Average number of calendar days required to complete work (by type) • Percent of preventative maintenance completed as scheduled • Percent of emergency work orders completed within 24 hours of receipt

Department/Division/Office	Suggested Performance Measures
Water Production and Wastewater Treatment Department	<ul style="list-style-type: none"> • Average number of calendar days required to complete work order (by type) • Percent of inspections completed as scheduled (by type) • Percent of preventative maintenance work completed as scheduled (by type) • Percent of work orders closed within 48 hours of receipt (by type) • Percent of emergency calls responded to within 4 hours (by type)
Parks and Recreation Department	<p><u>Recreation</u></p> <ul style="list-style-type: none"> • Percent change in program enrollment (by type) • Percent change in the number of programs offered • Percent change in the number of individuals served (by program) • Average cost per program provided (by type) • Number of programs managed per FTE • Percent of programmable space utilized • Percent of participants who rate the quality of their experience as good or excellent <p><u>Building Maintenance</u></p> <ul style="list-style-type: none"> • Number of custodial project work orders per FTE • Average response time for custodial non-emergency repairs • Average number of calendar days required to complete work order (by type) • Percent of preventative maintenance completed as scheduled • Percent of repair work orders completed within 5 and 10 days
Police Department⁴²	<ul style="list-style-type: none"> • Number and type of calls for service • Average call response time (from dispatch to arrival) • Crime rate (major crimes per 1,000) • Clearance rate (by crime type) • Percent change in business crimes (e.g., commercial break-ins; commercial vandalism; shoplifting; commercial auto thefts)

⁴² The scope of this study did not include Saline's Police Department. These suggested performance measures are based on best practice, not review of Saline's Police operations.

Department/Division/Office	Suggested Performance Measures
	<ul style="list-style-type: none"> • Percent change in juvenile crimes (e.g., reported crimes on school grounds; Police reports of incidents where suspect is under the age of 18) • Percent change in vehicle-related incidents (e.g., vehicle crashes, vehicle crashes with serious personal injuries or fatalities, traffic-related pedestrian injuries or deaths) • Ratio of recorded crimes to arrests • Juvenile crime arrests (as a percent of all arrests) • Sworn officers per 1,000 residents • Total hours of in-service training conducted • Required accreditation standards in compliance • Average overtime hours worked per FTE • Percent change in overtime worked per FTE