

Efficiency Study 2024

Final Report

MAY 2024

City of Orem, Utah

Submitted by:

BRUCE COWANS
VICE PRESIDENT
4320 W. KENNEDY BLVD., SUITE 200
TAMPA, FLORIDA 33609
888.302.0899
bcowans@mgtconsulting.com



City of Orem, Utah

Efficiency Study 2024

Table of Contents

<u>IN'</u>	TRODUCTION	1
1.	COMMISSION OF STUDY	1
A.	DEFINING KEY TERMS	1
1.	EFFICIENT	1
2.	Optimal	1
2.	OVERVIEW OF THE STUDY PROCESS	2
A.	Scope of Review	2
B.		2
	IMPLEMENTATION PLANNING	3
4.	OVERALL CONSULTANT IMPRESSION	3
<u>31</u>	1 CUSTOMER SERVICE	4
	CKGROUND	4
	STAFFING LEVELS	4
2.1	PROCESS IMPROVEMENTS	8
<u>DE</u>	EVELOPMENT SERVICES	11
1.	STAFFING STRUCTURE AND WORKLOAD	13
A.	WORKLOAD PER WORKER VS PEERS	13
B.	TIMELINESS AS A FACTOR IN STAFFING LEVELS	15
C.	STAFFING STRUCTURE	16
D.	RECOMMENDATION AND RATIONALE	16
2.	PERMIT PROCESS EFFICIENCY IMPROVEMENTS	17
A.	TIMELINESS OF FIRST COMMENTS	17
B.	APPLICANT INSTRUCTIONS	18
C.	APPLICANT SELF-SERVICE OPTIONS	18
D.	INTEGRATED TECHNOLOGY	18
E.	RECOMMENDATION AND RATIONALE	19
<u>FA</u>	CILITIES MAINTENANCE	20
		21
A.	SERVICE LEVELS	21
B.	MANAGEMENT DATA	22



C.	RECOMMENDATION AND RATIONALE	23
2.	SHIFT SCHEDULES	24
A.	ALIGNING SHIFTS WITH BUILDING USE	24
A.	FITNESS CENTER	25
В.	PUBLIC SAFETY	25
C.	OTHER DEPARTMENTS	25
D.	REPAIR AND MAINTENANCE	25
В. 3.	RECOMMENDATION AND RATIONALE FACILITIES MANAGEMENT SOFTWARE	26
э. А.	SOFTWARE OPTIONS	26 26
A. B.		27
	NAMES DED ADMINISTRA	200
<u>FII</u>	NANCE DEPARTMENT	28
	CKGROUND	29
1.	PURCHASING THRESHOLDS	29
A.	PRICES DRIVE DOCUMENTATION REQUIREMENTS	29
В.	"PIGGYBACKING," STATE PRICING DATA, AND OPPORTUNITIES TO SAVE	31
A.	PIGGYBACKING STATE DATA ON PRICING	31 31
В. С.	RECOMMENDATION AND RATIONALE	32
2.	PROCUREMENT SOFTWARE	33
A.	FUNCTIONS OF PROCUREMENT SOFTWARE	33
В.	THE "BUY OR BUILD" DECISION	34
C.	RECOMMENDATION AND RATIONALE	34
FII	RE DEPARTMENT	36
		50
RΔ	CKGROUND	36
1.	ALLOCATING COSTS TO INTERLOCAL AGREEMENTS	36
A.	EXISTING METHODOLOGY	36
B.	ALTERNATIVE ALLOCATIONS	37
C.	RECOMMENDATION AND RATIONALE	38
IT	DIVISION	40
BA	CKGROUND	40
1.	ORGANIZATIONAL STRUCTURE AND STAFFING	42
A.	CURRENT WORKLOAD ANALYSIS	42
B.		43
C.		44
	INTERNAL SOFTWARE DEVELOPMENT VS LICENSING THIRD-PARTY SOFTWARE	45
A.		45
B.		45
C.	Involving IT in Acquisitions	46



X	>
D.	F
IUS	TI

D.	RECOMMENDATION AND RATIONALE	47
<u>IUS</u>	STICE COURT	48
D.	CVCDOVIND	48
БА 1.	CKGROUND EFFICIENCY OF REMOTE COURT AND IN-PERSON VS REMOTE OPTIONS	50
А .	EFFICIENCY OF REMOTE COURT	50
В.		51
Б. С.		52
2.		5 3
A.	WORKLOAD PER WORKER METRICS	53
В.	PART-TIME STAFF AS A LESS EXPENSIVE OPTION	54
С.		55
3.		56
LE	GAL SERVICES	59
BA	CKGROUND	59
1.	DELEGATION OF CASELOADS TO NON-ATTORNEY STAFF	60
A.	SKILLS OF NON-ATTORNEY STAFF	60
В.	Incremental Cost	60
C.	RECOMMENDATION AND RATIONALE	61
2.		62
A.	Workload to Capacity Analysis	62
В.		62
C.		63
3.		64
Α.	WORKLOAD VS. CAPACITY ANALYSIS	64
В.		64
C.	RECOMMENDATIONS AND RATIONALE	65
LIE	BRARY	66
ъ.		
ВА 1.	CKGROUND LIBRARIAN STAFFING	66 67
	BUILDING DESIGN AND STAFFING OPTIONS	67
A. B.		69
2.		70
Δ. A.		70
В.		71
N # 4		=-
<u>IVI</u> A	ANAGEMENT SERVICES	73
BA	CKGROUND	73



1. HR AND COMMUNICATIONS STAFFING STRUCTURE 74 A. WORKLOAD VS. CAPACITY 74 B. PEER COMPARISON 76 C. RECOMMENDATION AND RATIONALE 78 2. DIVISION OF STRATEGY AND INNOVATION 79 A. BENEFITS OF A CENTRALIZED DIVISION 79 B. INCREMENTAL COST 82 C. RECOMMENDATIONS AND RATIONALE 83 PUBLIC WORKS BACKGROUND 1. STAFFING LEVELS 86 A. PARKS DIVISION 86 A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 C. RECOMMENDATION SAND RATIONALE 90 C. QUERTENT STRUCTURE 90 G. RECOMMENDATIONS AND RATIONALE 92 G. RECOMMENDATIONS AND RATIONALE 93 RECERATION DEPARTMENT 95 BACKGROUND			
B. PEER COMPARISON C. RECOMMENDATION AND RATIONALE C. RECOMMENDATION AND RATIONALE C. DIVISION OF STRATEGY AND INNOVATION 79 A. BENEFITS OF A CENTRALIZED DIVISION 79 B. INCREMENTAL COST C. RECOMMENDATIONS AND RATIONALE 83 PUBLIC WORKS 84 BACKGROUND 84 1. STAFFING LEVELS 86 A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE C. OUTSOURCING OF HIGH-RISK MAINTENANCE 97 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 98 C. RECOMMENDATION AND RATIONALE 89 C. ORGANIZATIONAL STRUCTURE 90 C. RECOMMENDATION AND RATIONALE 90 C. RECOMMENDATION AND RATIONALE 90 C. RECOMMENDATION AND RATIONALE 91 C. RECOMMENDATION AND RATIONALE 92 C. RECOMMENDATION AND RATIONALE 92 C. RECOMMENDATION AND RATIONALE 92 C. RECOMMENDATION AND RATIONALE 93 C. RECOMMENDATION AND RATIONALE 94 C. RECOMMENDATION AND RATIONALE 95 C. RECOMMENDATION AND RATIONALE 96 C. RECOMMENDATION AND RATIONALE 97 C. RECOMMENDATION AND RATIONALE 97 C. RECOMMENDATION AND RATIONALE 97 C. RECOMMENDATION AND RATIONALE 98 C. RECOMMENDATION AND RATIONALE 99 C. RECOMMENDATION AND RATIONALE 99 C. RECOMMENDATION AND RATIONALE 90 C. RECOMMENDATION AND RATIONALE 91 C. RECOMMENDATION AND RATIONALE 93 C. RECOMMENDATION AND RATIONALE 94 C. RECOMMENDATION AND RATIONALE 95 C. RECOMMENDATION AND RATIONALE 96 C. RECOMMENDATION AND RATIONALE 97 C. RECOMMENDATION AND RATIONALE 97 C. PEER PRACTICES FOR MAINTENANCE 98 C. RECOMMENDATION AND RATIONALE 101 C. PEER PRACTICES FOR MAINTENANCE 98 C. RECOMMENDATION AND RATIONALE 101 C. PEER PRACTICES FOR MAINTENANCE 101 C. PEER PRACTICES FOR MAINTENANCE 102 C. RECOMMENDATION AND RATIONALE 103 C. RECOMMENDATION AND RATIONALE 104 C. SETIMATING REVERUE AND EXPENSES 105 C. RECOMMENDATION AND RATIONALE 106 C. RECOMMENDATION AND RATIONALE 107 C. PEER PRACTICES FOR MAINTENANCE 108 C. RECOMMENDATION AND RATIONALE 109 C. RECOMMENDATION AND RATIONALE 101 C. STAFFING LEVELS 101 C. STAFFING LEVELS 101 C. STAFFING LEVELS 101 C. STAFFING LEVELS 101	1.		74
C. RECOMMENDATION AND RATIONALE 78 2. DIVISION OF STRATEGY AND INNOVATION 79 A. BENEFITS OF A CENTRALIZED DIVISION 79 B. INCREMENTAL COST 82 C. RECOMMENDATIONS AND RATIONALE 83 PUBLIC WORKS 84 BACKGROUND 84 BACKGROUND 86 L. STAFFING LEVELS 86 A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 E. RECOMMENDATION AND RATIONALE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 B. POER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 B. LOSS			
2. DIVISION OF STRATEGY AND INNOVATION 79 A. BENEFITS OF A CENTRALIZED DIVISION 79 B. INCREMENTAL COST 82 C. RECOMMENDATIONS AND RATIONALE 83 PUBLIC WORKS BACKGROUND 34 1. STAFFING LEVELS 86 A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 B. C. RECOMMENDATIONS AND RATIONALE 95 B. C. RECOMMENDATION AND RATIONALE 95 D. STAFFING AND SERVICES PROVIDED TO THE RECREATION DEP			
A. BENEFITS OF A CENTRALIZED DIVISION 79 B. INCREMENTAL COST 82 C. RECOMMENDATIONS AND RATIONALE 83 PUBLIC WORKS 84 BACKGROUND 84 1. STAFFING LEVELS 86 A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 4. CURRENT RISK AND SAFETY MANAGEMENT 92 5. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 L MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING SERVICE DEPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATION AND RATIONALE 100 C. ERECOMMENDATION AND RATIONALE 100 C. GENERATING RENTAL REVENUE 100 C. ERECOMMENDATION AND RATIONALE 100 C. SENIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATION AND RATIONALE 100 C. SENIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATION AND RATIONALE 101 C. SENIOR CENTER 103			
B. INCREMENTAL COST 82 C. RECOMMENDATIONS AND RATIONALE 83 PUBLIC WORKS 84 BACKGROUND 34 1. STAFFING LEVELS 86 A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 4. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE FACILITIES STAFFING SUPPORTING RECREATION 97 B. STAFFING/SERVICE OPTIONS <t< td=""><td></td><td></td><td></td></t<>			
C. RECOMMENDATIONS AND RATIONALE 84 PUBLIC WORKS 84 BACKGROUND 84 1. STAFFING LEVELS 86 A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 E. RECOMMENDATION AND RATIONALE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100			
PUBLIC WORKS			
BACKGROUND	C.	RECOMMENDATIONS AND RATIONALE	83
1. STAFFING LEVELS 86 A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING ROBUSTAL REVENUE 100 A. ESTIMATING RENTAL REVENUE 100 A. ESTIMATING RENTAL REVENUE 101 <td< td=""><td><u>PU</u></td><td>JBLIC WORKS</td><td>84</td></td<>	<u>PU</u>	JBLIC WORKS	84
1. STAFFING LEVELS 86 A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING ROBUSTAL REVENUE 100 A. ESTIMATING RENTAL REVENUE 100 A. ESTIMATING RENTAL REVENUE 101 <td< td=""><td>RΔ</td><td>CKCDOUND</td><td>84</td></td<>	RΔ	CKCDOUND	84
A. PARKS DIVISION 86 B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 A. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING, SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 A. ESTIMATING RENTAL REVENUE 100 A. ESTIMATING RENTAL REVENUE 101 B. RECOMMENDATIONS AND RATIONALE 101 SENIOR CENTER 103 BACKGROUND 103 <td></td> <td></td> <td></td>			
B. PEER COMPARISON OF WORKLOAD PER FTE 87 C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATION SAND RATIONALE 103 <td></td> <td></td> <td></td>			
C. OUTSOURCING OF HIGH-RISK MAINTENANCE 87 D. TRAFFIC SIGNS DIVISION 88 E. RECOMMENDATION AND RATIONALE 89 2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 4. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 D. STIM			
D. TRAFFIC SIGNS DIVISION E. RECOMMENDATION AND RATIONALE 2. ORGANIZATIONAL STRUCTURE 3. CURRENT STRUCTURE 4. CURRENT STRUCTURE 5. PEER PUBLIC WORKS STRUCTURES 6. RECOMMENDATIONS AND RATIONALE 7. RECOMMENDATIONS AND RATIONALE 7. RECOMMENDATIONS AND RATIONALE 7. RECOMMENDATIONS AND SAFETY MANAGEMENT 7. RECREATION DEPARTMENT 7. RECREATION DEPARTMENT 7. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 7. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 7. PEER PRACTICES FOR MAINTENANCE 7. PEER PRACTICES FOR MAINTENANCE 7. PEER PRACTICES FOR MAINTENANCE 7. RECOMMENDATION AND RATIONALE 7			
E. RECOMMENDATION AND RATIONALE 89 2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 103 SENIOR CENTER 103 BACKGROUND 103 1. STAFFING LEVELS 104			
2. ORGANIZATIONAL STRUCTURE 90 A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 A. ESTIMATING RENTAL REVENUE 100 A. ESTIMATING RENTAL REVENUE 101 B. RECOMMENDATIONS AND RATIONALE 101 SENIOR CENTER 103 BACKGROUND 103 1. STAFFING LEVELS 104			
A. CURRENT STRUCTURE 90 B. PEER PUBLIC WORKS STRUCTURES 90 C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 101 SENIOR CENTER 103 BACKGROUND 103 1. STAFFING LEVELS 104			
C. RECOMMENDATIONS AND RATIONALE 92 3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 103 SENIOR CENTER 103 BACKGROUND 103 1. STAFFING LEVELS 104	A.	CURRENT STRUCTURE	
3. RISK MANAGEMENT AND SAFETY MANAGEMENT 92 A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 103 SENIOR CENTER 103 BACKGROUND 103 1. STAFFING LEVELS 104	B.	PEER PUBLIC WORKS STRUCTURES	90
A. CURRENT RISK AND SAFETY MANAGEMENT PLANS 92 B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 103 SENIOR CENTER BACKGROUND 1. STAFFING LEVELS 104	C.	RECOMMENDATIONS AND RATIONALE	92
B. LOSS EXPERIENCE 93 C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 103 SENIOR CENTER BACKGROUND 1. STAFFING LEVELS 104	3.	RISK MANAGEMENT AND SAFETY MANAGEMENT	92
C. RECOMMENDATIONS AND RATIONALE 93 RECREATION DEPARTMENT 95 BACKGROUND 95 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 97 A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 97 B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 103 SENIOR CENTER 103 BACKGROUND 103 1. STAFFING LEVELS 104	A.	CURRENT RISK AND SAFETY MANAGEMENT PLANS	92
RECREATION DEPARTMENT BACKGROUND 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT B. STAFFING AND SERVICE LEVELS C. PEER PRACTICES FOR MAINTENANCE D. STAFFING/SERVICE OPTIONS E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE A. ESTIMATING REVENUE AND EXPENSES B. RECOMMENDATIONS AND RATIONALE 101 SENIOR CENTER 103 BACKGROUND 1. STAFFING LEVELS 104	B.	Loss Experience	93
BACKGROUND 1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION 9. A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT 9. STAFFING AND SERVICE LEVELS 9. C. PEER PRACTICES FOR MAINTENANCE 9. STAFFING/SERVICE OPTIONS 9. E. RECOMMENDATION AND RATIONALE 1. STIMATING RENTAL REVENUE 1. RECOMMENDATIONS AND RATIONALE 1. STAFFING LEVELS 1. 103 1. STAFFING LEVELS 1. 104	C.	RECOMMENDATIONS AND RATIONALE	93
1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT B. STAFFING AND SERVICE LEVELS C. PEER PRACTICES FOR MAINTENANCE D. STAFFING/SERVICE OPTIONS E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 103 SENIOR CENTER 103 104	<u>RE</u>	CREATION DEPARTMENT	95
1. MAINTENANCE / FACILITIES STAFFING SUPPORTING RECREATION A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT B. STAFFING AND SERVICE LEVELS C. PEER PRACTICES FOR MAINTENANCE D. STAFFING/SERVICE OPTIONS E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 103 SENIOR CENTER 103 104	RΔ	CKCDOUND	95
A. MAINTENANCE SERVICES PROVIDED TO THE RECREATION DEPARTMENT B. STAFFING AND SERVICE LEVELS C. PEER PRACTICES FOR MAINTENANCE D. STAFFING/SERVICE OPTIONS E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE A. ESTIMATING REVENUE AND EXPENSES B. RECOMMENDATIONS AND RATIONALE 101 SENIOR CENTER 103 1. STAFFING LEVELS			
B. STAFFING AND SERVICE LEVELS 97 C. PEER PRACTICES FOR MAINTENANCE 98 D. STAFFING/SERVICE OPTIONS 99 E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 101 SENIOR CENTER BACKGROUND 103 1. STAFFING LEVELS 104			
C. PEER PRACTICES FOR MAINTENANCE D. STAFFING/SERVICE OPTIONS E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE A. ESTIMATING REVENUE AND EXPENSES B. RECOMMENDATIONS AND RATIONALE SENIOR CENTER BACKGROUND 1. STAFFING LEVELS 103			
D. STAFFING/SERVICE OPTIONS E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE A. ESTIMATING REVENUE AND EXPENSES B. RECOMMENDATIONS AND RATIONALE SENIOR CENTER BACKGROUND 1. STAFFING LEVELS 100 100 101 103			
E. RECOMMENDATION AND RATIONALE 100 2. GENERATING RENTAL REVENUE 100 A. ESTIMATING REVENUE AND EXPENSES 101 B. RECOMMENDATIONS AND RATIONALE 101 SENIOR CENTER 103 BACKGROUND 103 1. STAFFING LEVELS			
A. ESTIMATING REVENUE AND EXPENSES B. RECOMMENDATIONS AND RATIONALE SENIOR CENTER BACKGROUND 1. STAFFING LEVELS 101 103		•	
B. RECOMMENDATIONS AND RATIONALE 101 SENIOR CENTER 103 BACKGROUND 103 1. STAFFING LEVELS 104	2.	GENERATING RENTAL REVENUE	100
SENIOR CENTER BACKGROUND 1. STAFFING LEVELS 103	A.	ESTIMATING REVENUE AND EXPENSES	101
BACKGROUND 103 1. STAFFING LEVELS 104	B.	RECOMMENDATIONS AND RATIONALE	101
1. STAFFING LEVELS 104	<u>SE</u>	NIOR CENTER	103
1. STAFFING LEVELS 104	Ва	CKGROUND	103
	A.		104





B.	PEER COMPARISONS	104
C.	RECOMMENDATION AND RATIONALE	105
2.	AFTER-HOURS FACILITIES RENTALS	106
A.	PRACTICES OF PEERS	106
B.	RENTAL AGREEMENT AND STAFFING	106
C.	Modifications	107
D.	RECOMMENDATIONS AND RATIONALE	107



∼ Introduction

1. Commission of Study

The City of Orem is Family City USA and takes seriously its mission to build and preserve a community environment where all families can thrive. To do so, the City of Orem employee family has embraced the slogan "Building a Better Orem." The City continuously strives to uphold its mission and employee motto by implementing industry best practices and pioneering innovative solutions to improve public services and enhance the quality of life for Orem residents.

As part of its effort to innovate and improve, the City of Orem commissioned MGT, a consulting firm specializing in the public sector, to conduct a citywide efficiency study. The goal of the study was to analyze practices across the City of Orem to validate current practices that are efficient and to generate recommendations to improve services citywide. This project is a result of the City of Orem's commitment to provide services transparently and with accountability.

A. Defining Key Terms

1. Efficient

The City titled this project as an "efficiency study." "Efficient" may mean different things, including:

- Finding less expensive or more effective ways to do things, or
- Finding ways to spend a little but achieve proportionately more.

At the outset of this study, the City stressed to the consultant team that it did not seek to make the City government larger. The goal was to explore how to get the most "bang for the buck" from current efforts. For this reason, most recommendations in this report propose how to get more without spending more, or how to reduce spending if that has a minimal impact on services. Also, where current efforts are efficient, the consultant aimed to validate current practices.

The consultant sought to speak in a neutral voice. It is not the consultant's role to advocate for or against services, but rather, to review the pros and cons of changes, make recommendations, and discuss with City leadership how to use the findings to support policy choices.

2. Optimal

"Optimal" service may mean maximizing the speed and quality of resident services. Another view is that the goal is not to maximize service, but rather, to provide the best service for the money. Following the concept of efficiency as "more bang for the buck," this second view is more prevalent in this report.



2. Overview of the Study Process

This project was a structured review to address specific questions posed by the City. The City developed the questions in collaboration with the City Manager's Office, the Department of Management Services, and the leadership of each department.

A. Scope of Review

The following departments and divisions were part of this study:

- Finance Department
- 311 Customer Service Help Desk Division
- Public Works Department
- Development Services Department
- Buildings and Maintenance Division
- Fire Department
- Police Department
- Management Services Department
- Information Technology Division
- Library Services
- Legal Services Department
- Justice Court Division
- Recreation Department
- Senior Center Division

Each of these departments or divisions is the subject of a chapter of this report. Each chapter begins by providing the background of the department and a list of the matters that the City designated for review.

Following this chapter is a high-level summary of findings by department. The details of those findings are in each chapter.

The scope of review addressed most of the City of Orem's operations.

B. Data Sources

The first source for the study was a discussion with departments and with the Department of Management Services. This included initial interviews, follow-up calls, and a collaborative editing process to clarify findings and recommendations.

City staff provided budgets, activity reports, metrics used to manage programs, and miscellaneous other background documents.

Another method that the study used to assess efficiency was comparison to local peers and to the consultant's national experience. The City selected the following cities for local comparison: Provo, Lehi, West Valley, Sandy City, and West Jordan. Where possible, the difference in results based on city sizes was normalized by comparing workload per worker.

Data for this study came from staff interviews, background documents, peer practice, and the consultant's national experience.

3. Implementation Planning

The details of the findings are in each chapter and are summarized at a high level in a table following this chapter.

In any citywide study, two considerations for implementation are for a city to identify which recommendations should result in changes and how to sequence an effort that may exceed the staff's near-term capacity for change management. The City allocated 15 percent of total study hours for consultant support after this phase of the study is complete.

Changes require staff effort and will compete for attention with ongoing operations. MGT recommends that after deciding which changes to prioritize and pursue, the City develops an implementation plan.

- It may help to triage changes into three time periods: immediate, within a year, and as time permits. It is unlikely that all the changes can happen at once.
- Next, the plan should estimate the staff time and due date for each change. This should include an assignment to an internal "owner" of the responsibility for change.
- The planning process should address how often to report progress and what evidence to use to support the finding that the City is making that progress.

4. Overall Consultant Impression

MGT believes that the City's leadership takes its mission of providing high-quality and efficient services seriously and is receptive to reviewing the recommended changes to provide the community with quality and fiscally responsible services. Authors on quality management emphasize that quality improvement is a continuous effort, not a one-time project. The fact that the City commissioned this study is evidence that its leadership endorses this thinking.

The consultant's impression is that departments were open-minded about findings and eager to learn ways to do better. This is not the case in all cities. In some cities, the arrival of a third-party reviewer can be intimidating and lead to denial and defensive behaviors. Orem staff pointed out misunderstandings in the consultant's characterization of the status quo but listened with interest to MGT's ideas as a consultant.

City staff should be able to use some of the findings and metrics of this report to assist in ongoing efforts to fine-tune service delivery and to fulfill the needs and wishes of the community.

311 Customer Service

Background

311 Customer Service is a division of the Finance Department. The Division exists to answer non- emergency calls and to receive non-emergency service requests from the public. 311 calls alone do not require all the time of staff assigned, so staff have other duties as well. These duties include utility billing; business licensing; passport processing; fingerprinting; landlord licensing; work orders for signs, roads, and trees; and direct phone calls, emails, and online requests.

The City asked MGT to address two 311 Customer Service Division matters for this study.

- 1. Investigate staffing and workload to determine the number of employees required.
- 2. Explore process improvements for services administered at the 311 Help Desk.

Report Highlights

1. While the Shoretel phone system does not offer performance metrics at this scale of installation, staff estimates of workload and time requirements by task suggest that current staffing is appropriate.

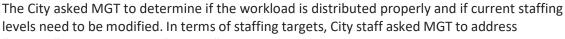
Fiscal Impact – There is no impact to maintaining the status quo.

2. The current 311 software application cannot provide performance metrics at this scale of operations. The City should develop a sampling methodology. Alternatively, the City might review the merit of procuring a new system that includes "dashboard metrics" for management to evaluate staffing needs.

Fiscal Impact – The cost of a sampling effort includes time to design a sample, staff recording effort periodically (e.g., quarterly), tallying, and interpreting the information. How much this would save is unknown, but MGT assumes that management would benefit from having productivity data. The cost of a system replacement requires a requirements definition to guide system selection.

1. Staffing Levels

The 311 Customer Service Division includes nine agents, one lead, and a supervisor. The Treasury Division Manager oversees the division.



"optimal" levels. The term "optimal" is not an objective level. What is optimal in terms of maximizing customer service may not be optimal from the perspective of taxpayer impact. The relevant question is one of efficiency – getting the most from what the City spends.

Factors to Consider

- 1. Workload vs capacity
- 2. Peer comparison

A. Workload vs Capacity

311 Center calls by themselves do not consume most of the unit's time. There is a minimum staffing requirement to be able to respond to 311 calls in a timely manner, but that staffing level has excess capacity. To make productive use of the extra capacity, the 311 Help Center's Manager developed processes to share staff capacity of 311 calls with other tasks and to develop supervisory skills. Those efforts include:

- Onboarding employees complete at least six months of training to learn how to perform the various duties.
- There are two people trained for each job activity, providing at least one backup for all tasks.
- During the first year of employment, a Customer Service Specialist is titled "Apprentice."
- In the second year of employment, an Apprentice who meets expectations is promoted to "Customer Service Specialist I."
- Subsequent career ladder advancements are to Senior Customer Service
 Specialist and then to Lead Customer Service Specialist.

The Division has one Customer Service Supervisor, one Lead Customer Service Specialist, one Senior Customer Service Specialist, one Customer Service Specialist, and seven Apprentices.

The Supervisor rotates staff to the front desk to assist walk-in customers. There are two backup positions assigned to the front desk to help with peak demand periods. Every staff member must work at the counter for one hour each day.

A key metric in staffing analysis is workload per worker. The City's Shoretel phone system for 311 call management does not provide metrics on staff usage and call times for a call center of this size. The system does not report how many calls are on hold or how long a customer was on hold. Only with manual counts and sorting of data is there data on productivity. As this is cumbersome, it is less likely to happen.

In the Management Services chapter of this report, MGT made findings about the importance of data for managing programs and tracking productivity. That comment applies here as well.

In lieu of system-generated metrics, this study asked staff to describe how it allocates time to duties. The analysis below shows that current staffing is quite close to the stated need. MGT concludes that staffing is appropriate within the limits of available data. Some down time is expected if the unit is to provide timely responses to new requests. The table below does not account for administrative time, but the narrative addresses that below the table.



	Apprenti ce	Apprent ice	Apprent ice	Custo mer Svc Speciali st	LEAD Cust, Svc Specialist	Apprentic e	Apprent ice	Apprenti ce	Apprenti ce		Total
Hours of capacity	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	1,750	17,500
Hours used	858	1,383	1,628	1,330	1,068	1,995	1,558	1,610	1,313	1,260	14,000
Net hours available	893	368	123	420	683	245.00	193	140	438	490	3,500
FTE needed						(0.14)					
Activities											
Calls	0%	10%	10%	12%	9%	11%	11%	12%	10%	15%	
Till Transactions	8%	8%	11%	10%	9%	12%	10%	10%	10%	11%	
Passport Photos	6%	6%	12%	15%	10%	16%	10%	15%	6%	4%	
Renewal Shipping Labels	3%	10%	11%	13%	11%	18%	13%	9%	6%	6%	
Passports	8%	7%	12%	13%	9%	15%	11%	13%	6%	5%	
Work Orders	6%	19%	19%	0%		16%	16%	13%	11%		
Fingerprinting	9%	10%	10%	10%	10%	10%	11%	11%	10%	11%	
Keyed Payments	9%	9%	8%	3%	3%	16%	7%	9%	16%	20%	
Capacity Use	49%	79%	93%	76%	61%	114%	89%	92%	75%	72%	80%

Note: Administrative support is not a measured task. See comment below.

One Apprentice position has 245 hours of workload greater than capacity. This may be a result of how workload was estimated for that title. With excess capacity in other Apprentice positions, the unit has sufficient staff to cover the work.

The analysis shows 3,500 hours of total staff capacity more than direct task workload. That is 20 percent of capacity. MGT has reviewed the overhead levels of approximately 20 local government clients and found that 25 percent of capacity is a typical level of overhead. Based on that research, the staffing of this unit is appropriate for the duties assigned.

B. Peer Comparison

MGT contacted the cities of Lehi, West Jordan, and Provo about annual 311 call volumes and software.

Comparison between entities is difficult because each unit has different duties that consume non-311 call time. In Orem, for instance, staff handle utility billing and other duties. The City of Provo's budget contains only the Call Center division, which is separate from Billing. Lehi and West Jordan cities are not responsible for Utility Billing.



	Orem	Provo	Lehi	West Jordan
311 staff	12	25	8	3
Annual 311 calls	65,333	98,000	72,000	26,000
Annual calls/FTE	5,444	3,889	9,600	8,667
Avg minutes per call	6.0	4.8	6.0	n/a

At approximately 1,800 assignable work hours per FTE net of paid leave, 311 calls use 2.8 FTE of the total assigned 12 FTE. To make productive use of the remainder of staff time, Orem assigns additional duties. That makes comparison of staffing between cities challenging, since duties of 311 help centers vary by city. While peer data is from a small sample size, Orem's call volume per FTE and average time per call are comparable to peers.

C. Recommendation and Rationale

Recommendation

Following a theme in the Management Services chapter of this report, MGT recommends finding ways to get data to managers so that they can manage resources as efficiently as possible. In this case, MGT recommends periodic sampling as a method to obtain that data for this Division.

While estimating the time by task enabled this analysis to conclude that staffing is appropriate, a better approach would be to design a work sampling method. MGT believes that having staff record actual times by tasks for one week each quarter would produce useful new insights for how to staff the needs of this unit.

Alternatively, if the City is willing to consider replacing the current system, no sampling process is necessary, but a requirements definition for system features would be.

Rationale

The need for additional data is not urgent, but the time required for staff to record efforts by task should be useful. At the least, it would sensitize staff to the importance of productivity metrics. It may also provide insights into overall staffing needs.

Fiscal Impact

The fiscal impact of workload changes cannot be estimated by the Shoretel system, but the sampling method described in this report will generate that data. The cost of a new 311 software depends on a requirements definition process not yet conducted.



Customer Service uses a work order system and a utility billing system that were designed internally. The work order system is called "Hey Orem" and is currently being replaced by a system called Connect, a citizen request management system for the Elements XS software used by other Orem departments.

A. Software Solutions

311 call centers rely on automated systems not only to receive calls, but also to provide data for management purposes. There are many options on the market, including Citiworks 311, CivicPlus Engage 311, Zendesk for 311, Zendesk Talk, Avaya Aura Call Center Elite, or Cisco Unified Contact Center Enterprise.

actors to Consider

- 1. Software Solutions
- 2. Peer Comparison

The City of Orem selected Shoretel as its software application. In general, it works well, but at the scale that Orem uses it, the system cannot provide the performance metrics that would assist management in aligning staffing with workload.

B. Peer Comparison

Three peer cities have similar 311 Call Centers/Customer Service Departments – Provo, Lehi, and West Jordan. All three have cloud-based solutions, providing flexibility and scalability for businesses. Shoretel, which is the City of Orem's software (now part of Mitel), offers a strong emphasis on contact center solutions for small and large enterprises. Both RingCentral and GoToConnect emphasize integration with third-party applications. All applications provide mobility, offering features that support remote work and on-the-go communication. Mitel and RingCentral both offer phone system solutions.

Software is priced based on number of users and features. The price will increase with the number of corresponding users. Many companies have monthly plans in place for the client to choose the number of users and additional communication features.

One must use caution in evaluating software based on vendor websites or presentations, as the specifics of an offer may be different in a competitive bid or eventual contract.



	City of Orem	City of Provo	City of Lehi	City of West Jordan
Features	Shoretel/Mitel	Ring Central	Zac	GoToConnect
Cloud Based, Scalability	Small to Large	Small to Large	Small	Small to Large
Communication and Collaboration	MiVoice Business, message, video	Phone, message, video	Phone, video, messaging, file, and image sharing	Voice and video messaging, file, and image sharing
Mobile Application	Yes, android or iOS	Yes, android or iOS	Yes, android or iOS	yes, android or iOS
Web Browser Solution	Yes, easily accessible (MiTeam Collab)	Yes, easily accessible	Yes, easily accessible	Yes, easily accessible
Data Analytics	Integrate to Ring Central	Yes	N/A	Smart Meeting Assist feature
AI Features	AI Text and Chat	Yes, proactive, and conversational	AI Text and Chat	AI Text and Chat
3rd Party Integration	Offers integration capabilities	120 + integration capabilities	N/A	Integrate with multiple applications

C. Recommendations and Rationale

Recommendations

MGT recommends that the Division have data for management purposes. There are two ways to accomplish it, with the choice depending on the City's willingness to spend additional money now. If spending for a new 311 phone system is an option, MGT recommends doing so if the new system can provide "dashboard metrics" for management uses. If spending more now is not an option, MGT recommends keeping the Shoretel system and developing dashboard metrics for management use via periodic work sampling.

If work sampling is the choice, the steps involved may consist of the following:

- Define an inventory of activities to measure (e.g., taking 311 calls, till transactions, passport photos, renewal shipping labels, passport applications, work orders, fingerprinting, and keyed payments),
- Define the sampling frequency (e.g., one week each quarter),
- Develop the sampling form (manual or online) for staff to record time by activity,
- Train the staff on sampling process expectations,
- Conduct the sample,
- Tally the results,
- Interpret the results and compare to prior periods, and
- Adjust staff assignments or processes as needed based on the findings.



Rationale

Without metrics, management efforts to align staffing and workload require conjecture. Sampling work efforts periodically is a low-cost way to obtain the information to judge customer service, trends, and fair balancing of workload. If the process stops yielding findings of interest, it may be suspended or terminated. But if there is willingness to acquire a new system, MGT would recommend doing so only if there is an application at the desired price that includes the ability to generate management data.

Fiscal Impact

The fiscal impact of this recommendation consists either of:

Designing a work sampling approach, having staff record time on a sample basis periodically (e.g., quarterly), tallying, and interpreting the results. MGT estimates that this would require a couple of days to design the sampling system and train staff to use it. During the sampling periods, it would consume an estimated 10-15 minutes per staff member per day, which is a modest expense for obtaining productivity insights.

The cost of a replacement system depends on the features of a system that the City desires. There are many solutions on the market and estimating the cost would depend on the features that the City would seek.

Development Services

The Development Services Department contains the resources that the City of Orem uses to make sure that land use and construction comply with relevant codes. It also contains divisions that are often placed in public works departments. The latter is not a problem, but it makes certain comparisons to other cities difficult.

The Director of Development Services is also the Assistant City Manager and reports to the City Manager. The FY23-24 budget appropriates the following dollars and authorizes the following positions to the Development Services Department:

Develop	Development Services Department, FY 23-24 Budget						
Division	General Fund	Development Services Fund	Facilities Maintenance Fund	Total	FTE		
Development Services Administration	408,463			408,463	2		
Engineering	252,703			252,703	1		
Construction	426,136			426,136	3		
Design	703,665			703,665	5		
Transportation / PD Development	349,515			349,515	3		
Economic Development	148,784			148,784	1		
Capital Projects Management	190,727			190,727	1		
General Fund	2,479,993				16		
Planning		1,117,995		1,117,995	5		
Building Safety		1,431,232		1,431,232	9		
Development Services Fund		2,549,227			14		
Facilities Maintenance			2,250,000	2,250,000	20.75		
Grand Total				7,279,220	50.75		

Facilities Maintenance is the subject of a separate chapter of this report and is not addressed here.

For this study, the City asked MGT to address two Development Services Department matters.

- 1. Staffing structure and workload, and
- 2. Permit process efficiency improvements.



Report Highlights

1. Although the structure of the Department contains divisions sometimes placed in other departments (e.g., public works), MGT regards the cost of reorganizing not to be worth the benefit.

The benefit of a potential reorganization would be to sharpen the focus of management time on related efforts. If the City were starting from scratch, MGT would recommend this structure to address management's available bandwidth for supervision: Planning & Zoning, Engineering, and Building Safety remain in Development Services. Capital Projects could go to Public Works. Economic Development could go to the City Manager's Office. However, MGT recommends the Department keep its existing structure because the effort to reorganize does not add value to residents.

Fiscal Impact – Keeping the status quo has no fiscal impact. Reorganizing would take time to plan in detail, but otherwise amounts to moving units, not changing their costs.

2. Building Safety could possibly perform its work with one less position, but with current workload high and the relevant job market tight, MGT strongly advises against changing staff levels until and unless workload stabilizes. Services are slightly faster than peers, which offsets findings of fewer outputs per FTE.

There are advantages to a gradual reduction of staff size. It allows time for management to consider how best to reallocate workload. Second, in a labor market where qualified candidates are in short supply, a reduction in force sends the wrong message for future recruiting purposes. The surge of building activity has been forecasted to last at least another few years.

Fiscal Impact – For Building Safety, a gradual reduction of staff size would save approximately \$100,000 annually per position. The exact amount depends on which position departs.

3. There is insufficient data to reach conclusions about the staffing needs of other divisions because the nature of their work involves projects of greatly different sizes and duration. MGT believes them to be structured logically and staffed appropriately, but hard data to prove it is scarce.

Fiscal Impact - There is no fiscal impact as no changes are recommended.



The topic of staffing structure applies to the Department as a whole. The topic of permitting process applies to the Building Safety Division that regulates construction.

1. Staffing Structure and Workload

The title of the Department suggests a focus on development activity. While that is a core function of the Department, it includes other functions that require a departmental home, but which lack a clear nexus with property development.

There is no clear industry standard for how to organize the department and the organization structure has little impact on residents. The question is limited to how to ensure that the bandwidth of department leadership has sufficient time for the needs of different service types.

Factors to consider

- Workload per worker vs peer cities
- 2. Timeliness of processing permits
- 3. The Department's organizational structure.

Engineering, Capital Projects Management, and Facilities

Maintenance are often assigned to a Public Works department. Economic Development is often a division in the City Manager's Office. Provo, Lehi, and West Jordan house the Economic Development effort in Development Service Departments. The nexus of the first three to Public Works is more obvious than to Development Services. However, reorganizations consume significant time without necessarily enhancing resident services, so MGT does not recommend changing the existing structure.

A. Workload per Worker vs Peers

One way to verify an appropriate staffing level is by comparison to peers. The table below captures data from the three peer cities able to provide it in that format. The table suggests that peers can process greater permit value per FTE and conduct more inspections per FTE than Orem. Caveats to these conclusions include differences between cities in how to count inspections and the small sample size in the table.

One factor in making comparisons is the different practices of how to count an inspection. Some communities list a rough inspection as a single inspection, whereas other cities count it as four separate visits. Below is a table showing the results of the comparison done both ways.



	Orem	Peer Average	Variance to Peer Avg	Provo	West Jordan
Building Inspectors	4	4	-	3	5
Full-time Building Safety staff (FTE)	9	8	1	7	9
Inspections (annual)	7,665	9,663	(1,998)	6,845	12,480
Inspections / Inspector	1,916	2,389	(473)	2,282	2,496
Inspections / Building Safety staff	852	1,182	(331)	978	1,387

Rough Inspections Counted as One Inspection

	Orem	Peer Average	Variance to Peer Avg	Sandy City	West Valley
Building Inspectors	4	5.5	(1.5)	5	6
Full-time Building Safety staff	9	9	-	9	9
Inspections (annual)	11,127	9,576	1,551	10,000	9,152
Inspections / Inspector	2,782	1,763	1,019	2,000	
Inspections / Building Safety staff	1,236	1,064	172	1,111	1,017

Rough Inspections Counted as Four Inspections

The findings of these two comparisons are different. When counting rough inspections as one each, Orem appears less productive than peers and when counting rough inspections as four inspections, Orem appears more productive than peers. In both cases, the peer sample size is only two cities, which MGT regards as insufficient for a strong finding on those measures. In this case, MGT cautions against changing staffing levels.

Orem's Building Safety Division has 9 FTE plus another 0.5 FTE of a variable hour employee, authorized per the current budget. The Office Assistant serves the whole department. Peers likewise have staff of different titles. In making comparisons, MGT concentrates on the relationship of the workload to total staff size. From a resident perspective, one cares how much work the team does and cares less about the job titles in the team.

Orem's Building Safety staff is assigned slightly more residential permit workload per worker but nearly half the commercial permit workload per worker compared to the peer group. Sandy City's numbers are an outlier but removing that from the peer group does not change the finding significantly.

City	Residential Permits / FTE	Commercial Permits / FTE
Provo	129	39
Sandy City	57	3
West Valley	91	27
West Jordan	144	22
Peer Average	105	23
Orem	116	25

Lehi is omitted as an outlier due to unusually high commercial construction activity. West Jordan is also in a growth phase. Provo, Sandy, and West Valley City are comparable in being largely built.

Planning and Zoning applications can vary in size much more than building permits. Some matters can be resolved in weeks, and others, in years. Engineering projects also have great variation in size. There is no meaningful metric for comparison of workload per worker unless the workload is of sufficient volume

and falls within a narrower range. Divisions such as Transportation or Economic Development have workload that varies greatly from year to year in a way that is very different from the workload of Building Safety.

As each city is structured differently and reports differently, comparisons of staffing translated to how Orem's Development Services Department is structured do not exist. Neither is it feasible to expect peer cities to translate their data into Orem's format. However, the following data shows the overall staff sizes and divisions of Orem's peer cities for this study.

City	Department	Budgeted FTE	Divisions
Provo	Development Services	37.7	CDBG/Home, Community & Neighborhood Services, Redevelopment, Economic
			Development, and Development Services
Sandy City	Community	29.0	Planning, Building & Safety (includes Code
	Development		Enforcement)
Lehi	Development Services	7.25	Planning & Zoning
		15.0	Building & Safety
		1.0	Economic Development
West Valley	Community &	36.1	Building Inspections, Community
	Economic		Development, Neighborhood Services, and
	Development		Planning & Zoning
West Jordan	Community	36.1	Planning & Zoning, Building & Safety,
	Development		Community Preservation, and Property
			Management

Data at the division level for comparison to Orem is not published, nor can one expect peer cities to translate data into Orem's format for use in staffing comparisons. However, based on available data and MGT's national experience, Orem's Development Services Department has a much broader scope than its peers. Orem's divisions of Planning & Zoning and Building Safety are core functions of Development Services. Much of the rest of the department is composed of divisions not routinely housed in a development services department.

B. Timeliness as a Factor in Staffing Levels

The previous section commented on the difficulty of peer comparison in divisions whose projects vary in scale so greatly as to frustrate workload per worker comparisons.

The same is not true of building permits. The average turnaround time for initial comments on building permit applications in Orem is five business days compared to a peer average of 9.6 business days. This indicates a speedy process. *Elsewhere in this chapter, MGT notes that the lower level of workload per worker in Orem is consistent with the faster service that Orem provides*. Note that initial comments do not equate to application approval – the latter depends on the complexity of the application and may take much longer.



City	Average Submission to First Comments
Provo	10 business days
Sandy City	12 business days (range is 10-14)
Lehi	7 business days
Orem	5 business days
Peer Average	9.6 business days

The workload per worker comparison in the prior section concluded that Orem's building safety staff may carry less work per worker compared to peer cities. With timeliness being better in Orem, the staffing requirement is less clear. It may be that Orem staff is faster because the workload per worker appears to be below the peer city average. That may be an acceptable tradeoff. Any staffing decisions should consider the relationship between enhanced customer service and staffing workload.

C. Staffing Structure

Dividing development service departments that contain planning and building safety divisions is a relatively universal practice. Some cities include engineering, while others place it in public works. MGT does not believe that this is of great importance and would not change the current structure. The skills required for each division are different and do not lend themselves to the sharing of workload, but the collaboration of the divisions providing services to the same industry under one leader is efficient.

The organizational structure of the Development Services Department is appropriate and conforms to industry norms.

D. Recommendation and Rationale

Recommendation

Recruiting qualified staff for plan review and inspection roles is very difficult both locally and nationally, so MGT cautions against any changes that existing staff may find threatening. When the current surge of building activity slows, MGT believes that it may be worth considering letting the department shrink by one position due to natural attrition.

Insufficient data on workload per worker and material differences in the scope and nature of other cities' organizational structures make comparisons impractical. Yet in MGT's experience, the size of the divisions is reasonable. The structure of the department is not one that MGT would recommend if the City were starting from scratch because it is so broad as to dilute management's available time in comparison to the practice of other cities.

Rationale

Financial pressures are a permanent feature of all organizations. If it were possible to reduce the cost of this department through attrition without sacrificing timeliness, the Department should do it, but that should not happen now because of the current surge of workload and the difficulty of recruiting qualified staff.

Building Safety staff handle fewer inspections than peer cities and many fewer commercial permits per FTE. It is not surprising that permit processing is faster than peers. MGT believes that it would be possible to reduce the Division by one position to achieve similar productivity levels to cities. This change could save the City money; however, Orem's Building Safety Division currently provides the speediest service amongst its peers and the tradeoff between service time and workforce size should be considered.

If reductions in spending are more urgent, the City could act faster through a reduction in force. MGT strongly recommends against that. The job market for these positions is very tight nationally and MGT is concerned that an abrupt and involuntary reduction in force might taint the City's reputation as an employer in a difficult labor market.

Fiscal Impact

None at present because no staffing change is recommended. When the level of permit demand stabilizes, MGT recommends considering letting the Department shrink by natural attrition by one position.

2. Permit Process Efficiency Improvements

Applicants face deadlines from their customers and pay interest on loans to finance their projects. Time is of the essence, so having lean processes matters.

Applications have a sequence of events. The intake effort includes receiving the application, entering it into the permitting system, processing the payment, and assigning it to a plan reviewer. The plan review phase involves verifying that the project meets applicable codes. Inspection applies to many, but not all permit types, but includes multiple site visits for construction. The purpose of an inspection is to verify that construction is done according to the plans approved for the project. The final phase of the process involves documentation (e.g., a certificate of occupancy or completion) and archiving it as a closed project.

The City offers pre-application meetings for applicants upon request. If a developer is new to working in Orem, or if a project is unusual, a pre-application meeting can result in mutual understanding that expedites application review.

A. Timeliness of First Comments

The report addressed the timeliness of the permit process above and found it to be highly competitive with what applicants would experience elsewhere in the region. If timeliness were a problem, the City of Orem might find that some projects would go to nearby cities with faster application processing times.

Time requirements after the initial review depend on the complexity of the project.

Timeliness is good as judged by the consistency with peer practice and staff's indication that complaints about it are rare. No doubt, there will always be some applications that take longer and result in applicant and staff frustration, but the overall result is within industry norms.



In MGT's experience, one contributing factor to the need for revision of initial applications is that the

host government's instructions are unclear. MGT reviewed application instructions on Orem's website and found them to be clear.

MGT recommends that the Department make a point of checking this periodically, especially every time building codes receive updates.

Occasionally, an increase in departmental processing time makes it seem as if there is a process flaw. In such cases, MGT has found that the problem may be isolated to a handful of frequent applicants who need additional guidance on how to submit the necessary documents.

The clarity of current instructions is good. The Department should monitor this periodically, especially when code revisions change submission requirements.

Factors to consider

- 1. Timeliness of first comments
- 2. Clarity of application instructions
- 3. Applicant self-service options
- 4. Integrated technology

C. Applicant Self-Service Options

Development services departments, including the City of Orem's, use software applications to coordinate document flow and share comments. The advent of these systems makes it possible for applicants to provide themselves with a certain level of self-service. Self-service is not only efficient for the applicant but also makes building permit staff more productive.

Instead of calling to check permit status, applicants can find the answer themselves. The Building Safety Division is currently able to provide this. Instead of calling to schedule inspections, applicants can make the arrangements themselves online, preferably on mobile devices. This is not presently an option in Orem because the Division has found that applicants need help in estimating the time required for the inspection. The Department would have to estimate inspection times by inspection type and load those to the permitting system to enable this. Then, as applicants specify the type of inspection needed, the system should find the appropriate amount of time for it.

The ability to submit plans electronically replaces the more cumbersome use of paper-based blueprints. This is a convenience for everyone. The Building Safety Division's software enables applicants to do so.

The Department's technology supports an efficient process, except for certain functions not active at present. For the scheduling of inspections, it is possible to offer the feature, but perhaps only after the Division educates applicants about time requirements by inspection type.

D. Integrated Technology

Virtually all local governments the size of the City of Orem use specialized software to manage permitting processes. The City of Orem is no different.

- City Inspect is the permitting system. It tracks permits, captures reviewer comments, and provides data on timeliness.
- "Hey Orem" is an internally developed system that manages work order tickets.

The City of Orem could integrate the platforms, but MGT does not believe that the cost of integrating these applications is justifiable at present. However, the rapid pace of technological improvement gives reason to hope that a solution will arrive in the not-too-distant future.

The City of Orem develops much of its own software, including Hey Orem. Acquiring new software should be based on a "buy or build" analysis. MGT does not doubt that Orem's IT staff could build a solution, but unless Orem's needs are so unique that they require a custom-built solution, a commercial application may be a better value.

The current cost of integrating all application reviews is not justifiable. Given the rapid evolution of the software market, better solutions emerge frequently. The City can decide at that point whether to buy or license software instead of attempting it internally. That choice should be governed not only by cost but also by the speed of the better solution. MGT favors licensing commercial-off-the-shelf software, but the business case for developing a solution internally is worth considering.

E. Recommendation and Rationale

Recommendation

The software market evolves rapidly, so the Department should monitor it regularly. Permitting systems are a key tool for efficiency and their features get better with time. Unless the needs of the Department are unique, a commercial application may be a better value than investing in a custom-built solution. The selection of an approach should consider integrating the reviews of the various departments to whom applications are routed for comments are needed with any frequency.

Rationale

When economically practical, integrating all reviews on a single software platform is better. It fosters collaboration, improves speed, and avoids the data entry errors associated with manual processes.

Absent evidence of process flaws, it would not pay to review processes at the level of individual application types. An as-is vs future state process mapping exercise requires approximately 50 hours per process, and the Department has dozens of processes. Selecting a particularly problematic process for review may make sense, but MGT recommends against flow charting all processes just to have the documentation.

Fiscal Impact

No current changes are recommended. Acquiring a new permitting software application is quite expensive. None of the changes discussed in this report justify doing so at the present, but as replacement of the current system is inevitable, integrating sewer and water reviews in a new permitting system would have a negligible incremental cost.

Facilities Maintenance

Facilities Maintenance is a division of the City of Orem's Development Services Department. The other Development Services Department divisions include Administration, Planning, Engineering, Economic Development, and Building Safety.

A separate chapter of this report addresses other Development Services divisions. This chapter concentrates on Facilities Maintenance, which has two functions:

- Custodial Care, and
- Repair and Maintenance.

The Facilities Division Manager oversees the Division and reports to the Assistant Development Services Director. The City's Adopted FY 2023-2024 budget appropriates \$1.28 million to the Facilities Maintenance Fund to support the Division. The budget authorizes a headcount of 10 full-time and 28 part-time staff. The Facilities Maintenance Division provides building maintenance and custodial services for all city departments.

The City asked MGT to evaluate three facilities issues:

- 1. Staffing levels,
- 2. Shift schedules, and
- 3. Software support to the Division.

Report Highlights

1. Service levels for both cleaning and repairs appear to be good.

Review of staffing levels would be more meaningful if all tasks, including cleaning and preventive maintenance, were recorded.

Fiscal Impact: Creating time codes for all work and getting staff to use them will provide additional management information, but the cost should be minimal.

2. City buildings are open longer than single shifts, but the current shift schedules and allocation of staff to shifts appear to be effective. MGT recommends no change.

Fiscal Impact: There is no fiscal impact for retaining the status quo.

3. MGT agrees with the decision to upgrade the facilities management software and recommends using the Elements XS software licensed by Public Works for that purpose.

Fiscal Impact: There is no incremental cost for the software license but configuring it for use by this Division will cost approximately \$10,000.



Facilities maintenance of City properties has two elements: 1) cleaning and 2) repair and maintenance.

The level of service is related to the number of people assigned to the work, but also, to the size, age, and condition of the portfolio of properties to maintain. Those differences make comparisons challenging, Comparisons have value if one recognizes that the nature of what each city must do to maintain their disparate facilities is different.

A. Service Levels

The Facilities Maintenance Division cleans buildings each day they are used. This is necessary and consistent with peer practice. The Division checks the cleanliness and supply levels of public restrooms hourly. Public restrooms have higher traffic for which hourly monitoring makes sense.

Factors to Consider

- 1. Service levels affect staffing needs.
- 2. Data available to management.

Repair and maintenance work consists of routine preventive work and response to maintenance request work orders for all City facilities. Staff responds to maintenance requests within 24 hours of receipt. Emergency requests are addressed sooner and there is an on-call schedule. The table below shows the City compared to the peer group's service levels for work orders.

City	Average Response Time
Sandy City	24 hours
West Valley	12 hours
Lehi	12-24 hours
Orem	24 hours

The Division outsources carpet cleaning and exterior window washing, elevator maintenance, electrical work, and HVAC repairs. Outsourcing of certain tasks is a common industry practice.

Peer comparisons of staffing per square foot are difficult because each community has buildings of different size, condition, and usage. In lieu, this analysis compares response standards and schedules.

MGT spoke with staff of other City departments about services that their departments receive from the Facilities Maintenance Division. This included discussions with managers at the Fitness Center and Senior Center. Customers seemed generally content with the services received, with the ease of requesting help, with the cleanliness of facilities, and with the attitude and responsiveness of the Facilities leadership and team. The interviews noted three process issues where improvement would be welcomed:

- The first is for an estimated completion date for work orders.
- The other was for a group notification feature for work orders so that when several employees are affected by the same maintenance issue, they can know that a work order has been



generated and that help will be sent. In investigating the features of software options (see next section), none of the current or potential new systems can do that.

Cleaning appears to be effective, responsive to department needs, and consistent with peer practice.

Repair and maintenance work is consistent with peer practice. The only issue that this research detected was that the Fitness Center would like faster response to work orders and to have that at a lower cost. This report addresses that later in this chapter.

Cleaning appears to be effective. Repair and maintenance are consistent with peer practice. The only issue is the desire of the Recreation Department for faster response to work orders at a lower cost, which is addressed later in this chapter.

B. Management Data

The difficulty for measurement of repair and maintenance work is that repairs are measured by work orders, but preventive maintenance to avoid the need for future repairs is not. Also, the City reports that not all work orders are logged. Intake of work requests may be by email, phone, or text messages. Staff responds to those, but the data in the system may undercount staff productivity. Staff intends to remedy this upon configuring the new work order system discussed later in this chapter.

Custodial work is largely comprised of planned cleaning cycles. Occasionally, the custodial crew will be called to attend to unexpected needs as well.

The table below shows repair and maintenance work orders per worker per day in the City of Orem.

Work Orders per Worker		
Work Orders for 2022-2023	785.0	Per Division records
Repair and Maintenance Full-Time Equivalent Staff (FTE)	4.0	
Work Orders Completed per FTE for 2022-2023	196.3	= 785 work orders / 4 FTE
Work Orders Completed per FTE Per Day	0.88	196.3 work orders per FTE / 222 average workdays per staff per year net of paid days off

The table below shows the City compared to the available data on peer work orders per Full-Time Equivalent (FTE) in the prior year. The comparison did not yield a strong finding due to the limited number of peers with reportable data, making it challenging to identify meaningful patterns or differences.



City	Number of Work Orders	Number of FTEs	Work Orders per FTE	Work Orders Completed per FTE Per Day
Sandy City	3,000	5.0	600	2.5
West Valley	4,000	8.0	500	2.1
Orem	785	4.0	196	0.8

Note: Work requests come by email, phone, or text messages and may not all be recorded in the current work order system. The Department intends to remedy that with new software.

This comparison shows a materially lower level of work order processing in Orem, although the available peer data is limited and there is likely an undercount of work orders in Orem for reasons discussed above. However, it may lend support to the interest of the Recreation Department in faster resolution of work orders.

Determining staff size based on workload measures faces the following challenges:

- Each city maintains properties of varying ages and conditions. This affects the need for staffing.
- Work orders are measured but are only a small portion of the total workload. Preventive maintenance is an element of staff workload but is not included in the analysis above.

Without all staff time tracked, it is difficult to make peer comparisons or analyze trends internally. The Division should do two things: 1) create and use time codes for preventive maintenance so that management can monitor trends, and 2) proceed with the plan to update the work order software application so that it does a better job of capturing all activity.

C. Recommendation and Rationale

Recommendation

The division should create codes to track all activities, not just maintenance work orders. Management should use the data to monitor overall trends and employee productivity.

Rationale

Data on both custodial and maintenance data will allow management to understand trends and to see productivity differences between employees.

Fiscal Impact

The fiscal impact should be minimal. It involves creating activity codes for services other than work orders, having staff account for all time spent, and having management review the data to ensure that trends in the results are stable and consistent by employee.



In addition to the number of staff assigned, services are influenced by the timing of when the work is done. City properties have different hours of use. Some are better to clean before the day begins and others may be cleaned at the end of the day. Staff need to be on hand for unforeseen custodial needs whenever buildings are open.

A. Aligning Shifts with Building Use

To clean properties appropriate to how and when they are used, the division operates with different shifts.

- Mornings: Three full-time and 13 part-time positions.
- Evening (after 4 pm): Two full-time positions and 15 part-time positions.

Factors to Consider
Matching cleaning to custodial
hours to facility needs.

Staff serve several locations, including City Hall, Library, Library Hall, Fitness Center, Scera Pool, Public Safety, Public Works, Wastewater Treatment Plant, and the Senior Center.

The table below shows the City vs peer city custodial services shift schedules.

City	Morning Shift Hours	Evening Shift Hours
Provo	5:00 am to 1:30 pm	1:00 pm to 9:30 pm
Sandy City	5:00 am to 9:00 am and 8:00 am to 5:00 pm	3:00 pm to 11:00 pm
West Valley	11:00 am to 10:00 pm	11:00 am to 10:00 pm
Lehi	3:00 am to 11:30 am and 5:00 am to 11:30 am	5:00 pm to 1:30 am
Orem	5:00 am to 1:00 pm and 12:00 pm to 4:00 pm (Afternoon porter)	4:00 pm to 9:00 pm

Full-time staff work a 5:00 am to 1:00 pm shift. Part-time staff work fewer hours, but during that same time window. The evening shift has one Custodial Supervisor at the Fitness Center from 4:00 pm to 12:30 am.

The use of two separate morning shifts in Orem is also the practice of two peer cities. It provides coverage to clean before the buildings are open and to have staff available for emergency requests.

Shift assignments depend in part on when each facility needs to be cleaned. Repair work is not similarly constrained and may be done when practical. If needed for after-hours emergencies, the division has an on-call calendar of staff.



a. Fitness Center

Fitness Center staff prefer that the facility be cleaned after 8:00 pm. Minor cleaning happens throughout the day as the facility is used.

Discussion with the Fitness Center and with Recreation Department leadership focused on repair and maintenance of gym equipment. The cleaning of the facility appears to be effective.

The goal for gym equipment is to minimize downtime of machines needing repair or maintenance. The Recreation Department would like to increase the repair and maintenance effort. It voiced concern that the amount it pays annually is too much. That annual charge consists of an annual charge of \$313,562 for the Fitness Center and \$104,521 for the Scera Park Pools, or a total of \$418,083.

The Facilities Maintenance Division has a budget of \$2.25 million. Allocating cost based on its share of work orders would result in an annual charge of more than \$700,000. That does not address the Recreation Department's concern that the charge might be lower. The Recreation Department chapter of this report recommends a procurement strategy to address that department's concern.

b. Public Safety

The Public Safety building is occupied 24/7. Custodians clean it at night when the day shift staff is out of the building. The building has one full-time employee that works on Saturday from 5:00 am to 8:00 am. The other shift hours for the Public Safety building are divided into two shifts: one from 4:00 pm to 8:00 pm, and a second from 8:30 pm to 12:30 am. All part-time staff rotate working on Saturday.

c. Other Departments

Other departments prefer to have facilities cleaned before the workday starts. Custodians arrive at 5:00 am to clean before staff arrive.

d. Repair and Maintenance

For the most part, work orders are processed by day shift staff, but there is 24/7 on-call help if needed.

Custodial shift schedules in the City of Orem follow local peer practice. The division reports that they work well.

Repair and maintenance work is done mostly during day shift, but on-call help is always available. This too is an industry practice.

Some work is outsourced, which is an industry practice.



B. Recommendation and Rationale

Recommendation

The current shift schedules should continue.

Rationale

The practice in the City of Orem places staff on duty when they are needed. It matches local peer practices.

Fiscal Impact

There is no fiscal impact to continuing the status quo.

3. Facilities Management Software

Given the number of locations to maintain, the number of work orders, and the need for calendar reminders for preventive maintenance, there must be a software application to support Facilities Management. The division currently uses the internally developed "Hey Orem" application but believes this application has been eclipsed by other options on the market. None of the options are expensive, so increases in function could justify acquiring a new application.

A. Software Options

At the commencement of this study, the division was contemplating acquiring a commercial off-the-shelf facilities management application at a cost of approximately \$10,000.

Factors to Consider
Software functions and associated cost.

Later in the study process, the division learned that the work order system that the Department of Public Works uses could be configured for use by Facilities Management at a less expensive incremental cost.

Manager Plus is a commercial off-the-shelf software application that the division contemplated licensing. Elements XS is licensed by the Department of Public Works and may be configured for Facilities. The table below compares their features.

Features	HeyOrem	Manager Plus	Elements XS
Easy to navigate	X		
Easy to submit requests	X		
Email notifications	X	X	Х
Text notifications	X		
Incremental cost	\$0	\$10,800 and need	\$0
		to configure	
Build-out / configuration		Need to configure,	\$10,000 to
		but see comment	configure for



Features	HeyOrem	Manager Plus	Elements XS
		on configuration	Facilities, but no
		cost for Elements	additional cost as
		XS	Public Works pays
			the subscription
Scheduled maintenance option		Χ	Х
Progress tracking of tasks		Χ	X
Parts inventory management		Х	
Customizable processes			X

Neither new solution is expensive but adapting the Public Works software for use by Facilities Management (Elements XS) makes more sense because it costs less and avoids needing another resource to maintain that application.

B. Recommendation and Rationale

Recommendation

MGT recommends that Facilities Maintenance implement Elements XS for work order and asset management.

Rationale

The Division requires software to manage its efforts. The current application ("Hey Orem") is dated. While the Manager Plus system is not expensive, adapting an existing system for use by another department would be less expensive. Of equal importance, sharing a system between departments will reduce the cost of software maintenance and technical support for users.

Fiscal Impact

Both systems under consideration entail a one-time cost of approximately \$10,000 to configure, but Elements XS does not include any additional license cost above the amount already paid by the Department of Public Works.

Finance Department

Report Highlights

 The City established dollar thresholds for purchases, with more documentation required for higher-priced items. Over time, inflation has pushed procurements to need more paperwork than was originally intended. The City should update thresholds now and on a periodic basis.

Based upon MGT's savings calculations and wanting to be a leader in local government operational efficiency, MGT recommends raising the amount to \$50,000.

Fiscal Impact: Increasing dollar approval thresholds for additional procurement review to \$35,000 from the current level of \$25,000 may save \$140,000 annually. If the City would agree to set the threshold at \$50,000, it would save \$210,000. MGT supports that.

2. The City has several options to verify that procurements are for advantageous prices and terms. To support this happening, MGT recommends creating a more formal process of documenting that the departments investigated these options to ensure that Finance verifies that this was done.

Fiscal Impact: Not readily quantifiable, but it creates an opportunity to find savings. Using State data on purchases and prices paid may save money, but the amount is not possible to estimate.

3. Given the effectiveness of the existing procurement application and the cost of replacing it, MGT does not recommend changing that software now. When the time comes, MGT strongly recommends that a "buy or build" analysis is conducted to compare the costs and benefits of continuing the City's practice of developing software internally.

Fiscal Impact: Estimating the savings or incremental cost of using commercial-off-the-shelf software will require the City to seek quotes. MGT recommends doing so to inform the "buy vs build" discussion.



Background

Purchasing duties in the City of Orem are assigned to the Finance Department. The Department is responsible for procurement policy. Efforts for individual procurements occur in the departments.

The Finance Department is led by a Director of Finance. The major operating divisions include Treasury, Accounting, Purchasing & Budget, and administrative support to the Justice Court. Other functions that the Department manages include the Debt Service Fund and the 311 Call Center/Utility Billing Division.

The Director of Finance reports to the Assistant City Manager. The City's Adopted FY 2023-2024 budget appropriates \$3.27 million to the Finance Department. The budget authorizes a headcount of 27 Full-Time Equivalent staff (FTE) plus 1 Part-Time employee. The Department has a Budget Manager whose responsibilities include central coordination of procurement. Procurement efforts occur in departments under the guidance of this office.

Article 2-7 of the City's "Code of Ordinances" addresses Purchasing. Section 2-7-2 designates the City Manager as being responsible for the administration "of purchasing procedures outlined in this Article." The City Manager delegated that authority to the Budget Division Manager.

For this study, the City asked MGT to address two Finance Department matters:

- 1. Investigate purchasing thresholds and the purchasing approval process.
- 2. Discuss how procurement software may streamline the procurement process.

1. Purchasing Thresholds

The City of Orem follows a common industry practice in using different dollar thresholds to determine the approval process for purchases. This is intended to obtain advantageous terms for the City while keeping the level of paperwork appropriate for the size of the purchase.

Like many other cities, Orem's thresholds have been in place for many years. Even when inflation is low, a gradual increase of price levels can push procurements into higher approval

Factors to Consider

- 1. Purchasing thresholds.
- 2. Contract "piggybacking" and State data.
- 3. A process to verify that best terms are obtained.

thresholds that require more staff time for approval. This section addresses the situation in the City of Orem.

A. Prices Drive Documentation Requirements

Orem has updated its procurement policies periodically, including in 2007 and 2013. This is a good and necessary practice. Peers do it as well. The last updates for peers are below:

- Provo 2007
- Sandy 2018
- West Valley 2012



- Lehi 2018
- West Jordan 2020

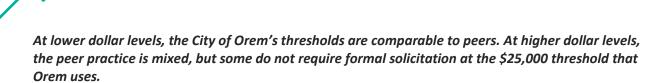
Updating thresholds at least every few years to adjust the approval process for inflation is a good practice. How often this is necessary is more a function of inflation rates than of a fixed interval of years.

The project research found approval thresholds peer cities and Orem as follows:

City	Thresholds	Approval Process
Provo	> \$25k	Budget Officer or CAO
Sandy City	<\$2,001	At department discretion
	\$2,001 - \$5,000	Three oral quotes reviewed by Purchasing Agent
	\$5,0001 - \$40,000	Three written bids reviewed by Purchasing Agent
	\$40,001 and above	RFP required
West Valley	<\$5,000	Purchasing Agent, Department heads, or designees
	\$5,000-\$30,000	Purchasing Agent, Department heads, or designees with prior approval by Department Heads or the City Manager, 3 quotes needed
	\$30,001 and above	RFP required
Lehi	<\$5,000	No formal bidding required
	\$3,500 - \$20,000	3 quotes reviewed by Purchasing Agent
	\$20,000 and above	RFP required reviewed by Purchasing Agent
West Jordan	<\$25,000, otherwise	Discretion of Purchasing Manager
	\$25,001 and above	RFP required
Orem	< \$3,500	Best price approved by Department
	\$3,500 - \$10,000	3 informal quotes, Department heads have signature authority up to \$10,000
	\$10,000 - \$25,000	3 formal quotes reviewed with Finance
	>\$25,001	RFP required, but the City Manager has discretion for large procurements and can approve awards of any amount.

Sandy City requires formal bids above a contract value of \$40,000. West Valley requires formal bids above a contract value of \$30,000. Using the halfway point of that range, it is possible to estimate what the City of Orem might save if it established a new competitive bidding threshold of \$35,000. There were 26 procurements whose dollar values were in that range last year. MGT's experience is that a formal procurement requires approximately 160 hours of municipal staff effort. Using a baseline effort of 10 hours to process a procurement without formal bidding, it would save 150 hours per procurement. Using an estimated \$50 per hour estimate for staff time, increasing the threshold to \$35,000 may save \$195,000 annually.

Savings from reducing approval paperwork for procurements would occur throughout City government. It is not likely to be sufficient in any one department to justify reducing a position. Yet in annual budget discussions where departments assert a need for additional staff due to new requirements, this would offset that need.



B. "Piggybacking," State Pricing Data, and Opportunities to Save

This section addresses certain procurement practices that may yield better terms. Some of them are used now, but this section calls for establishing a process for the departments to document that they made these efforts and for the Finance staff to spot check that they did. Making the process more formal will support it as a consistent practice.

a. Piggybacking

The City of Orem has authorized the use of procurement vehicles of other jurisdictions. Section 2-7-8 of the Orem Code of Ordinances authorizes the City to enter "joint purchase agreements with any or all public agencies within the State for the purchase of any commodity." This would not be used frequently, but it creates another way to verify that certain procurements would have favorable terms.

West Valley expands on this type of arrangement by permitting the City to purchase supplies, materials or equipment from a vendor who has been awarded a bid from another governmental entity within the preceding 90 days. That price will be considered the lowest price available, and the City need not follow any other bidding requirements. [West Valley Municipal Code 5-3-106]. Orem has a similar policy but permits the use of contract awards during the past 180 days.

b. State Data on Pricing

The City has access to the State of Utah's procurement portal for the State Cooperative Contracts program.

The Utah Division of Purchasing operates the program. Pricing reflects recent contract awards. Local governments can use the database to find recent pricing for specific items.

State and local governments have used different approaches to save time on procurements. In MGT's experience, a competitive Request for Proposals requires approximately one full month of staff time from the team that writes the RFP, reads vendor responses, interviews the top vendors, writes a recommendation of award, and negotiates the agreement. That is a costly way to buy goods and services and merits use when the savings of competitive bidding likely outweigh the costs.

One practice is to develop prequalified vendor lists and limit subsequent procurements to competitive price quotes from vendors in the prequalified pool. A variant of this practice is to give the underlying contract a three-to-five-year duration to avoid the time and expense of establishing a qualified vendor pool annually.

For the most part, procurements involve a routine process of departments researching how to meet their needs and placing orders following the rules of process for different prices. This is appropriate. The implication here is to take the extra time to check that procurements are on favorable terms.



There are a few opportunities to improve the status quo. All of these are available now.

Formalizing the documentation of best price research and auditing it centrally will encourage due diligence. This is particularly important for larger procurements where a small percentage of savings justifies the extra effort.

C. Recommendation and Rationale

Recommendation

MGT recommends increasing the threshold value for formal bidding via RFP to at least \$35,000 from the current level of \$25,000. If Council would agree to a \$50,000 threshold, MGT would support that.

Formalize the documentation requirements for verifying advantageous prices and terms and verify that departments did that research. The options to find additional savings in procurements may involve the following:

- Create a recurring calendar event to check procurement thresholds against inflation data. When
 inflation is higher, update procurement thresholds. Inflation causes prices to escalate, pushing
 certain procurements to higher levels of effort than were intended.
- For larger procurements where a few percentage savings are worth the extra time to check, establish a process to verify that departments reviewed available State data on prices paid for those items. Then, spot-check procurements periodically so that departments know that the central procurement role will include verifying that the City audits this informally. There should be a note in the file for larger procurements indicating that someone checked the State list to see if the proposed price of a new purchase was reasonable.
- Encourage the use of pre-approved vendor lists and contract "piggybacking." Publicize when this was done and offer public praise for the departments that do so. An informal recognition of finding savings may encourage the behavior.
- Review Section 5-3-108 of the West Valley ordinance for "interlocal cooperation." Periodic conversations with central procurement staff of peer cities may reveal new ideas for best practices.

Rationale

Increasing procurement approval thresholds would reduce the time and expense of buying goods and services.

Similarly, the use of piggyback contracts, prequalified vendor lists, and the State of Utah's procurement data should save time and expense. With a decentralized procurement process whose efforts occur primarily in each department, a formal process to document those efforts and spot check that those efforts were made may save money.



Fiscal Impact

Increasing the procurement threshold for formal bids to \$35,000 from the current level of \$25,000 may yield savings of \$140,000 through reduced time spent on procurements. If the City is willing to set the threshold at \$50,000, the avoided costs of procurement would be \$210,000. That savings would arise in smaller amounts throughout all departments, via cost avoidance of time spent on procurement paperwork. It would not be a cash savings per se, yet it would help to offset other rising costs.

MGT believes that it is a best practice to ask staff to document efforts to use available tools (e.g., state pricing data, available piggyback contract) and audit that they did so. However, MGT cannot quantify the savings from doing so.

2. Procurement Software

Buying goods and services is a data-intensive process. The City of Orem manages this with an application that it developed internally. City staff report that the system works well, and the users are comfortable using it. There are several commercial-off-the-shelf software applications to manage the procurement process. The City of Orem asked MGT to explore the possibility of acquiring such a system.

A. Functions of Procurement Software

The features of commercial-off-the-shelf software for procurement vary slightly by vendor but often include many common features. The table below displays the capabilities of off-the-shelf software as compared to Orem's internally developed software. They offer a very similar set of capabilities.

Factors to Consider

- 1. Functions of procurement software.
- 2. "Buy or build" decisions

Function	Commercial Software	Orem's Procurement System
Workflow Management	√	✓
Storing RFPs and bid requestion	✓	✓
Archiving bids received	√	✓
Logging evaluator notes on vendor selection, reviews, and approvals	√	√
Contract, purchase order, and requisition management	√	✓
Supplier management	√	✓
Quotation management	√	
Payables management and invoice approval	√	✓



Function	Commercial Software	Orem's Procurement System
Vendor information	√	✓
Managing vendor W-9s	✓	✓
Subcontractor compliance	√	✓
1099 Reporting	✓	✓
Budgeting	√	√
Spend management	√	✓
Inventory management	√	√

Having developed an application that staff are comfortable using, MGT finds that the case for changing software now is weak. It would involve an incremental expense without a material difference in function. The question is one of longer-term software strategy.

B. The "Buy or Build" Decision

In the Information Technology chapter of this report, we address the City of Orem's practice of developing software internally instead of buying or licensing it. Regarding the merit of acquiring procurement software that is the subject of this section, there are two matters to address:

- The perception that it would add no value, and
- The City's culture of developing software internally instead of licensing commercial off-the-shelf software.

MGT believes that there is no pressing need for new procurement software, but that all software eventually requires replacement. Consideration of a procurement software solution should include reviewing the merits of commercial off-the-shelf solutions that will be available at that time.

MGT sees no pressing need for procurement software. However, as all applications eventually need replacement, consideration of acquiring a commercial off-the-shelf solution should be part of the planning process when selecting the next generation of that tool.

C. Recommendation and Rationale

Recommendation

The current software appears to be functional and well-liked by staff. There is no pressing need to replace it. MGT recommends that when the current procurement software approaches the end of its useful life and the City defines requirements for a replacement, the City should consider a commercial off-the-shelf solution.



Rationale

MGT does not question that the internally developed software works. It is in use and users like it.

This is more of a long-term and citywide software issue. MGT is influenced not only by the practice of local peers, but also most of MGT's national client base. By a wide margin, licensing or purchasing software is the more frequent choice. The table below reviews the likely advantages of each approach. Neither option is likely to be better in all cases. The recommendation here is to consider the "buy or build" decision for any system replacement, not simply that of procurement software.

	Internal Advantage	Commercial Advantage
Cybersecurity		Χ
Updates		Χ
Data Migration	X	
Cost	TBD	TBD
Documentation		Х
Learning Curve	Х	
Customization		

Vendors may not be able to honor prices without formal requests, so the cost of the options remains to be determined.

Fiscal Impact

The cost of developing a new software application to manage the procurement process vs the cost to license a commercial solution face too many unknowns to estimate at the present. The business case for the preferred solution should include comparison of those two approaches.

Fire Department

Background

The Orem Fire Department is responsible for fire and emergency medical services (EMS) response in the cities of Orem, Lindon, and Vineyard. The Department operates three fire stations within Orem and a fourth station in Lindon. A fifth facility in Vineyard is scheduled to be operational in 2024. For the 2023-24 fiscal year, Fire Department budgeted expenditures totaled \$14.3 million. Pursuant to the interlocal agreements with the cities of Lindon and Vineyard, during the 2022-23 fiscal year, Lindon paid \$2.03 million, and Vineyard paid \$1.5 million to Orem for fire and EMS services.

For this study, the City asked MGT to evaluate contractual financial terms for both the City of Lindon and the City of Vineyard.

Report Highlights

- 1. MGT reviewed different methods for allocating Fire Department costs to the cities of Lindon and Vineyard.
- 2. The costs allocated to each partner city are currently calculated using different methodologies. The proposed methodology will provide an equitable approach for all cities.
- 3. MGT recommends charging the cities based on an allocation where Fire Department costs reflect actual operating costs allocated using a multi-factor approach.

Fiscal Impact – The proposed methodology will ensure equitable cost-sharing between the partner cities. The partnership, and economies of scale associated with such a partnership, provide a fiscal benefit to all partnering cities.

1. Allocating Costs to Interlocal Agreements

The Fire Department provides fire and emergency response services to the residents of the cities of Orem, Lindon, and Vineyard. Services to the cities of Lindon and Vineyard are subject to interlocal agreements.

Shared services provide multiple benefits to Orem and the contracted cities, particularly in terms of economies of scale. For each community to undertake fire service on its own would cost more.

A. Existing Methodology

The current interlocal agreement with the City of Lindon charges the City of Lindon based on the costs of the personnel and equipment assigned to serve it. The agreement does not allocate the cost of the Fire Department overhead, nor of other City overhead that supports the service.



Vineyard's annual fee is a calculation comprised of two components – a Service Fee and an Insurance Fee.

- The Service Fee is based on calculating a cost per equivalent residential unit (ERU) and multiplying that by the number of ERUs in Vineyard. The City of Orem determines the cost per ERU based on the number of fire stations required, given the population, and Orem's calculations on the costs to operate a fire station.
- The Insurance Fee represents the amount it would cost Orem to purchase insurance for workers' compensation and general liability insurance for fire services in Vineyard.

The accuracy of the Vineyard fee is based in part on the accuracy of self-reported equivalent residential units.

The current methodologies are inconsistent across contract cities and do not fully recover all costs of service levels within the cities.

B. Alternative Allocations

Various methodologies exist for cost allocation, and the selection of an appropriate method depends on the nature of the costs and the organizational objectives. MGT considered multiple methods in determining the most suitable approach to quantifying the costs associated with rendering services to Lindon and Vineyard. Our evaluation primarily focused on three methods: the activity-based method, the weighted average method, and a hybrid method utilizing multiple factors.

Factors to Consider

- 1. The two interlocal agreements for Fire services have different cost sharing terms. Neither reimburses the cost of supervision by the Fire Department or other parts of the City of Orem's government.
- The choice of an allocation method should reflect whether it matches an average cost to an average service level or a higher cost for a higher level of service.

MGT first considered an activity-based model that allocated expenditures to Lindon and Vineyard based solely on a combination of population and emergency call metrics. However, this model would be suitable only if the services provided by the Orem Fire Department were limited to responding to calls. Contrarily, for Lindon and Vineyard, services extend beyond simply responding to emergency calls. Having a fire station in the community not only provides a quick response time in the case of emergencies, but also contributes to an overall sense of public safety, provides community outreach and education programs, provides fire prevention services (such as inspections), and supports other emergency services including police. A fire station within the city limits can also positively impact residents' property insurance premiums and ratings as insurance companies often consider the distance to a fire station when determining coverage costs, and a nearby station may result in lower premiums. Because of these factors, MGT does not recommend the activity-based model for calculating the cities' cost allocations.

MGT then considered a weighted average model, where costs are averaged by fire station and weighted based on the number of employees assigned to the Lindon station and planned to be assigned to the Vineyard station when it opens. This methodology appeared to better capture the costs associated with

operating a fire station within the contract cities. However, there were limitations since it did not consider the call activity at each station that was related to cities other than the city in which the station was located and because the percentages were based on the number of employees could be a deterrent to placing more staff at the station even when necessary to meet community needs.

The final approach considered was to allocate budgeted expenditures by station using three factors: fixed costs, call volume, and population. The budgeted expenditures used in the allocation represent the budget for the prior fiscal year. This allows the City to calculate the allocation in time for its partner cities to include the allocated costs in their respective budget for the upcoming fiscal year. After calculating budgeted expenditures by station, the allocation is calculated as follows:

- <u>Fixed Costs Allocation</u>. Fixed costs represent Orem overhead, Fire Department administration, and fire prevention activities where the cost does not vary depending on call volume activity or population. The 40 percent utilized for this portion of the calculation was based on Orem's 2023-24 fiscal year budget for Fire Department administration and prevention activities, along with a 10 percent¹ indirect rate for overhead.
 - ¹ The 10% indirect cost rate is derived from the de minimis indirect cost rate established by the Cost Principles contained in Title 2, Part 200, Code of Federal Regulations. There is currently a proposed rule that would increase the de minimis indirect cost rate to 15%. While the agreements with Lindon and Vineyard do not represent Federal awards, the City should consider aligning its indirect cost rates for the agreements with the Federal regulations.
- <u>Call Volume and Population Allocation</u>. The remaining expenses represent operational costs that are, to a degree, based on activity. The 60 percent is allocated 30 percent by call volume and 30 percent by population. This portion of the allocation also includes a reallocation of calls made to other cities on an equal basis to Orem, Lindon, and Vineyard. This method also accounts for calls for service to other cities from a station.

This approach captures the intrinsic value of station costs extending beyond the immediate response to emergency calls, along with costs that are dependent on activity. An added advantage of this approach lies in its simplicity and transparency. The calculation process is straightforward, relying solely on information documented in the City's budget, accounting, and call records and publicly available information on population, thereby ensuring accuracy and reliability. MGT provided the City with a template that may be utilized to calculate cost allocations under the proposed methodology.

The City should use a hybrid cost allocation methodology that uses a variety of factors to ensure that costs are distributed equitably based on the benefits received.

C. Recommendation and Rationale

Recommendation

MGT recommends utilizing a hybrid cost allocation methodology based on costs by station, call volume, and population.



Rationale

The existing methodology does not fully recover the costs of providing fire and EMS response to Lindon and Vineyard. Using a methodology that allocates costs based on total costs per station, call volume, and population fully accounts for the benefit of maintaining a fire station in each city, while taking into account the cities receiving services from those stations. By maintaining a station in each city, the services each city receives are above average. The City should not charge below-average costs for an above-average level of service.

Fiscal Impact

The proposed methodology will ensure equitable cost-sharing between the partner cities. The partnership, and economies of scale associated with such a partnership, provide a positive fiscal benefit to all partnering cities.

IT Division

Background

The Information Technology (IT) Division of the Department of Management Services is responsible for supporting the needs of City departments for technology that supports their work. The IT Division supports all network-connected devices and technologies as well as the infrastructure to facilitate data sharing and security. The Division's in-house software development team provides departments with custom software solutions. The Division maintains an onsite centralized data center and an offsite data storage and disaster recovery location providing services and resources used by all City Departments.

Staff includes the IT Division Manager, Assistant IT Manager, IT Program Section Manager, Software Engineers, Network Engineers, Systems Engineers, Technical Support Supervisor, Technical Support Specialists, and Help Desk Technicians.

For this study, the City asked MGT to address two IT Division matters:

- 1. Identify potential organizational structure and staffing changes to increase efficiency and accountability; Investigate the benefit of hiring a project/quality assurance manager for the City's IT development team; Investigate the necessity for a 24/7 IT Help Desk to be on staff when needed by various departments operating outside of normal business hours.
- 2. Identify best practices for internal software development versus third-party software and how to balance the two for increased efficiency and cost savings.

Report Highlights

1. MGT recommends maintaining current IT staffing levels if the management of development projects is satisfactory.

Staff is cross-trained and supports several service areas. Rather than hiring a project/QA manager and incurring an additional salary, if feasible, MGT recommends shifting the responsibilities of an existing position to a dedicated project/QA manager. If shifting an existing position to project/QA manager is not feasible, hiring a project/QA manager for internal software development projects may be advantageous. However, doing so would have a greater fiscal impact.

The City of Orem's IT Division, including software developers, total number of employees is above the peer average by three positions, but comparisons of staff count without a standardized accounting for workload provide limited insight. The peer comparison assumes if the agency has software developers, they are included under IT. Orem is distinct compared to peers for use of programmers to develop software internally. Excluding Orem's software developers, Orem staffs the IT Division somewhat leaner than the peer average.

Fiscal Impact – The fiscal impact of this change is minimal when converting an existing position to the role of project/QA manager. The fiscal impact of hiring a project/QA manager is estimated at \$150,000.



2. MGT recommends the City conduct a comprehensive cost-benefit analysis when software needs or changes arise in the organization.

The analyses should include input from all stakeholders that would be impacted by the software, including IT as a primary consultant. Such reviews will enable the City to make informed and strategic decisions for developing internal software or selecting third-party vendors.

Fiscal Impact – Comprehensive reviews of software options will lead to cost savings for the City. Such reviews will lead to the selection or development of software solutions that provide the greatest benefit to the City at the lowest cost, both in the form of price and risk.

3. MGT recommends the City develop and implement a procurement policy to include IT and Procurement Divisions in all technology-related purchases.

The City has a decentralized purchasing structure to procure tools and supplies including technology-related goods and services. Currently, City departments are not required to consult with the IT division prior to software purchases. MGT recommends including the IT and Purchasing divisions in the purchasing decisions. An advantage of including the IT division in software procurement decisions is to ensure efficiency, consistency, compatibility with existing platforms, and security. This helps mitigate any negative, unintended consequences for departments and the organization.

Fiscal Impact – The fiscal impact of this change could lead to cost savings with the inclusion of IT and Purchasing in software purchases. IT and purchasing can utilize competitive government pricing and ensure compliance with any applicable state or city statutes. These processes may also help to eliminate duplication of services and poor software decisions that lead to greater expenses downstream.



At the commencement of this study, the IT Division operated in three separate sections (Development, Operations, and Support/Help Desk). Staff consist of one full-time Division Manager, one full-time Assistant IT Division Manager, one full-time IT Programming Section Manager, three full-time Senior Software Engineers, three full-time Software Engineers, two full-time Systems Engineers, two full-time Network Engineers, one full-time Technical Support Supervisor, one full-time Technical Support Specialist I, and three part-time Help Desk Technicians

Since the fieldwork was completed, the IT Division split into two divisions (1 - Operations and 2 - Software Development and Cybersecurity).

A. Current Workload Analysis

MGT compared the current workload to the capacity by job title. The results of this time analysis are presented below in Exhibit 1.

Factors to Consider

- 1. The current workload for the IT Division's staff.
- 2. Peers' staffing levels and workloads.

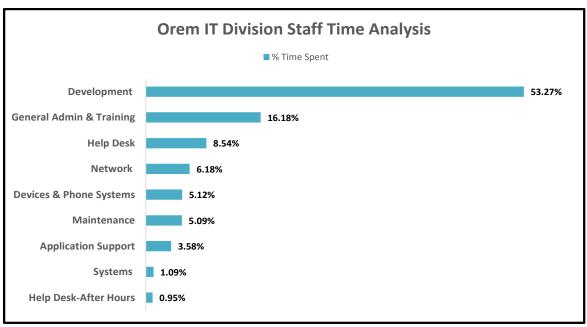


Exhibit 1 – Current Staffing Workload Analysis

Source: IT Division's Staff Time Analysis

Division-wide, more than 50% of staff time is spent on software development activities. This is unique compared to peer cities and from a national perspective. Most agencies license commercial, off-the-shelf software.

Per discussions with IT managers and review of the documents, below is the high-level summary of the process for new development requests:



Process for New Development Requests

Department initiates a request for a software application.

IT meets with the requestor and completes an initial assessment.

If the project is expected to take longer than 2 weeks, then the IT team prepares a scope of work including purpose, requirements, software components, time estimates, and costs.

The scope of work is submitted to the IT Steering Committee (ITSC) for review and approval.

If the scope of work is approved by the ITSC, the IT Division will incorporate the request into its project workflow.

Source: Discussions with IT managers, sample scope of work documents

As a full-service city, Orem City staff use technology 24/7 and may require after-hours support. The City does not currently have a dedicated after-hours support team, but the IT Division responds to emergencies after hours. Currently, 10% of help desk activities are related to after-hours requests. In peer cities, the cities of Sandy, Lehi, and West Jordan have 24/7 IT support staff that operate on an on-call basis for support. The City of West Jordan also has a dedicated IT Technician who strictly handles police-related support requests after hours.

B. Peer Comparisons

Peer comparisons can help to assess staffing needs.

City	City FTEs	IT FTEs	IT FTEs Excluding Developers	Ratio of City FTEs to IT FTEs	Ratio of City FTEs to IT FTEs, excluding Software Developers
Provo	942	20	20	47 to 1	47 to 1
Sandy City	633	13	13	49 to 1	49 to 1
West Valley	867	12	12	72 to 1	72 to 1
Lehi	520	5	5	104 to 1	104 to 1
West Jordan	535	8	8	67 to 1	67 to 1
Peer Average	699	11.6	11.6	60 to 1	60 to 1
Orem	616	15	9	41 to 1	68 to 1

Source: FY 2023 budget documents

Orem is unique in its use of internal software development. That leads to more IT staffing per City employee than the peer group. Excluding Orem's software developers, Orem staffs the IT Division somewhat leaner than the peer average.



C. Recommendation and Rationale

Recommendation

MGT does not recommend staffing changes. MGT supports the City's recent IT Division organizational change. The IT Division is now split into two groups: Operational and Security & Development. This change allows for clearer roles and responsibilities. The operational staff can focus on the maintenance and optimization of existing systems and applications. The security and development staff can focus on designing, building, and implementing innovative solutions. The City may want to consider shifting the responsibilities of an existing position to a dedicated project/QA manager.

Rationale

Many development projects struggle to meet schedules for two primary reasons. The first is lack of, or lack of adherence to, a project work plan. The second is that unforeseen quality issues may affect timeliness. Shifting the responsibilities of an existing position to a dedicated QA manager would help mitigate these issues.

A few advantages of having a dedicated quality assurance manager are:

- Improved quality of services to ensure all IT services, software, and systems meet or exceed quality standards.
- Reduce occurrences of errors and failures in IT systems and applications.
- A dedicated QA manager can help identify and rectify problems before they escalate.
- Risk mitigation.

Fiscal Impact

MGT does not recommend reducing staff or hiring staff for the IT Division, therefore there is no fiscal impact.





MGT is not recommending that the City or Orem abandon its culture and practice of in-house software development. We recommend the City approach software development on a case-by-case using a buy vs. build cost-benefit analysis.

A. Peer Practices

MGT requested a staff time analysis of the City of Orem's IT Division. The time study revealed staff spends more than 50% of its time on internal software development. The City's in-house software development team makes the City distinct in comparison to its peers. The cities of Provo and Lehi rely solely on third-party vendors for

Factors to Consider

- How the City's peers manage software development and procurement.
- Internal software development vs licensing from third parties.

software applications. The cities of Sandy and West Jordan rely 90% on third-party vendors for software applications. The City of Sandy utilizes in-house development for unique circumstances. Data for the City of West Valley was not available, despite repeated attempts.

Unlike its peers, Orem has committed to internal software development.

Exhibit 2 - Practices of Orem's Peers

City	Third-Party v. Internal Software Development
Provo	100% Third Party
Sandy	90% Third Party
West Valley*	N/A
Lehi	100% Third Party
West Jordan	90% Third Party
Orem	Estimated 30% Third Party

Source: Peer comparisons, calls to City IT departments
*No response after multiple attempts

B. Internal Software Development vs Licensing from Third Parties

Internally developed software is functional, and the City staff appear to be pleased with it. Orem uses third-party software in some cases, including Microsoft Office applications and Google Workspace. The question is whether internal software development is a good business decision. It is difficult to generalize on that point.

Internal software development requires employing a team for it. Third-party licenses require vendor payments. The only way to compare costs is to perform a business case analysis on a case-by-case basis. MGT recommends doing that and basing the choice on the option that costs less.

There are areas where MGT suspects that third-party software may have advantages:



- Outside vendors typically have access to the latest technologies, well-established development processes, and resources to quickly deploy solutions.
- Vendors often provide ongoing support, maintenance updates, and patches included for free with software licenses, whereas internally developed software requires city staff to write the patches.
- Software documentation is included at no additional cost in licensed software, whereas internally developed software would need to dedicate time to that task.
- Without pride of authorship, the emotional commitment to keep using an application when it is past its useful life is not a concern.
- Third-party vendors may take on operational risks, such as system downtime, cybersecurity threats, and compliance issues, which can help government agencies reduce their exposure to these risks.
- The cybersecurity resources of software firms may be better staffed and capitalized than the resources that Orem's IT Division can provide.

There are also advantages of internal software development:

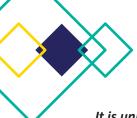
- The ability to have control over the development process, allowing for customization. MGT has seen cities attempt to customize commercial software, only to find that it no longer works as well and that vendors may not be able to support it.
- Seamless upstream and downstream data integration. Data generated by one business unit is immediately available for consumption by any other city business unit using internally developed software. This enables frictionless data meshes between different city functions and applications.
- Internally developed software is tailored to fit not only the job requirements, but in many instances the preferences of the person in that role. This allows for efficiency gains because the software is customized and tightly integrated into the process.
- Security and compliance, the City can implement security measures specific to their requirements and ensure compliance with government regulations.
- Strategic alignment, the City may align software solutions with their strategic goals resulting in a more direct connection between technology and organizational objectives.

C. Involving IT in Acquisitions

The City of Orem has a decentralized purchasing structure and does not require departments to consult with the Information Technology Division prior to acquiring assets. In instances where IT is not involved in an acquisition, departments still expect IT to be able to support them and their software. This is not always possible.

The Division keeps a systems inventory log including physical and virtual servers, cloud software solutions, off-the-shelf software applications, and decommissioned and archived items. The inventory log is not a comprehensive list, as the IT Division is not involved in all acquisitions.

The City should issue written guidance to all departments that any software acquisition should have the prior knowledge and consultation with the Information Technology Division. Further, departments should report to the IT Division any software that they are currently using so that the inventory of systems running on City networks, or in the cloud, will be current. This is necessary both to arrange proper technical support and for cybersecurity purposes.



It is unreasonable to expect technical support from the IT Division without its knowing what software was acquired. It is a support, data management, and cybersecurity issue.

D. Recommendation and Rationale

Recommendation

MGT recommends that any new efforts at development undergo a "buy or build" analysis. Internal software development works, but it is not clear that the cost is competitive or that the cybersecurity resources of the internal team are equal to those of capitalized private software vendors.

The City asked to investigate the benefit of hiring a project/quality assurance manager for the City's IT development team. Per the staff time analysis, the Assistant IT Division Manager spends time managing internal development requests and spends time across various IT services such as applications, networks, and systems. MGT recommends shifting the responsibilities of an existing position to a dedicated QA manager.

MGT recommends City departments consult with the IT Division and Purchasing prior to any acquisition of software applications or services to ensure efficiency, consistency, best pricing, and compatibility with existing platforms and applications.

Rationale

MGT is influenced by both local and national practices that are much more prone to licensing commercial off-the-shelf software than developing it internally. This is not a finding that internally developed software fails to function. In fact, it functions well. The rationale for the recommendation is that:

- The peer comparison results indicate an average of 97.5% reliance on third-party solutions.
- Commercial software provides documentation and technical support at no additional charge, whereas Orem must invest in creating it.
- Commercial software issues patches and updates at no additional charge (if license fees are paid) and Orem must invest in updates.

Fiscal Impact

It is difficult to assess the fiscal impact of greater reliance on commercial software. Testing the proposition with a "buy or build" analysis for the first few new software developments has merit because it evaluates the proposition before making the City commit to a change in strategy. IT staff noted that the analysis may need to consider not only the software itself, but how that software is integrated into other software or processes.

Justice Court

Background

The Justice Court provides court services and administrative support of the local judge for the residents of Orem. Support to the Court is provided by an appropriation to the Department of Finance of \$1,176,777. The staff includes the following:

Justice Court Positions	FTE
Justice Court Judge	1.00
Justice Court Administrator	1.00
Judicial Assistant Lead	2.00
Judicial Assistant II	4.00
Variable Hour / Seasonal Judicial Assistant II	0.25
Total	8.25

Source FY23-24 Budget

The Justice Court operates a full-service local court with the following service offerings to the public:

- Court Virtual Hearings
- Traffic Court & Traffic School
- Process Payments for Fees & Fines
- Small Claims Court
- Management of MyCase Portal

The City asked MGT to address these Justice Court matters:

- 1. The efficiency of various court hearing formats.
- 2. Evaluate the relationship between staffing and workload.



Report Highlights

 Peer practice is for Judges and court staff to appear in person. Orem's practice is to have court attendance in-person for those with jury trials and optional in-person attendance for bench trials and evidentiary hearings. Judges have the discretion to allow people with matters before the court to attend virtually.

The Justice Court Judge has discretion on which hearings should be in person or virtual for litigating parties. Despite this, MGT believes that the best practice is for Judges and court staff to appear in person. This is a precedent set by local peers and, from a customer service point of view, best practice for those with business before the court to have the option to elect to attend court in person or virtually.

There is merit in allowing translators and public defenders to attend virtually as both are in short supply. Orem may wish to discuss other exceptions.

Cases with evidence to introduce have the option in Orem to attend in person or virtually. Per Supreme Court ruling, jury trials require in-person attendance.

Fiscal Impact – \$39 per hour for bailiffs for in-person hearings. Justice Court comments on fiscal impact are in Appendix 1 to this chapter.

2. Various workload per worker metrics show that Orem's Justice Court is more productive than peer cities. This may be seen as either evidence of efficiency or a need for more staff. When parties do not speak fluent English, the court needs to provide for a translator.

Whether it is appropriate to add staff should depend on case administration being timely. MGT believes that it is, but if that situation were to change, MGT would recommend adding staff using peer workload per worker data as a guide.

Fiscal Impact – None unless the City decides to add staff. If it does, it might do so to mirror peer workload per worker. Also, as noted next, part-time staff might reduce the cost of adding capacity to the Justice Court.

3. Before a full-time position is filled, the Court should explore using hourly or temporary labor. The City of Orem already uses this practice for small claims and restitution cases. The use of temporary/hourly labor allows efficiency and enables individuals to specialize at a lower cost to the city.

Fiscal Impact – A part-time Judicial Assistant would save \$50,290 over full-time staff if that level of support were sufficient.

1. Efficiency of Remote Court and In-Person vs Remote Options

The onset of the pandemic led to the rapid advancement of remote communication options. Many courts across the nation adopted this technology to make court business more efficient and accessible to court patrons. Justice courts in Utah can dictate which format, in-person or virtual, for each court hearing type. The virtual format is for the sole benefit of court patrons. Orem currently uses a combination of virtual and in-person hearings.

The City of Orem asked MGT to investigate the efficiency and appropriateness of the Court being fully remote, but with the Judge appearing in person.

A. Efficiency of Remote Court

Virtual meeting technology has advanced significantly since the advent of the pandemic and has provided businesses with robust tools to conduct business in a virtual setting efficiently. These tools have been used by many courts, including Orem's Justice Court, to conduct hearings for court patrons. This is a common practice across the nation.

Offering multiple formats to those conducting business with the court is good customer service for court patrons. Certain hearing types would provide a great benefit to the public if offered virtually, such as arraignments for minor offenses that can take less than a few minutes to review. There are also instances when court patrons are waiting long times for their cases to be brought before the judge. Virtual options for certain cases and hearings can allow individuals to multitask while they wait for their hearing, rather than waiting in the courtroom. Finally, allowing patrons to conduct their business with the court virtually can eliminate drive time for patrons and parking congestion at the City Center.

For the Judge and court staff, peer practice is almost universally to appear in person. There are some exceptions: 1) when a Judge has out-of-town business and court needs to proceed, 2) for translators and public defenders, as these positions are in short supply.

It is important to note that, although multiple formats should be offered for certain case types and hearing types, the Justice Court staff and judges should continue to operate fully in person. Court staff are always available in person. MGT recommends that the Judge appear in person as well. Having the judge and staff operating in person at the court is a customer service approach that will also increase the efficiency and effectiveness of court operations.

In some cases, parties may introduce physical evidence. Virtual court is not suited to this.

The best practice for the Judge and court staff is to appear in person, following the precedent of other local peers. From a customer service view, the best practice for those with business before the court is to have the option to attend in-person or virtually. Following peer practice, hearings such as those for domestic violence or those who missed prior court dates should be in person.

There may be merit in allowing translators and public defenders to attend virtually as both are in short supply. Orem may wish to discuss other exceptions.



B. In-Person vs. Remote Court Options

MGT evaluated six of Orem's peers to determine their use of inperson versus remote/virtual hearings.

Factors to consider

- 1. Comparison to peers
- 2. Caseload

Exhibit 1 - In Person or Virtual Format of Peer Courts

Agency	Traffic	Small Claims	Arraignment	Bail / Bond	Jury Duty / Trials	Restitution
Provo	In Person	In Person	Virtual & In Person	Virtual & In Person	In Person	In Person
Orem	Virtual	Virtual & In Person	Virtual	Virtual	Judge Determines based on parties' preference and court rules	Virtual & In Person
Sandy City	Virtual & In Person	In Person with option for Online Dispute Resolution	Virtual & In Person. Domestic violence cases must be in person.	Virtual & In Person	Virtual & In Person	Virtual & In Person
West Valley	Virtual & In Person	Virtual & In Person	Virtual & In Person	Virtual & In Person	Virtual & In Person	Virtual & In Person
Lehi	Virtual & In Person. Persons who missed prior court dates must appear in person.	Virtual & In Person. Persons who missed prior court dates must appear in person.	Virtual & In Person. Persons who missed prior court dates must appear in person.	Virtual & In Person. Persons who missed prior court dates must appear in person.	Virtual & In Person. Persons who missed prior court dates must appear in person.	Virtual & In Person. Persons who missed prior court dates must appear in person.
West Jordan	In Person	In Person	Virtual & In Person	Virtual & In Person	Virtual & In Person	Virtual & In Person
Utah County	In Person	In Person	Virtual & In Person	Virtual & In Person	Virtual & In Person	Virtual & In Person

Source: MGT calls to Justice Court clerks

MGT viewed the State's Court calendar system at https://legacy.utcourts.gov/cal/reports.php and reviewed court activity formats for Orem and all peers for the period of March 22, 2024, thru April 19, 2024.

Peer practice is nearly universal in having judges and court staff appearing in person (with a few exceptions) and others having the option to attend virtually. The extent of virtual attendance by parties before the court varies greatly (e.g., West Valley does so 55 percent of the time, West Jordan 1 percent of the time, and Orem 93 percent of the time). MGT spoke with clerks of peer court systems who believe that judges can appear virtually, but none of them believe this would be desirable.

At peer Justice Courts, staff (including Judges) are in person with a few exceptions. In Provo, when out of town for a conference, the Judge may attend virtually. Lehi believes the Judge has discretion to attend virtually but the Judge does not do so.

Orem should continue the status quo of having the Judge and staff in person and others having the option to attend virtually, except for domestic violence cases and those who missed prior court dates.

C. Recommendation and Rationale

Recommendation

The State of Utah gives discretion to Judges whether to hold court in person or virtually. As a matter of peer practice, with very few exceptions, peer Justice Court Judges and court staff appear in person. People with matters before the court may, at the Judge's discretion, appear in person or virtually. However, domestic violence cases are in person and those who missed prior court dates should appear in person. MGT recommends these practices. Appendix 1 contains comments from the Justice Court.

Virtual appearances began as an accommodation to public health concern during the pandemic. As inperson business has been normalized once again, MGT recommends that the Justice Court explore rolling out more in-person options for those wishing to conduct business in person. For example, the court may choose to have the first half of the day dedicated to in-person hearings, with the second half dedicated to virtual hearings. As data for format preferences is collected, the Justice Court can adjust to meet the demand of court patron preference.

When physical evidence is introduced, in-person court attendance seems more appropriate.

Rationale

The recommendation aligns with peer best practices. It is a convenience for those with business before the court to have the choice of appearing in-person or virtually. It is especially important for the Judges and staff to operate in person so that those without access to technology or those unable to navigate such technology can conduct their court business at the Justice Court. Also, those with physical evidence to present would have difficulty doing so in a virtual format.

Financial Impact

There is no fiscal impact to implementing these best practices.



In general, the level of staffing should be proportional to the workload. The staff's roles and responsibilities include processing traffic cases and fines, hosting criminal cases and juries, and processing Small Claims cases.

A. Workload per Worker Metrics

One factor in court efficiency is having appropriate staff to support a judge and an appropriate caseload per staff to serve the public effectively. To the extent that those metrics may affect the choice of inperson or virtual court attendance, the review compared Orem's Justice Court to local peers.

Exhibit 3 - Caseload Per FTE

Agency	Cases Per FTE	Court Employees	Traffic	Criminal	Small Claims	Total Cases
Provo	542	10	4,252	1,166	n/a	5,418
Sandy	632	17	9,290	1,001	450	10,741
West Valley	1,020	19	15,936	2,380	1,060	19,376
Lehi	1,167	5	5,101	682	52	5,835
West Jordan	1,121	6	4,600	1,700	425	6,725
Peer Average	896	11.40	7,835.8	1,385.8	496.75	9619.00
Variance to Peer Average	380	(3.15)	1,162	(324)	(29)	909
City of Orem	1,276	8.25	8,998	1,062	468	10,528

Caseload per FTE is greater in the City of Orem compared to its peers. If that causes a delay in hearings, the City may wish to consider adding staff. Absent an indication of delays, it appears that Orem's Justice Court is efficient. Exhibit 5 below gives us a sense of how much is spent per case.

Exhibit 4 – Approximate Time per Case

Exhibit + Approximate time per case						
Agency	Staff Hours / Agency	Total Cases	Minutes / Case			
City of Provo	18,000	5,418	199			
Sandy City	30,600	10,741	171			
West Valley City	34,200	19,376	106			
City of Lehi	9,000	5,835	93			
City of West Jordan	10,800	6,725	96			
Average	19,500	9,771	120			
City of Orem	14,400	10,528	82			

Assumes 1,800 assignable hours per FTE (total hours paid less paid leave)

In terms of caseload per FTE and support staff per judge, Orem's Justice Court carries larger loads than peer cities. This may be seen as either evidence of efficiency or understaffing.

B. Part-Time Staff as a Less Expensive Option

To the extent that the Justice Court could add staff, there would be savings from using part-time staff. Judges would remain full time.

Judicial Assistant	Full Time	Part-Time	Savings from Using Part- Time
Salary	\$46,551	\$26,208	\$20,343
Benefits	\$29,947	\$1,882	\$29,947
Total	\$76,498	\$28,090	\$48,409

If additional staffing needs could be met with part-time hires, it may save significant cost. To the extent that Orem can process cases in a timely manner, adding staff now is not necessary. If adding staff were necessary, the peer average workloads per worker cited in this chapter could serve as a guide.



C. Recommendations and Rationale

Recommendations

Unless the Court experiences delays resulting from a higher caseload per FTE, MGT recommends no additional hiring currently.

If additional hiring is necessary, MGT has two recommendations:

- 1. Peer workload per worker is a guide to how much staffing to consider, and
- 2. If adding part-time staff is acceptable, it would save a significant amount of money.

Rationale

By comparison to peers, Orem's Justice Court is more productive.

People expect justice to proceed without delays. However, if Orem's additional workload has caused, or begins to cause, delays in the administration of justice, adding staff would be appropriate up to the level of the peer average.

Fiscal Impact

If the City concludes that case administration is timely, there would be no need to add staff, and therefore, no fiscal impact.

If adding staff were to become necessary and if a part-time hire would suffice to meet the additional workload, that would not only save half a salary, but it would also save the cost of benefits. The sum of the two saves \$50,290 per new hire if a part-time hire provides sufficient capacity.



3. Appendix 1: Comments provided by the Justice Court

In Person Hearings Fiscal Impact

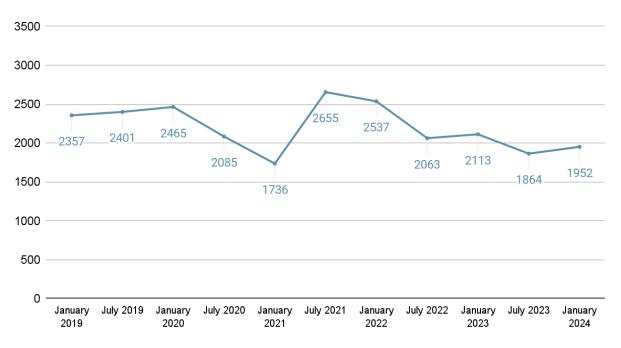
There are costs to in person hearings, since it requires additional security that isn't needed for video hearings. Prior to the pandemic the additional yearly cost of in-person hearings was \$96,980 based on hours reviewed from July 2019 through December 2019. These numbers are likely underestimated, due to the holiday's during this part of the year. However, it provides a good base for comparison since it was just prior to the pandemic changes. If we take the current rates for security, which have increased a couple times since 2019, to go back to all in person hearings, it would be an estimated yearly cost of \$134,604 today.

We have found that trials set for in person hearings often settle prior to the hearing. For reference, this fiscal year from June 25, 2023 - March 30, 2024, we have spent \$2,353.58 for the extra security for in person hearings (current rate is \$37.40 per hour).

Adding additional in person hearings would create a need for a budget adjustment. The base rate for security in 2019 was \$26 per hour and the rate on July 1, 2024, will be \$38.90 per hour. The savings since the pandemic from not having all hearings in person, has been able to fund the conversion of 2 part-time judicial assistants to 1 full-time judicial assistant position and cover the increases in security contract costs since 2019 for other positions like the front door security.

Video Hearings Impact on Warrants

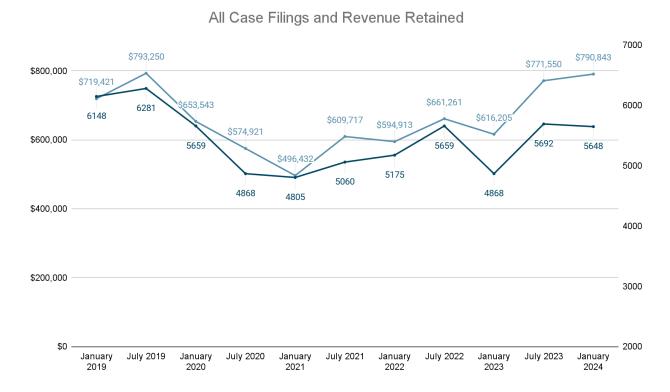
Number of Warrants



Prior to the pandemic, all hearings were in-person and we averaged around 2400 warrants outstanding at any given time. During the pandemic there was a time the warrant numbers dropped because we couldn't issue warrants. Then when warrants could start again there was an increase due to backlog. As we have returned to the new normal, we have consistently had the warrant numbers hover around 1900. That is an average of 500 less warrants issued or a 20% decrease. We attribute this to the ease of access to justice allowed through appearing for court by video for most hearings. Decrease in warrants means less processing, fewer court hearings and higher compliance rates on conditions of probation or plea in abeyance agreements. All these things help our community.

Impacts on Revenues

The number one impact on revenues are case filings, as you can see with the chart below. The line for cases filed and revenues trend together. Each point is 6 months of data.

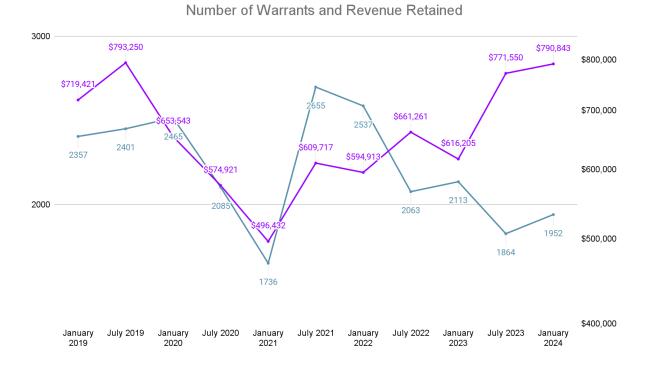


Note that the last year on the chart above shows a wider gap in the trend line between revenues and case filings than in all the previous years. This points to the second impact on revenues, which is the reduction in warrants due to the video hearings. This reduction assists in higher compliance rates, including those who are compliant with paying outstanding fines and fees.

In the chart below you can see in the last year as we have worked through the backlog of cases as all pandemic restrictions from the Utah Supreme Court were lifted, we see higher revenues retained at the same time we have had our lowest number of warrants. We attribute the impact of compliance due to



video hearings because the fine amounts for charges have had very few adjustments since the pandemic started and the notable difference in court processes is the shift from in person to video hearings.



Domestic Violence (DV) Specific Hearings

One advantage to DV cases being heard by video is that more victims appear by video as opposed to in person. Video court for victims of domestic violence creates a barrier of safety, which allows them to exercise their right to view the proceedings as well as be heard. DV cases are also a handful of cases which we deal with, often with quick court dates for the hearings. So, adding the cost of security for in person hearings for this type of caseload is not efficient.

Workload Information

Orem Justice Court has been fortunate to have highly skilled staff with low turnover rates since opening in September 2010. This along with using technology to be more efficient has helped us to work significantly below the staffing levels of peer cities. Recently however, we have noticed an increased need to help citizens in Spanish. This adds time to each interaction since we are often using handheld translators to assist them. This increased need, then requires us to reprioritize other tasks. Additional help would give us the opportunity to better serve the Spanish speaking population in our community without impacting existing duties.

We are open to the use of part-time workers to fill this need. However, two years ago we converted 2 part-time positions to 1 full-time position mainly due to the stability a full-time position offers. It takes several months to train a new judicial assistant. Part-time positions are often filled by students that have higher turnover rates in positions. Ideally, we would like to see one full-time position added.

Legal Services

Background

The Legal Services Department provides legal counsel and support to the City Boards, Commissions, Agencies, the City Manager, and all City departments, including legal services for ordinances, resolutions, policies, contracts, legal opinions, and litigation documents.

The City asked MGT to address three Legal Services matters for this study.

- 1. Delegations of workload to non-attorney staff (i.e., paralegals, law clerks, etc.) to leverage attorney time efficiently.
- 2. Prosecution caseload per staff.
- 3. Civil attorney caseload per staff.

Report Highlights

1. MGT recommends offering law clerkships to students from nearby law schools to perform functions that have traditionally been assigned to prosecutors.

These functions include, but are not limited to, conducting legal research, drafting motions, and preparing hearing/trial binders. This would expand the office's productivity at a lower cost than hiring another attorney. The report finds that Orem attorney workloads are greater than peer cities and clerks can assist with the work at a lower cost.

Fiscal Impact – The City should consider hiring two part-time law clerks to assist the attorneys with more complex legal tasks. The cost of a part-time law clerk is approximately \$25 per hour, or approximately \$28,000 annually each.

2. MGT recommends the Legal Services Department continue the implementation of a system that will enable tracking of time spent per case by prosecutor.

Current attorney caseloads are greater than peer cities, but some of this work may be delegated to law clerks. Adding attorneys may ultimately be necessary, but until better data on workloads is tracked by the proposed new system, it would be prudent not to add to payroll.

Fiscal Impact – The case management system cost is approximately \$20,000, including a fee of \$14,800 for 10 users and an additional \$5,000 for initial implementation.



The Legal Services Department has three divisions: Prosecution Division, Civil Division, and Administration. The Department is under the leadership of the City Attorney. The Prosecution Division staff includes two full-time prosecutors, one part-time prosecutor (vacant), and two full-time administrative assistants. The Civil Division staff includes the Deputy City Attorney and two Assistant City Attorneys. The Prosecution and Civil divisions share the Administrative Division's staff, including the Office Administrator, Case Manager, and Administrative Assistants. The Legal Services Department does not employ paralegals or law clerks.

The Mayor and City Council share a Director of Legislative Counsel that works and reports directly to the Council. This position is not part of the Legal Services Department nor is it part of this study.

The City asked MGT to conduct an analysis to determine if there are staffing modifications that will allow attorneys to delegate work that can be done by other staff, thus providing additional time for tasks that can only be done by attorneys.

Factors to Consider

- Qualifications of non-attorney staff
- 2. Incremental cost

A. Skills of Non-Attorney Staff

The Legal Services Department non-attorney staff includes the Office Administrator, a Case Manager, two Administrative Assistants, and one part-time Process Server. Below are some important details of each position:

- Office Administrator Administrative staff and assists city attorneys with clerical tasks.
- **Case Manager** This position was initially created to oversee intake for civil division work requests, assist the City Attorney with administrative duties, and provide office support.
- Administrative Assistants Perform various clerical, administrative, and general office duties. The Administrative Assistants are each assigned to one of the two prosecutors.

Although the Office Administrator, Case Manager, and Administrative Assistants have the qualifications and ability to assist the attorneys with some legal tasks, they do not possess the legal training of a paralegal or law clerk to assist prosecutors with more complex legal tasks. Complex legal tasks include drafting motions, researching case law for precedent, and reviewing criminal cases for possible offers or plea deals.

Under the current organizational structure, the prosecutors cannot delegate certain work to other office staff because the office staff lacks appropriate training.

B. Incremental Cost

There are no current non-attorney staff trained to assist prosecutors with complex legal tasks.

One option is for the City to create a new full-time paralegal position. According to the US Bureau of Labor Statistics, the median pay of a paralegal in 2022 was \$59,200 per year or \$28.46 per hour¹. Therefore, hiring a paralegal would cost the City approximately \$92,000 in salary and benefits plus the investment to recruit and train the new employee. Training a current employee to become a paralegal would take a significant investment in both money and time as the employee would need to meet the requirements to be a licensed paralegal practitioner in Utah².

A second, more cost-effective option to provide additional support to the attorneys would be offering law clerk internships to local law students. In the past, the Legal Services Department filled law clerk positions with students from nearby law schools. These law clerks performed a variety of functions, some of which were clerical and some which were traditionally functions of the prosecutors. These functions include, but are not limited to, conducting legal research, writing proposed motions, preparing hearings/trial binders, and observing court. The City of Provo is an example of a peer city that has implemented an internship program. The City of Provo currently has student law clerks and externs. The law clerks are paid and work part-time during the school year and full-time during the summer at a rate of \$25 per hour. Externs are generally unpaid and receive class credit. Law clerks and externs are assigned research and other related projects, and occasionally observe and/or assist with court cases.

The hiring of part-time law clerks would expand the office's productivity at a lower cost than hiring a paralegal or another attorney.

C. Recommendation and Rationale

Recommendation

MGT recommends offering two part-time law clerk internships to law school students from nearby universities to perform a variety of functions, including functions that are traditionally performed by prosecutors. These functions include, but are not limited to, conducting legal research, writing proposed motions, preparing hearings/trial binders, and observing court.

Rationale

In the following sections of this chapter, the report documents that attorney workload in Orem is greater than in the peer group. Adding attorneys is expensive, as attorneys cost more than law clerks. Some of the tasks done by attorneys may be delegated to law clerks, thus avoiding pressure to hire another attorney.

Fiscal Impact

¹https://www.bls.gov/ooh/legal/paralegals-and-legal-assistants.htm

² Requirements include a Law degree, an associate or bachelor's degree in paralegal studies, a master's degree in legal studies or equivalent that is offered through an Approved Law School, or obtained either the Certified Paralegal credential, Professional Paralegal credential, or Registered Paralegal credential.



The City should consider hiring two part-time law clerks to assist the attorneys with more complex legal tasks. The cost would be approximately \$25 per hour or \$28,000 annually per clerk.

2. Prosecutor Caseload

As previously indicated, the Prosecution Division staff currently includes two prosecutors. According to data provided by the Legal Services Department, the City of Orem prosecuted 3,359 cases in 2022. The City asked MGT to analyze caseload per prosecutor.

Factors to Consider

- 1. Higher caseload per attorney
- 2. Plans to acquire a system to track workloads

A. Workload to Capacity Analysis

A key metric in staffing decisions is workload per worker. Budget adjustments from one year to the next usually focus on how to use any incremental funding that city revenue can support. This does not allow a manager to scale staff size to workload and manage service quality, which can cause service levels to deteriorate over time.

To test capacity, MGT compared workload to capacity (based on a typical 2,080 work hours per year) by job title. However, the City could not confidently provide time estimates, or the number of cases assigned to each prosecutor by case type for MGT to perform the workload per worker analysis. In response to inquiries and data requests, Legal Services Department staff indicated that they do not track hours charged to specific cases.

The Legal Services Department could not confidently provide time estimates, or the number of cases assigned to each prosecutor by case type for MGT to perform the workload per worker analysis.

B. Peer Comparison

One important aspect of assessing Orem's operations is understanding how its services compare to peers with similar population sizes, locations, and government structures. To accomplish this, Orem selected peer cities for comparison, including Sandy City, West Jordan, West Valley, Lehi, and Provo.

The evaluation process began by studying the organizational structures of the peer cities' legal services departments. MGT compared the number of residents per prosecutor across each of the peer cities.

Subsequently, MGT calculated the average number of residents per prosecutor and examined the variance between these figures in the peer cities and Orem's Prosecution Division. This analysis provided insights into how Orem's staffing level in the Prosecution Division compares to peers.

The residents per prosecutor ratio is significantly higher in the City of Orem (48,931:1) compared to the peer group's average level (28,107:1). Even when excluding the City of Provo, the peer average is 41,954:1, which confirms the finding that Orem prosecutors carry a larger workload compared to peer cities. This finding supports the prior recommendation to add two law clerks to leverage the productivity of prosecutors in the City of Orem.



Exhibit 1 – Residents Per Prosecutor Peer Comparison (excluding part-time staff)

	Peer Group					
	City of Provo	City of West Valley	City of Lehi	City of West Jordan	Peer Average	City of Orem
Residents	114,084	139,110	79,978	116,541	112,428	97,861
Deputy Attorney / Assistant Attorney / Prosecutor	8	4	1	3	4	2
Residents Per Prosecutor	14,261	34,778	79,978	38,847	28,107	48,931
Variance to Peer Average						20,824

Source: Population data obtained from the Census Bureau. Personnel data for Lehi and West Valley data obtained from the budget documents. Provo and West Jordan data was obtained via inquiries with city personnel. MGT was not able to gather data on the City of Sandy

MGT contacted the peer cities to find the number of cases handled by their legal departments. Two cities provided data. The limited response from the peer cities is not sufficient to draw a strong conclusion.

Exhibit 2 – Total Cases Prosecuted in 2022

Cases	Sandy City	Provo	Orem
Total Cases Prosecuted in 2022	2,093	6,806	3,359
Peer Average			4,450
Orem Variance from Average			-1,091

Source: Case data was provided by the applicable city legal departments

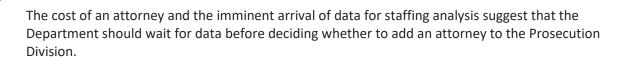
The Legal Services Department currently employs one prosecutor per 48,931 residents. MGT's peer comparison disclosed that peer cities, on average, employ one prosecutor per 28,107 residents. Excluding the City of Provo from that analysis as an outlier, there are still more residents per prosecutor in the City of Orem. This supports the prior section's finding that adding law clerks would be an efficient way to increase prosecutor productivity.

C. Recommendations and Rationale

Recommendations

MGT does not believe that there is sufficient data to justify an additional attorney, although a peer comparison suggests doing so. The Department's planned implementation of a case management system will produce data to examine the balance of caseload by staff member and enable management to make an informed decision about whether to add another attorney.

Rationale



Fiscal Impact

There is no present fiscal impact as the recommendation is to proceed with the case management software whose data would inform a potential hiring decision.

3. Civil Attorney Caseload

While the two prosecutors handle criminal cases, attorneys in the Civil Division have been assigned general areas of responsibility that correspond to other departments or divisions within the City. This means that Civil Division attorneys can be working on any number of projects, large or small, for other departments at a given time. The City asked MGT to conduct an analysis to determine the workload and output per attorney.

Factors to Consider

- 1. Workload vs capacity
- **2.** Availability of workload data by attorney

A. Workload vs. Capacity Analysis

The Legal Services Department could not estimate the number of cases assigned to each attorney in the Civil Division by case type due to the lack of data. This makes it difficult to reach conclusions about whether staffing is scaled to workload.

The Department indicated that the Civil Division does not have a centralized intake process for work requests. Therefore, it is difficult to estimate the caseload of the Civil Division. The City Attorney plans to implement case management software that will centralize and quantify the work requests that come into individual attorneys, giving a better idea of the overall caseload of the Civil Division.

The Legal Services Department could not confidently provide time estimates, or the number of cases assigned to each attorney for MGT to perform the workload per worker analysis.

B. Peer Comparison

MGT compared the number of residents per attorney across peer cities. Subsequently, MGT calculated the average number of residents per attorney and examined the variance between the peer cities and Orem's Legal Services Department. This comprehensive analysis provided valuable insights into how Orem's staffing levels in the Legal Services Department compared to its peers.

An overview of the results of the Residents Per Civil Attorney Peer Comparison Analysis is displayed in Exhibit 3 below.



Exhibit 3 – Residents Per Civil Attorney Peer Comparison

	Peer Group					
	City of Provo	City of West Valley	City of Lehi	City of West Jordan	Peer Average	City of Orem
Residents	114,084	139,110	79,978	116,541	112,428	97,861
Civil Litigator/Legal Technician	5	3	2	2	3	3
Residents Per Civil Litigator	22,817	46,370	39,989	58,271	37,476	32,620
Variance to Peer Average						(4,856)

Source: Population data obtained from the Census Bureau. Personnel data for Lehi and West Valley data obtained from the budget documents. Provo and West Jordan data was obtained via inquiries with city personnel. MGT was not able to gather data on the City of Sandy

The Legal Services Department employs one Civil Attorney per 32,620 residents, vs a peer average of one Civil Attorney per 37,476 residents.

C. Recommendations and Rationale

Recommendations

MGT recommends the Legal Services Department proceed with the plan to implement a system that will track the time spent per case and the number of cases assigned to each prosecutor by case type.

Rationale

The City could not confidently provide time estimates, or the number of cases assigned to each prosecutor by case type for MGT to perform the workload per worker analysis. A case management tracking system will enable the Legal Services Department to make informed decisions based on data.

Fiscal Impact

Plans to acquire a case management system are underway. Until that system arrives and better data exists to support the decision, MGT recommends maintaining the current staffing level.

\tildeLibrary

Background

The Orem Public Library is a full-service, single-location library supporting community members of all ages in lifelong learning. The Library offers many services to the citizens of Orem through its extensive collection of both physical and electronic materials and robust programming offerings such as lap time, tween scene, outdoor movies, concerts, car parades, and more. The Library also gives Orem citizens access to the Library Hall, a 500-seat auditorium; the Makerspace, a creative lab with equipment such as 3-D printers, Mac computers, a sound booth, and editing programs; several study-space areas; seven study rooms; and the Kid Zone.

The City of Orem asked MGT to address the following Library matters:

- 1. Determine an appropriate number of librarians.
- 2. Address the appropriate distribution of e-materials and physical materials to meet demand.

Report Highlights

1. The Orem Library has a less efficient layout. The Library employs more staff as a result, although there are options to avoid that.

Orem devotes 83.8 percent of the Library budget to personnel, compared to 69.5 percent and 62.5 percent in Lehi and Murray, respectively. In MGT's experience, personnel are typically 60 to 70 percent of total public agency cost.

Fiscal Impact – Peer practice and national experience show personnel costs generally lie in a range of 60 to 70 percent of an operating budget. Operating at this level could save Orem \$300,000 per year. Whether this should happen is a policy question, but the data indicate that finding ways to reduce staff would place the Orem Library's operational cost in line with peer practice. This is the subject of the next comment.

2. There are less expensive ways to meet the need for patron support than assigning librarians to each reference desk.

If the Library were to install technology for patrons to seek assistance without having a librarian face-to-face, it may permit a reduction in the number of librarians on the payroll. The savings would place the Library in the peer and national range for personnel as a share of the operating budget.

Fiscal Impact – Librarians cost approximately \$100,000 per year for salary and benefits. Part-time staff cost less and do not receive benefits. There are five reference desks that would no longer need a librarian present if an intercom or other low-cost technology would allow patrons to summon help from the front desk. The Library might attempt a pilot of this effort at one reference desk location before adopting it on a wider scale.

3. Demand for digital materials is growing. The cost of these materials is higher, which should force a policy choice of whether to retain the current mix of physical and digital materials.

Orem is at capacity for its physical collection because of space limitations so it should continue its practice of removing low-circulation items and reducing extra copies of some items.

Fiscal Impact – Expanding digital materials without increasing overall spending would force a greater percentage reduction in acquisition of the less expensive physical materials. MGT does not recommend increasing the materials acquisition budget.

1. Librarian Staffing

Historically, the Orem Library has made librarians accessible to patrons by locating staff not only at the

front desk, but also at five reference desks throughout the facility. The These desks are staffed by a combination of full and part-time staff. The layout of the library has led to the creation of more reference desk locations than in peer libraries, raising the possibility that there may be more efficient ways to serve patrons.

Factors to Consider

The impact of the floor plan on staffing needs

A. Building Design and Staffing Options

The primary Orem Library building was built in the 1970s. The adjoining building dates to the 1990s. The Orem Library has five reference desks and several community spaces for special interest programs. The Library building was not designed as a unified whole, so sight lines from librarians to patrons are not as long. This matters because the Library is not only a repository of materials, but also a place for patrons to receive help in locating materials, attending programs, and conducting research.

Libraries have reference desks for patron support. Given the layout of the Orem Library, the question is whether there are options other than having sufficient staff to assign to each of the five current reference desks.

MGT surveyed peer cities of Lehi, Provo, Sandy City, West Jordan, and Murray for insights into industry practices. The Sandy City and West Jordan libraries are part of the Salt Lake County system, making them less relevant for comparison. The report presents below a comparison of all peers in Exhibit 1 and of the peer group excluding net of Sandy City and West Jordan in Exhibit 2.



Exhibit 1 - Peer Comparison of Library Staffing Levels

City	2022 Census Population	Count of Full- Time Staff	Count of Part- Time Staff	FTE	Population per FTE
Lehi	84,373	10	24	22	3,835
Provo	113,523	22	70	57	1,992
Sandy City	93,022	15.5	18.5	24.75	3,758
West Jordan	116,664	11	12	17	6,863
Murray	49,463	12	32	28	1,767
Peer Average		14.1	31.3	29.8	3,073
Orem	95,910	27	21.7	48.7	1,969

Exhibit 2 removes Sandy City and West Jordan from the analysis because their membership in the Salt Lake County system makes them somewhat different. After removing them, the Orem Library's full-time staffing is still greater than the average of the remaining peer cities.

Exhibit 2 – Peer Comparison of Library Staffing Net of Peer Members of Salt Lake County System

City	2022 Census Population	Count of Full- Time Staff	Count of Part- Time Staff	FTE Total	Population per FTE
Lehi	84,373	10	24	22	3,835
Provo	113,523	22	70	57	1,992
Murray	49,463	12	32	28	1,767
Peer Average		14.67	42.00	35.67	2,312
Orem	95,910	27	21.7	48.7	1,969

The analyses above show that Orem's Library employs more staff relative to peer cities. This leads to a discussion of whether there are less expensive solutions and whether the savings are worth any reduction in patron service. In MGT's experience, personnel costs are typically 60 to 70 percent of the budget for most public agencies. The peers are in this range; Orem's Library is significantly higher at 83.8 percent.

The options for the Orem Library staffing level include the following.

- 1. The first option is to maintain the status quo of locating staff at all five reference desks. This ensures visibility to patrons. Face-to-face contact is patron friendly.
- 2. A second option would be to install telephones or intercom technology to enable patrons to summon help if the reference desks are not staffed. Video or voice devices to permit patrons in different locations to speak to librarians at the front desk and summon them if needed.
- 3. A third option would be not to staff reference desks when the Library is less busy. Mornings are busy with preschool programs, drawing about 100 people per hour from 9 AM to 12 PM.



Afternoons and evenings are busier from Mondays through Thursdays. Weekend evenings are reportedly quiet. To the extent that quiet periods are predictable, the Library could avoid staffing all reference desks then and save money by employing at least one less librarian.

There are lower cost options to meet patron needs than assigning staff to reference desks. They do not improve the current level of service but maintain patron support at potentially lower costs.

B. Recommendation and Rationale

Recommendation

MGT recommends that the Library install communications equipment (phones, intercom, or computer terminals) at current reference desk locations to allow patrons to receive services without the Library needing to staff each desk. If that is not desirable, MGT recommends saving money by not staffing reference desks when the Library is less busy.

Rationale

The status quo employs more staff than necessary to meet patron needs. Given resident expectations for efficiency, electronics are an option to get patrons the help they need without having a library employee physically present at as many locations. The change would reduce service levels only to the extent that a patron would need to wait a few minutes for help to arrive.

Fiscal Impact

The annual salary and benefit cost for each full-time Librarian position is approximately \$100,000. The Library would need to select a technology type for patrons to connect to front desk staff for help, but the cost of that technology would almost certainly allow some reduction in current staffing with savings of \$100,000 per position. If the Library phases in this approach, it may be able to reduce staff via attrition. As this is a material change in Library operations, MGT recommends doing it this way if possible.

If the Library undertakes the change all at once, it could reduce five Librarian positions at \$100,000 each.





2. Physical and Electronic Materials

All libraries face space limitations on physical books, so they periodically remove worn or low-circulation books and replace them with new titles based on demand. Orem's Library is no different in this regard.

A. Demand for Digital Materials

There has been an increase in the demand for digital materials, especially since the start of the pandemic. The shift has been most pronounced for smaller libraries that do not have the physical space to expand their collections. As of 2018, 97 percent of suburban libraries have electronic collections. [Source: Institute of Museum and Library Services]. From 2014 to 2018, the median circulation of physical books per person decreased by 16 percent nationally while the median for electronic materials rose by about 150 percent.

Factors to Consider

- 1. Demand for digital materials is growing. These cost more.
- There is limited space available for new physical materials, but demand for them has been stable.

Libraries purchase rights to titles and the number of copies available at any one time for a given period. Demand for popular titles often exceeds available copies. Subscribing for more copies increases the cost but eBooks do not require shelf space. Orem and four of its five peers reported annual increases in their digital collections (Murray did not).

Orem and two peers are in the Beehive Consortium, allowing them access to titles in other libraries. As part of the Salt Lake County system, Sandy City and West Jordan can access books and eMaterials from the 18 libraries within the system. Of all the libraries outside of the Salt Lake County system (Lehi, Provo, Murray, and Orem), Orem had the largest collection of eBooks. Exhibit 3 below summarizes the collections by library.

Exhibit 3- Physical and Digital Holdings by Location

City	Service Population	Physical Books	Digital Materials	Access to Additional eMaterials	Comments
Lehi	84,373	123,000	12,000	Yes - Beehive Consortium	Digital collection increases each year
Provo	113,523	250,000	24,000	Yes - Beehive Consortium	Digital collection increases each year
Sandy City & West Jordan (combined)	93,022 116,664	155,650 Locally & 1.6 million Countywid e	19,988 Locally & 268,004 Countywide	Yes - Each of the 18 branches can borrow from each other since the entire collection is centralized.	The digital collection is growing each year
Murray	49,463	63,000	23,000	Yes - Hoopla, ~15,000	The total collection



Like all libraries, Orem has space limitations. It cannot expand the physical book collection without expanding the physical footprint of the library. As new materials arrive, older ones that receive little use are removed from shelves.

Nationally, the median cost per physical circulation *increased* 11 percent from \$0.57 in 2014 to \$0.63 in 2018 while the median cost per electronic circulation *dropped* 26 percent from \$1.13 in 2014 to \$0.83 in 2018. However, libraries expense physical items as purchased so the cost is not amortized over the periods they are in circulation. The lower expense per circulation for physical books is offset by increased costs for circulation management and repairs.

Storage space is not a concern for digital materials. Rather, the cost of eBooks is. Annual eBook subscriptions are approximately \$30 per book. Audiobooks cost \$60 to \$110 for a one-year license each.

Orem's physical book collection cannot increase because of space limitations. Staff will continue to rotate the physical collection as it adds new titles.

B. Recommendation and Rationale

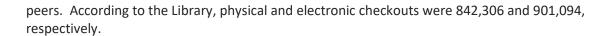
Recommendation

Orem should continue to rotate its physical collection of books, removing older materials and replacing them with new ones. Space is the constraint on expanding the collection of physical books.

The Library should decide if it is important to maintain the current mix of physical and digital materials. The latter costs more, but demand for digital materials is growing. The policy choice will affect the cost of operating the Library. With digital materials costing more and no indication that the Library budget will grow to match that, adding more digital materials may force a larger reduction in acquisition of physical materials.

Rationale

Given space constraints, expanding physical book holdings is difficult. Repurposing reference desks may allow a minor addition of shelf space but would be a challenge for sequential filing of physical materials by Dewey Decimal numbers. Patron requests for electronic titles have been increasing. At almost one-third of the collection (100,000 / 337,000), Orem's proportion of digital material is the highest among its



Fiscal Impact

The fiscal impact relates to the mix of physical and digital materials. Demand for the latter is growing and this costs more. According to the American Library Association, libraries will often pay publishers \$55 for one copy of a popular eBook for two years, while the eBook is sold to consumers for about \$15 for perpetual use. Lehi reported one-year audiobook licenses range from \$60 to \$100. Orem Library staff confirmed that this is the range of expense that it experiences as well.

There are options:

- Maintain the status quo, which has no fiscal impact.
- Increase digital materials as a percentage of the total. That would force a greater reduction in acquisition of the less costly physical materials.
- Reducing digital materials does not seem like a viable option as they are growing in popularity.



Management Services

Background

The Management Services Department provides internal services to support departments in the efficient delivery of services to the residents of the City of Orem. The Department is led by the Management Services Director and is comprised of several divisions: Human Resources, Communications, Risk Management, Information Technology, and the City Recorder's Office.

The City's Adopted FY 2023-2024 budget appropriates \$7.9 million to the Management Services Department.

The City asked MGT to address two Management Services matters in this study.

- 1. Analyze staffing structure and recommended staffing levels in the divisions of Human Resources and Communications.
- 2. Explore the creation of a new Division of Strategy and Innovation for the centralization of city grants, data, innovation, and strategy efforts.

Report Highlights

 MGT recommends the HR and Communications divisions take into consideration the addition of an FTE to each division. The HR Division should hire an HR Specialist and the Communications Division should hire a Deputy Public Information Officer.

The HR Division would benefit from adding another FTE who can help mitigate the workload to capacity concerns.

Fiscal Impact The cost of adding a Human Resource Specialist is \$84,684.

Adding a full-time Deputy Public Information Officer would align the Communication Division's structure with peers and address the need for backup and consistency.

Fiscal Impact – The cost of adding a Deputy Public Information Officer is \$94.996.

2. MGT recommends that the Management Services Department establish a new Division of Strategy and Innovation to guide all City departments on grants, data and strategic initiatives, and innovation.

Establishing a Division of Strategy and Innovation will help to find new funding sources and efficiency improvements more efficiently than expecting each department to do so on its own.

Fiscal Impact – The fiscal impact of this recommendation is minimal. The Management Services Department can simply reorganize existing staff to establish the new division.



The current organizational structure of the Human Resources Division includes the HR Division Manager, two HR Generalists, and an HR Payroll and Benefits Administrator.

The Communications Division is staffed by the Communications Manager and three part-time Communications/Marketing interns.

The City asked MGT to determine if the Human Resources Division and Communications Division are adequately staffed to handle the workload of the City and to enable staff to provide the high-level output/performance expected.

A. Workload Vs. Capacity

The key metric in staffing is workload per worker. Budget adjustments from one year to the next usually focus on how to use any incremental funding that the environment can make available. This is not geared to maintaining a level of workload per worker and can cause service levels to deteriorate over time.

Factors to consider

- 1. Workload vs capacity
- 2. Peer practices

To test for this, MGT performed an analysis to compare workload to capacity by job title. For a full-time equivalent (FTE) employee, capacity is typically a 2,080-hour work year minus allowances for paid leave. That results in approximately 1,800 hours available for work assignments per full-time employee. A workload greater than capacity does not mean that staff are working extra hours as much as it means that customer waiting times grow.

HR Division Workload to Capacity Analysis

Based on the estimates and responses to inquiries provided by HR Division personnel, the HR Division Manager worked approximately 1,500 hours above capacity. Management Services Department personnel indicated that the HR Division often requests assistance from the City Recorder's Office Clerk and the Management Services Analysts to mitigate capacity concerns. The time expended by the City Recorder's Office Clerk and the Management Services Analysts assisting with HR-related tasks takes them away from their regular responsibilities, which detracts from their core assignments.





Exhibit 1 – HR Division Workload vs Capacity

Activity	HR Division Manager	HR Generalist	HR Generalist	HR Payroll and Benefits Administrator
Hours of capacity	1,724	1,772	1,772	1,724
Hours of workload	3,224	1,797	1,801	1,918
Net hours available	(1,500)	(25)	(29)	(194)
FTE surplus (shortfall)	(1)	(0)	(0)	(0)
New FTE needed, rounded	1	-	-	-

Source: Created by MGT from data provided by the HR Division

Communications Division Workload to Capacity Analysis

The Communications Manager is the only full-time employee in the Communications Division and has a workload of approximately 1,272 hours greater than capacity. The Communications Division relies on three part-time interns to supplement the Division's efforts. Although internships are a cost-effective way of providing additional resources, some concerns should be taken into consideration. These concerns include, but are not limited to, the potential for high turnover, limited skill set, and time investment for supervision. Additionally, without another full-time employee within the Division, there is no one who can speak for the City as a backup Public Information Officer (PIO) should the Communications Manager be unavailable.

Furthermore, operating in an environment in which the workload exceeds capacity often leads to an increase in customer wait time, which ultimately results in lower customer satisfaction. The Division's customers include other city departments that request services from the Communications Division.

Exhibit 2 - Communications Division Workload vs. Capacity

Activity	Communications Manager	Part-Time Interns (3)
Hours of capacity	1,724	2,244 ³
Hours of workload	2,996	3,256
Net hours available	(1,272)	(1,012)
FTE surplus (shortfall)	(0.74)	(0.45)
New FTE needed, rounded	1	1

Source: Created by MGT from data provided by the Communications Division

MGT discussed with the Department the concept of a Deputy Public Information Officer who can speak for the City should the Communications Manager be unavailable. Department management agreed that adding an FTE employee would address the need for backup.



³ Interns work approximately 22 hours per week minus holidays and time off.

It appears that both the HR and Communications managers' workloads exceed capacity. The HR Division borrowing staff from other divisions can bridge this gap but detracts from the efforts of other divisions on their core missions. The Communications Division can continue to fill the capacity gap through internships; however, this does not address the need for a backup employee for a critical position.

B. Peer Comparison

MGT looked at the practices of local peer governments that are similar in population, location, and government structure. To accomplish this, Orem selected peer cities for comparison, including Sandy City, West Jordan, West Valley, Lehi, and Provo.

MGT studied the organizational structures of the peer cities for Human Resources and Communications. MGT compared the number of staff with similar job titles and responsibilities within the Human Resources and Communications Divisions. This analysis provided insights into how Orem's staffing levels in Human Resources and Communications compare to peers.

HR Staffing Peer Comparison

When compared to peer cities' HR divisions, it appears that the total number of FTEs in Orem's HR Division is below the average by 1.9 FTEs. An overview is presented below.

Exhibit 3 – HR Staffing Peer Comparison

	Peer Group					
Employee Type	Provo	City of Sandy	West Valley*	Lehi	West Jordan	Orem
Human Resources Director/Manager	1.00	1.00	2.00	1.00	1.00	1.00
HR Administrator / Generalist / Officer / Payroll / Benefits Manager / HR Analyst	4.00	3.00	4.00	2.00	3.00	3.00
Receptionists/Administrative Assistant/Recruiter/HR Technician/Intern	3.50	2.00	1.00	1.00	0.00	0.00
Total FTEs	8.50	6.00	7.00	4.00	4.00	4.00
Peer Cities Average Total FTE						5.90
Variance to Average of Peers						-1.90

^{*-} Includes the HR Director and HR Manager

Source: Created by MGT from information obtained from budget documents and provided by Orem's Management Services Department.

In addition, compared to peer cities, Orem has a significantly higher ratio of City FTEs per HR employee. A higher ratio has the potential to lead to a bigger workload for Orem's HR employees. Exhibit 4 presents the data.



Exhibit 4 - City Employees to HR Employee Ratio

City	City FTE	HR Employees	Ratio of City FTE to HR Employees
City of Provo	942.10	8.5*	110.9:1
City of Sandy	632.73	6	105.4:1
City of West Valley	867.29	7	123.9:1
City of Lehi	520.00	4**	130.0:1
City of West Jordan	535.37	4	133.8:1
Peer Average			118.5:1
City of Orem	616.00	4	154.0:1

^{*-} The number of 8.5 FTE was provided through inquiries. The FY23 budget indicated the FTE court for the Human Resources Division to be 7.6.

Communications Division Staffing Peer Comparison

The City of Orem's FTE in the Communications Division is below the peer average by 1.3 FTE. At 39,144 residents per FTE, Orem has more residents per Communications Division FTE than the peer average of 37,718 residents per FTE. Exhibit 5 presents the residents to Communications Division employee ratio for Orem and its peer cities.

Exhibit 5 - Communications Division Peer Comparison

	Peer Group					
Employee Type	City of Provo*	City of Sandy	City of West Valley*	City of Lehi	City of West Jordan	Orem
Total Residents	114,084	95050	139,110	79,978	116,541	97,861
Total FTEs	5.00	4.00	6.00	1.00	3.00	2.50
Residents Per FTE	22,817	3,763	23,185	79,978	38,847	39,144
Peer Cities' Average FTE per Residents						37,718
Variance to Average of Peers						1,427

^{* -} Includes the Community Relations; Provo staff includes 4 Part-time Media Services Specialists

Source: Created by MGT from information obtained from budget documents and provided by Orem's Management Services Department

MGT's peer comparison disclosed that Orem's Divisions of Human Resources and Communications carry higher workloads per worker.

^{** -} The FY23 budget indicates three positions. However, as part of this year's budget, one full-time HR Analyst was approved.

Source: The number of overall FTE for each city was reported in the applicable city FY23 budgets.



C. Recommendation and Rationale

Recommendation

MGT recommends the HR and Communications Divisions take into consideration the addition of an FTE to each division. The HR Division should hire an HR Specialist and the Communications Division should hire a Deputy Public Information Officer.

Rationale

MGT's workload vs capacity analysis disclosed that the HR Division Manager's workload exceeds the role's capacity by approximately 1,500 hours. Additionally, the HR Division would benefit from adding another FTE who can help mitigate the workload to capacity concerns. An HR Specialist is needed to meet current workload, to provide backup, and is a less expensive solution than an Assistant Manager. The table below presents some of the advantages of hiring either someone as an Assistant Manager or an HR Specialist.

Exhibit 6- Benefits of Hiring an Assistant Manager or HR Specialist

Benefit/Advantages	Hiring an Assistant Manager	Hiring an HR Specialist
Leadership and management skills	X	
Strategic oversight	X	
Project management	X	
Employee development	X	
Cost Efficiency		X
Specialized expertise ⁴		X
Resource optimization ⁵	X	

Source: Created by MGT

The addition of a full-time Deputy Public Information Officer would better align the Communication Division's organizational structure with that of its peers. Furthermore, adding an FTE to the Communications Division would address the workload to capacity concerns. MGT recommends an HR specialist both because the position is needed to cover current workload, the function needs backup, and the cost is reasonable for the need.

Fiscal Impact

The cost of adding a Human Resources Specialist is \$84,684. The cost of adding an Assistant Manager is \$145,995. The cost of a Deputy Public Information Officer is \$94.996.



⁴ HR Specialists typically have specialized expertise in specific areas of human resources, such as recruitment, employee relations, compensation and benefits, or training and development.

⁵ HR Specialists allow organizations to allocate resources more efficiently, bringing in expertise where it is most needed.



Exhibit 8- Estimated Cost of HR Specialist and HR Assistant Manager

Position Title	Salary Range Midpoint	
Human Resource Specialist / Payroll Specialist	\$53,012	\$84,684
Human Resource Assistant Manager (Supervisor/Manager)	\$78,149	\$145,995

Source: Created by MGT from information provided by the Management Services Department

Exhibit 9- Estimated Cost of Hiring a Deputy Public Information Officer

Position Title	Salary Range Midpoint	
Deputy Public Information Officer	\$61,184	\$94,996

Source: Created by MGT from information provided by the Management Services Department

2. Division of Strategy and Innovation

The City also asked MGT to explore the creation of a new division within Management Services that would provide guidance to all City departments regarding grants, data, strategic initiatives, and innovation planning and implementation.

Factors to consider

- 1. Benefits of centralized grants, data, and strategic initiatives division
- 2. Incremental Costs

A. Benefits of a Centralized Division

Grants provide an opportunity for the City to obtain third-party funding. Researching grants centrally by reviewing the available Federal, State, and Non-Profit funding sources is less time-consuming than leaving that to the efforts of individual departments, which may not have the resources or capacity to research and pursue grant opportunities.

MGT identified examples of entities that have centralized, at a minimum, one of these activities.

Grants Management

MGT's research disclosed that centralized grant management offers several benefits that can streamline the process, including:

Efficiency and Consistency – Centralized grant management allows for standardized processes
and procedures, including preparing and submitting a well-written grant application or proposal
that outlines the project's goals, objectives, methodology, budget, and expected outcomes. It
also provides for a consistent methodology about which costs to include in a grant application.



- Lack of consistency may result in Orem bearing costs that were otherwise eligible for reimbursement.
- Expertise Concentration Centralized grant management allows for the concentration of subject matter experts and experienced grant administrators in one team. This expertise can lead to better-informed decisions and more effective evaluation of possible grants.
- Grant Monitoring Centralized grant management allows for a formal grant monitoring process, including tracking expenses, meeting timelines, and complying with reporting requirements.

The Government Finance Officers Association (GFOA) established best practices for the administration of grants, including establishing a central grants management function; documenting grant procedures; and providing for administrative monitoring, including timely reporting and adherence to compliance requirements by subrecipients.

Examples of cities with a centralized grants division include:

- Salt Lake City, Utah: Salt Lake has a larger population than Orem (about 200,000 in 2021) but is nearby. Its Grants Management division is a part of the Finance Department. This division is responsible for overseeing grant-seeking and management processes for the city.
- West Valley, Utah: West Valley has a similar population (about 140,000 in 2021) and is one of Orem's chosen peer cities. The Grants Division is a part of the Community Preservation Department. The division's primary focus is using grant funding to provide housing assistance for its low-income residents.
- City of Bend, Oregon: Bend has a similar population (about 102,000 in 2021) and a similar geographic landscape to Orem. Bend established its Grants Department as a part of its Neighborhood Leadership and Engagement Department. This division focuses on grant research, application development, and grant management to secure funding for community initiatives, including parks, housing, and transportation projects.
- City of Missoula, Montana: Missoula has a similar population (about 75,000 in 2021) and a similar geographic landscape to Orem. Missoula has a Grants division within the Office of Housing and Community Development. The division was established to find grants to support affordable housing for residents and has since expanded into social services and larger community development projects.

Data and Strategic Initiatives

MGT's research of data and strategic initiatives found that centralizing data offers several benefits, particularly in the context of business and data management. However, there are also challenges with centralizing data. Some key benefits and challenges associated with centralizing data are illustrated below.

Benefits	Challenges
Data Consistency and Accuracy: Centralizing	Costs: Centralizing data management and
data ensures that there is a single,	infrastructure can include costs of data storage
authoritative source, which reduces the	technology and salaries.
authoritative source, which reduces the	technology and salaries.



Benefits	Challenges
chances for inconsistencies, duplicates, and errors.	
Better Data Management: Managing data from a centralized location simplifies tasks such as data storage, backup, and disaster recovery.	Resistance to Change: Employees in various departments may resist the centralized approach, especially if they perceive it as a loss of control over their data or processes.
Faster Decision Making : Access to current and accurate data enables decision-makers to make decisions better and faster.	Skill Shortages : Finding and retaining skilled data professionals, such as data analysts, data scientists, and data engineers, can be challenging.
Data Governance: A centralized department to enforce data compliance policy across city government improves data security and decreases the risk of data breaches.	Data Governance Complexity: Managing data governance policies and standards for the entire city can be complex and resource intensive. Ensuring compliance with data privacy regulations and maintaining data quality across various data sources can be particularly challenging.

Source: Created by MGT from information obtained through research

Examples of cities with a centralized Data Department include the following:

- Asheville, North Carolina: Asheville, a city with a population of approximately 90,000 in 2021, has established a Data and Performance Analytics Department. This department focuses on using data to improve city services, enhance transparency, and make data-driven decisions to benefit the community. The purpose of this department is to focus on data-related initiatives which can vary immensely from one city to another based on their unique needs and priorities.
- Mesa, Arizona: Mesa, Arizona, has a Data and Performance Department to foster data-driven decision-making and transparency. A notable accomplishment of this department is its Mesa Open Data platform which provides public access to a variety of city datasets, promoting transparency and encouraging civic engagement. The datasets cover topics like transportation, public safety, and demographics making them valuable resources for residents and external stakeholders interested in understanding and collaborating with the city.

Innovation Planning and Implementation

MGT's research on centralizing innovation planning and implementation focused on the execution of strategic plans that align with a city's long-term goals. Some key benefits and challenges of centralized innovation planning and implementation are presented in Table 3 below.

Benefits	Challenges
Strategic Alignment: The new division could	Integration with Existing Departments: Seamless
ensure that all city-wide activities, projects, and	integration with existing departments/divisions

Benefits	Challenges
initiatives are aligned with its overall strategic	and avoiding duplication of efforts can be
objectives. This alignment is essential for the	difficult. It's essential to determine the right
efficient use of resources and for avoiding any	balance between centralization and
misdirection.	collaboration.
Stakeholder Engagement: The division can	Resistance to Change: Employees may resist the
facilitate communication and collaboration	introduction of a centralized planning and
among different stakeholders, including	implementation department, especially if they
employees, departments, partners, and external	perceive it as a threat to their autonomy.
organizations. This fosters a sense of ownership	
in projects on a city-wide scale.	
Accountability: A centralized division helps	Resource Constraints: Allocating the necessary
establish accountability for outcomes. Clear	resources, including budget, personnel, and
ownership of responsibilities is essential for	technology, to establish and maintain a new
ensuring that programs achieve their goals.	division can be a significant challenge,
	particularly for smaller cities.

Examples of cities with a centralized Innovation Planning Department include:

- City of Bend, Oregon: Bend, with a population of approximately 100,000 residents in 2021, has
 created an Innovative Planning and Development Department. One notable outcome from this
 department was the completion of projects for more pedestrian and bicycle infrastructure.
- Salt Lake City, Utah: The city has a department titled "The Mayor's Office of Innovation" that
 aims to drive innovation and efficiency in city government by using new technology, data, and
 strategic partnerships.

Making strategy and innovation someone's responsibility can promote efforts to keep the City of Orem efficient. Establishing a new Division of Strategy and Innovation can lead to a more efficient grants management function, better data management, and better strategic alignment.

B. Incremental Cost

The Management Services Department staff includes three full-time management analysts and two management interns who can comprise the division's team without the need for hiring additional staff. MGT finds that the Department can implement this recommendation without incurring additional personnel-related costs.

The Department can implement a new Division of Strategy and Innovation for the centralization of City grants, data, and innovation strategy efforts with no fiscal impact.



C. Recommendations and Rationale

Recommendations

MGT recommends that the Management Services Department establish a Division of Strategy and Innovation to provide guidance and assistance to all city departments for grants, data and strategic initiatives, and innovation planning and implementation.

Rationale

Typically, creating a new Division of Strategy and Innovation will present substantial challenges including cost and skill shortages. However, in Orem's case, the challenges are reduced as a new Division of Strategy and Innovation can be staffed with current City employees. This provides the City the ability to staff the new Division of Strategy and Innovation at a minimum cost and with individuals who already possess the necessary skills for the jobs.

A new Division of Strategy and Innovation can lead to more efficient grants management functions, improvements in data management, and better strategic alignment. In Orem's case, the benefits of establishing a Division of Strategy and Innovation outweigh the associated challenges.

Fiscal Impact

There is no fiscal impact to this recommendation as MGT does not recommend the hiring of additional staff.



Public Works

Background

The Orem Public Works Department is responsible for creating and maintaining streets and traffic systems, water and sewer systems, parks, and other related public infrastructure to enhance the quality of life for residents. The Public Works Department operates under the guidance of the Public Works Director, who reports directly to the City Manager. The Department has eight separate divisions: Water Reclamation, Water, Storm Water, Traffic Operations, Streets, Parks, Fleet, and GIS.

The charter for this study focuses on the divisions of Parks and Traffic Signs.

The City's Adopted FY 2023-2024 budget for those divisions is:

	Adopted Budget FY23-24	Full-time FTE	Variable Hour / Seasonal FTE	FTE
Parks	\$3,146,932	14	22	36
Traffic *	\$634,087	4	2	6

^{*}The Traffic figures above are for the entire Traffic and Signs group. The Traffic Signs effort within that figure includes one full-time employee and 1.5 full-time equivalents of variable hour / seasonal employees.

The organization of the Department of Public Works includes a greater number of functions than in peer cities, which this chapter details later. That is not necessarily a problem, but it causes some dilution of management time for each function. MGT does not find that this diminishes the ability of management to direct the department.

Public Works departments tend to have a greater risk of employee injury than staff in office settings. The Department has a single risk management plan and safety plan. This report discusses whether there may be some improvements in risk management by tailoring risk and safety plans to the unique situations of each division.

For this study, the City asked MGT to address three Public Works Department matters.

- 1. Is staffing adequate for the divisions of Parks and Traffic Signs?
- 2. Is the organizational structure consistent with industry best practices?
- 3. Do the current risk and safety management practices meet the needs of the Department?



Report Highlights

1. MGT finds that the Parks Division is staffed at the peer city level in terms of landscaped acres per FTF.

To achieve the peer average of landscaped acres maintained per FTE, Orem would need to add only 0.85 FTE. Essentially, this means that current staffing is at the peer level.

Fiscal Impact: None if the City opts for the status quo or \$76,781 if the City chooses to add one Parks Technician. If a new hire enters at the low end of the pay range, the cost may be lower.

2. MGT recommends considering adding a full-time Public Works Operator to the Traffic Signs group.

To the extent that this efficiency study addresses how to get more "bang for the buck," the analysis shows this to be an efficient division. A case can be made that operating at the workload per worker level of local peer cities that Orem should add staff.

Fiscal Impact – None if the City opts for the status quo. \$78,390 for one Public Works Operator. If a new hire enters at the low end of the pay range, the cost may be lower.

3. There are differences to peers in the divisions included in the Public Works Department, but the structure of Orem Public Works Department largely matches peer functions. The City should maintain the current structure.

Orem's Public Works Department has a few more functions than most local peers, which causes some dilution of management time available for each. MGT knows of no objective standard for how much management time each division should require.

Fiscal Impact – There is no fiscal impact to maintaining the status quo.

4. Accident histories vary to the extent that it is at least worth discussing tailoring risk management and safety plans to each division.

A key question is whether risk mitigation plans are effective across the different types of risk associated with each division. Rewriting plans would take time for the City's Risk Manager, although other plans are available in the industry to use as a starting point. The Risk Manager should estimate the level of effort so that the City can make a cost/benefit judgment of the merit of plans tailored to divisions. The Public Risk Management Association (PRIMA) is a source for potential support, as is the Mountain States chapter of the Risk Management Association.

Fiscal Impact – Rewriting plans would require time from the City's Risk Manager, but if it reduces workplace accidents, that may be a good investment.



A. Parks Division

The Parks Division is responsible for maintaining parks and sports facilities. That includes the following activities:

- Mowing
- String Trimming
- Edging
- Blowing/Sweeping
- Fertilizer
- Bed Maintenance/Weeding
- Broad Leaf Spray
- Aeration
- Top Dressing
- Garbage
- Restroom Cleaning/Maintenance
- Pavilion Cleaning/Maintenance
- Bark Leveling/Fill
- Playground Maintenance
- Irrigation Maintenance
- Winterization
- Ball Field Maintenance/Field Prep
- Splash Pad Maintenance/Winterization

The Department indicated that it can never attend to all the activities for which it is responsible.

Increasing service levels by spending more has merit, but in the context of an efficiency study, the focus is more on how to get the most without spending more. This is a value judgment for discussion with the City's leadership.

In MGT's experience, most public works departments have longer "to-do" lists than staffing can accomplish. That is a financial decision, not a judgment that some items remain in service longer than expected. Orem's Department of Public Works is right to note that workload exceeds capacity, but the service level target driving that conclusion deserves discussion with the City's leadership.

Factors to Consider

- 1. Workload is a function of target service levels that may deserve more conversation between the Department and City Leadership.
- 2. Potential to outsource high-risk maintenance areas.
- 3. The Traffic Signs Division is behind in its intended replacement schedule.



B. Peer Comparison of Workload per FTE

Landscaped acreage requires regular maintenance. The metric for comparison to peers is the number of landscaped acres in relation to the sum of full and part-time staff assigned to care for it.

City	Landscaped Acres	FTE	Landscaped Acres
C 1 0''		45.00	/ FTE
Sandy City	431.56	45.83	9.42
Lehi	268.00	24.00	11.17
West Jordan	515.76	42.62	12.10
West Valley	361.05	23.58	15.31
Murray City	275.00	18.50	14.86
Salt Lake City	1,026.00	168.00	6.11
Layton	299.17	26.50	11.29
South Jordan	358.70	32.00	11.21
Kaysville	182.89	23.00	7.95
Logan	190.40	20.50	9.29
Spanish Fork	280.50	20.35	13.78
Peer Average	380.82	40.44	9.42
City of Orem	347.00	36.00	9.64
Variance to Peer Average	(33.82)	(4.44)	0.22
Orem staffing at peer average acres/FTE	36.85		

Source: Information collected by Management Services staff. Excludes natural areas that need minimal maintenance.

If Orem's Parks Division were to operate at the peer average it would have 347 acres / 9.42 acres per FTE, or 36.85 FTE. That is an increase of 0.85 FTE. The City may choose to add an FTE, but MGT believes it is not essential and that the division is staffed efficiently.

C. Outsourcing of High-Risk Maintenance

The Parks Division is responsible for maintaining freeway "gores" (small plots of land, generally triangular, for road merging, medians, or other small plots near traffic). These small areas involve travel, unloading, and loading effort that is high compared to active maintenance time. It also subjects staff to a high volume of traffic, which is a safety risk. There are 44 acres of these areas that consume an estimated 7,000 working hours each year.

MGT explored outsourcing the maintenance of these areas. MGT reached out to a few landscaping and maintenance companies for quotes but had limited success in obtaining cost estimates. One company said it would not perform such work at all; two other companies were unwilling to provide informal quotes for competitive reasons but said that they might respond to a formal request for quotes.

To know if outsourcing the maintenance of these high-risk areas would work, the City would need to seek formal quotes.



The Traffic Signs Division is responsible for the maintenance of the City's signs, flashing school lights, speed signs, and other traffic signage.

The following are major tasks and target asset replacement cycles.

- Address Signs (Replace every 12 Years)
- Address Signs Poles (Replace every 20 Years)
- School Flashing Lights (Replace every 15 Years)
- Your Speed Signs (Replace every 12 Years)
- RRFB (Replace every 12 Years)
- Regulatory Signs (Replace Every 10 Years)
- Annual Day Inspections
- Annual Night Inspections
- Maintenance (Repairing leaning signs/knock downs/damages/graffiti removal)

The Division rates signs as Good, Pass, or Fail. This is a good practice.

Traffic signs have an 8-year warranty. The Division would like to replace them every 10 years. It is uncommon to have to replace entire sign panels; it is usually the material on the aluminum panel that fails due to aging and weather where the reflectivity is reduced to the point the visibility is no longer safe.

For cost/benefit reasons, the Division opted for sign replacement on a given interval rather than collecting information on all signs. MGT believes that is reasonable, but it also means that quantifying the staffing requirement for shorter replacement intervals lacks data. Ideally, a staffing recommendation would be based on an estimate of the hours required for a more aggressive replacement program.

For lack of information, it is difficult to recommend a staffing level for traffic signs. That does not mean that there is no merit to the idea, but only that it is difficult to quantify the staffing need. Data – even good faith estimates – like the table below would help to refine the staffing need.

Sign Type	# of Signs	# Needing replacement this year	Time to replace sign
Address signs			
Address sign poles			
School flashing			
lights			
Etc.			
Annual hours			Sum the figures above
needed			to estimate staffing
			need

Example of data needed to estimate staffing requirement to address sign replacement backlog.

Without data, MGT cannot reach a recommendation on a staffing level. That worn signs are in service is undeniable and investing more in this would presumably yield results.

E. Recommendation and Rationale

Recommendation

Although a case can be made by peer comparison for another 0.85 FTE in the Parks Division, MGT does not find that deficit sufficient to require a new hire.

A case can be made for one more FTE for replacement of traffic signs based on the Traffic Division's acknowledgment that it is behind in replacing work signs. Hard data on the workload of signs needing replacement and the time required for that is not available.

Outsourcing the landscaping and maintenance of high-risk areas may be an option, but the only way to know would be to seek formal quotes, which MGT recommends. Vendors contacted indicated that they cannot provide a firm quote without reading a scope of work and the terms and conditions that would apply to it. The precedent of Sandy City doing so indicates that this is worth exploring. To quantify if that would lead to reduced injury claims depends on the ability to identify the claims associated with Orem staff working those small parcels. The City would have had no reason to track the claims from a portion of its total workload, but to some degree, outsourcing a certain amount of risk is appealing.

Rationale

Parks Division staffing is short less than one FTE. MGT does not believe that difference is large enough to require action.

With or without additional data, there are old signs that need replacement. There is a case to be made for one more FTE, subject to the City's willingness and ability to spend the extra funds.

Even if data on workplace injuries from maintaining high-risk parcels is not available, it is intuitively appealing to outsource risk. MGT recommends seeking quotes for that work to obtain the data necessary for that business decision.



MGT does not find a need to add staff to the Parks Division because the need is less than one FTE. If the City wishes to do so, adding a full-time Parks Technician to the Parks Division would cost \$76,781. The actual cost may be slightly lower if the new hires enter at the bottom of the pay range.

The savings of outsourcing maintenance of high-risk areas requires a request for quotes to obtain hard data.

Adding a full-time Public Works Operator to the Traffic Signs group would cost approximately \$78,390. This too may prove to cost less if a new hire enters at the bottom of the pay range.

2. Organizational Structure

The Department's current structure includes eight divisions. These eight divisions cover maintenance and upkeep for water, water reclamation, stormwater, traffic operations, streets, parks, fleet, and GIS.

A. Current Structure

Organizational structures should foster collaboration and allow supervisors to coordinate related efforts and support consistent practices.

The Department's current leadership structure includes one director, two administrative support staff, two assistant directors, and eight division managers. Some divisions also have subdivisions, known as "groups." For example, the Parks Division includes the Parks Group, Sports Facilities Group, Volunteer Group, Urban Forestry Group, and Cemetery Group.

Factors to Consider

- Understand the Department's current organizational structure.
- 2. Understand Orem's peer city organizational structures.

Each division competes for management's time. That includes time to monitor and discuss each division's needs. As management has a limit to its capacity, having more divisions dilutes the time management can spend on each division. Considering the breadth of duties within the Public Works Department, management may be spread thinner, but in MGT's opinion, not to the point where one can see a lack of attention to each division. Because the current staff is experienced, it works. But when certain senior staff ultimately depart, it may help to revisit the number of discrete units to supervise.

The Public Works Department's current organizational structure meets the needs of the City because of the experience of the incumbents. Because of the number of discrete units, eventual retirements of experienced leaders may prompt the Department to reconsider its structure.

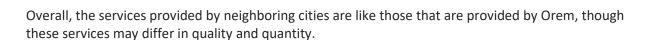
B. Peer Public Works Structures

MGT reviewed the City's peers to understand how they organize their Public Works Departments. Each unit has a supervisor, so the staff to supervisor ratios of units are essentially the FTE totals below per

one supervisor of each unit. Some units have multiple supervisory positions, but peer data is not published at that level of detail.

Department	Divisions	FTE
Orem	1. Public Works Administration	3.00
	2. Traffic and Signs	6.00
	3. Public Services Administration	1.00
	4. Streets	13.00
	5. Parks	36.00
	6. Cemetery	7.50
	7. Urban Forestry and Horticulture	2.25
	8. Water	29.00
	9. Water Reclamation	27.00
	10. Storm Water	13.00
	11. Fleet Maintenance	6.50
	Total	144.25
Provo	1.Airport	14.20
	2.Engineering	20.50
	3. Water	39.10
	4. Wastewater	38.00
	5. Vehicle Maintenance	11.90
	Total	123.70
West Valley	1. Administration	5.00
	2. Utility Billing	6.00
	3. Streets, Stormwater	19.00
	4. Engineering	16.00
	5. Facilities	9.00
	6. Fleet	11.00
	Total	66.00
Sandy City	1. Water Operations	29.00
	2. Water Expansion and Replacement	14.75
	3. Stormwater	16.81
	4. Stront Lighting	3.25
	 Street Lighting Economic Development 	2.50 3.00
	Total	69.31
West Jordan	1.Streets / Solid Waste	30.50
170303014411	2. GIS	7.00
	3. Engineering	11.00
	4. Fleet Management	9.00
	5. Administration	2.00

Source: Created by MGT, information from city budgets.



Water Resources is comprised of three divisions (Water, Water Reclamation, and Storm Water). These divisions have related functions and fall under the supervision of one leader. That should continue.

There is no industry standard or local best practice. Orem's Public Works Department is responsible for more units than other local public works departments.

C. Recommendations and Rationale

Recommendations

MGT recommends the Department maintain its current organizational structure. When management employees ultimately depart City employment, the Department should reconsider the current structure to confirm that workload per manager remains appropriate.

Rationale

The current approach works. Some of that is a function of the experience of the people in leadership roles. It may be worth reconsidering the organization structure when the leadership ultimately changes.

Fiscal Impact

Maintaining the current structure has no incremental fiscal impact.

3. Risk Management and Safety Management

It is important for the Public Works Department to emphasize safety for its employees and mitigate as many risks as possible while employees are working throughout the City. Having a plan in place can protect employees and limit the City's fiscal responsibility for claims.

A. Current Risk and Safety Management Plans

The Department has risk and safety plans, but they address the Department as a whole. The risks of each division vary, suggesting that some tailoring of plans to the different types of risk may protect employees and reduce the City's fiscal exposure.

Given the breadth of duties held by the Public Works Department, management might consider whether tailoring plans to the unique risks of divisions makes sense. These jobs are among the highest risk positions in City government. The input of the City's Risk Manager is important, both in terms of the necessary subject matter expertise and for having the time to rewrite plans.



B. Loss Experience

One way to judge risk and safety plans is to see if work injuries and property damage claims are at higher-than-expected levels. To that end, MGT contacted peer cities to inquire about their loss experience history for fiscal year 2023. They were not able to report at comparable unit levels. Therefore, the next best available information was how Orem's Public Works divisions compare to each other.

Orem Public Works - Loss Experience in FY23

Division	Total FTE	Injuries per FTE	\$ Claims per FTE	Lost Workdays
Cemetery	5	1	\$19,674	2
Storm Water	11	0	\$0	0
Streets	15	0	\$0	0
Water	24	5	\$302	0
Water Reclamation	24	3	\$96	0
Parks	17	2	\$83	0
Traffic	6	0	\$0	0
Fleet	6	0	\$0	0

Source: Created by MGT, information provided by Orem.

An additional source of loss is property caused by City staff when mowing, plowing, driving or otherwise operating equipment that causes unintentional damage to property that the City must repair. The City reports that the most recent annual property damage done by City staff was \$36,920, a rather modest sum.

Lost workdays were minimal. Injuries per FTE varied by division, suggesting that there may be merit in having risk management and safety plans tailored to divisions, or at least to those with greater loss histories.

C. Recommendations and Rationale

Recommendations

MGT recommends discussing with the City's Risk Manager the level of effort to tailor plans to divisions, or at least, to those with more of a history of accidents. If the effort is modest, MGT recommends that divisions with higher accident histories have plans tailored to the nature of their work.

Rationale

It is unclear that broad guidelines applicable to all types of Public Works job content will protect employees and the City's fiscal position as well as plans tailored to the different sources of risk. MGT does not believe that this would require writing plans from scratch, as there are plans of other agencies that might serve as the basis of plans in Orem. The Public Risk Management Association (PRIMA) is a source for potential support, as is the Mountain States chapter of the Risk Management Association.



The fiscal impact of these recommendations is minimal because they do not involve changing the number of staff. The City's Risk Manager should comment on the cost-benefit aspect of tailoring plans to each division. If the cost of changing the plans is less than the loss history predicts, it makes sense to tailor the plans by division.



Recreation Department

Background

The Recreation Department is funded by the General Fund and the Recreation Fund. The budget provides the following funding and full-time equivalent staff:

Unit	Appropriation	Full- Time	Variable Hour /
		FTE	Seasonal- FTE
General Fund			
Recreation administration	\$340,125	3.00	
Senior Citizens	\$171,769	1.00	2.75
Programs administration	\$454,084	4.00	4.05
Softball/T-ball/Coach/Machine Pitch	\$143,145		
Basketball	\$80,000		
Summer Youth Parks/Sports Camps	\$29,500		
Tennis	\$7,675		
Volleyball	\$8,700		00
All other programs	\$25,248		
Subtotal, General Fund	\$1,260,236	8.00	6.8
Recreation Fund			
Family Fitness Center	\$3,257,664	5.00	29.8
Scera Park Pools	\$517,376		7.95
Parks oversight			
Subtotal Recreation Fund	\$3,775,040	5.00	37.75

Sources: Adopted Budget for FY2023-24. General Fund Recreation Department data from pages A-81 to A82. Recreation Fund data from pages A-161 to A162.

The Senior Citizens Division plans, administers, and supervises comprehensive senior programs and activities primarily located in the City of Orem Senior Friendship Center. It is the subject of a separate chapter of this report and is not discussed in this chapter.

The Programs Division plans, administers, and supervises comprehensive youth and adult sports programs, special events, and youth activities at city parks.

The City asked MGT to evaluate two Recreation Department matters for this study.

- 1. Maintenance and Facilities staffing structures concerning the Recreation Department.
- 2. Staffing models that will improve programming, events, and Fitness Center operations to increase revenue realization.



Report Highlights

Maintenance needs for the Recreation Department are unique. These facilities experience
high levels of patron traffic and extended hours of operation in comparison to all other Cityowned facilities. Patrons, especially paying members, expect City staff to provide them with
high-quality facilities with minimal asset downtime. MGT recommends that the Recreation
Department and Facilities Maintenance Division engage in conversations regarding the
management structure for facilities maintenance staff servicing recreational facilities.

There are three maintenance needs: the Family Fitness Center (supported by the Facilities Maintenance Division), the Scera Park Pool (supported by Recreation, Facilities Maintenance Division, and outside contractors), and playing fields (supported by Recreation and Public Works). Changing these arrangements should not be done hastily but deserves discussion. The Recreation Department noted sensitivities to potential changes that deserve discussion with the Facilities Maintenance Division discussion.

Fiscal Impact – Unclear until potential changes are addressed. Changing where maintenance staff report (to Recreation from Facilities Maintenance) should be cost-neutral.

2. The Department proposes adding a position to generate incremental revenue from facility rentals and events. It is plausible to generate new revenue and the Department has initiated analysis, but efforts to launch such an effort has not yet coalesced into a plan document. Whether a new hire is necessary remains to be seen based on a business planning effort yet to be conducted.

The planning for this effort should address these questions:

- Who are the target customers, and how does the Department propose to reach them?
 The Convention and Visitors Bureau might help, but the Department's role in marketing needs to be defined.
- What type of event pricing is acceptable to the market? Current field rental rates are only part of the anticipated revenue because larger groups might pay more to hold larger events in Orem.
- What type of advertising plan and budget should the City fund?
- What timeline is reasonable to get an enhanced rental program to full speed?

Fiscal Impact – Without a planning document, the need for staffing, an advertising plan, and event pricing have unclear fiscal impacts.



The facilities in question are assigned to the Recreation Department and repaired and maintained by the Facilities Maintenance Division of the Development Services Department. The public is affected by how this is coordinated. The subject of this section is the efficiency of the arrangement.

A. Maintenance Services Provided to the Recreation Department

The Recreation Department's maintenance needs arise from three sources:

The Fitness Center – The Facilities Maintenance Division of the Development Services Department is assigned to clean, repair, and maintain the facility. Of particular interest is the repair and calibration of gym equipment. The Fitness Center serves up to 3,000 people a day. It has 20,000 active members.

Scera Park Pools – Mechanical and electrical work is assigned to the Facilities Maintenance Division. The Recreation Department provides support for chlorination and power washing.

Fields – Mowing, striping, leveling, and application of sand are assigned to the Parks staff of the Public Works Department.

Facilities Maintenance services to the Recreation Department include:

- Custodial services,
- Exterior and interior painting,
- Repair and calibration of gym equipment,
- Maintaining building infrastructure, life-safety and security alarm systems, HVAC, plumbing, electrical and lighting, door locks and door hardware, automated building systems,
- Pest control, and
- Management of minor building renovations.

B. Staffing and Service Levels

The Facilities Maintenance Division of the Development Services Department provides building maintenance and custodial services for all City departments. This covers more than 625,000 square feet of space, of which the Recreation Department is part.

- Custodial work happens daily, with restrooms serviced hourly.
- Additional service is available on demand.
- Maintenance happens on regular schedules, with other repairs available on demand. Emergency service is available 24/7.

Factors to Consider

- How staffing supports service levels
- 2. Peer Comparison
- 3. Options to staff maintenance



 Repair of gym equipment in the Fitness Center happens in response to work orders, as is the case for all departments.

The administrative home of the staff maintaining the Recreation Center and Scera Park Pools is in the Facilities Maintenance Division. Staff are based there too but are assigned to work away from the facility. That meets the needs of their Division, but it means that there are times when the Recreation Department wants an immediate repair that needs to be scheduled like all other work orders. Scheduling is controlled by Facilities Maintenance, which usually – but not always – does the work on a timeline that the Recreation Department wishes. This raises the possibility that the staff might report instead to the Recreation Department. Staff believe that is worth discussing, but that until that discussion has happened, no change should occur.

The table below shows that the City of Orem has more facilities staff supporting the Fitness Center than the peer cities. One might expect this to result in a high level of service, but the issue faced by the Family Fitness Center is the ability to control the timing of the work. A work order system managed by another department is less flexible to requests by the Recreation Department for on-the-spot repairs.

Facilities Maintenance Staff including Custodial and Repair

			Variance				
	City of	Peer	to Peer	Sandy	West		West
	Orem	Average	Average	City	Valley	Lehi	Jordan
Total Recreation Dept Staff	43	66	(23)	39	89	95	39
Fitness/Rec Center FT Staff (FTE)	5	12	(7)	6	17	13	NA
Fitness Rec Center Part-time Staff (FTE)	29.8	52	-22.2	23	50	82	NA
Number of Facilities Workers Supporting Recreation Department	21	10.5	10.5	14	2	17	9
Facilities Workers per Fitness/Rec Center FTE	0.60	0.23	0.37	0.48	0.03	0.18	0.23

There are two full-time maintenance staff assigned to the Fitness Center and one part-time staff is used as needed. The part-time staff mostly works in the summer to assist with Scera Park Pools. Custodial staff consist of two full-time custodial supervisors. The rest are part-time custodians.

C. Peer Practices for Maintenance

MGT contacted the peer cities to ask how they handle maintenance of fitness centers, pools, and playing fields. Facilities vary by city – West Jordan, for example, has no pool. However, fitness centers and playing fields are common.

Peer practice is that resources needed to maintain recreational assets are assigned to Parks and Recreation departments. In discussion with peers, the explanation was that this allows the Parks and Recreation to control the *timing* of services more than if it depended on support from other departments.

The peers noted that specialized services such as plumbing and electrical work are performed by outside vendors, but that the Parks and Recreation departments are authorized to arrange that support. Orem's Recreation Department reports that it too outsources plumbing and electrical work.

Peer practice is to place the staff responsible for maintaining recreational assets in the departments responsible for recreational services.

D. Staffing/Service Options

The choice of staffing structure has ramifications for the budget and priorities of several departments. The question is not whether the status quo is workable, but whether it is best. Fiscal efficiency seeks the lowest cost solution. Service-level efficiency seeks to minimize downtime of recreational assets. These may be mutually workable but are not always so.

The City of Orem's Recreation Department manages several facilities that operate long hours and experience high levels of traffic. The Department is also accountable to members and patrons who expect high-quality services and assets with minimal downtime. The demand for high service levels from patrons and operations outside of normal business hours, including early mornings, evenings, and weekend operations, requires a higher level of facilities maintenance than is needed in other city buildings. This is why it is common for departments overseeing recreational services to have facilities maintenance staff managed within their department.

The current centralized management structure of facilities maintenance in Orem is workable, but the lack of direct management by the Recreation Department may result in choices that make sense from a general facilities maintenance perspective but not for the recreation facilities and expectations from paying users and membership holders.

In considering where maintenance staff should report, a change should be cost-neutral. The following table demonstrates the pros and cons of establishing a recreation facilities maintenance division that is directly managed by the Recreation Department:

Placing Facilities Maintenance Staff Assigned to the Recreation Center Under Supervision of the Recreation Department

Pros Cons Maintenance employees currently respond Allows maintenance employees to specialize to needs at other facilities and that in recreational equipment/asset maintenance flexibility could be lost. needs. Allows the Recreation Department to Causes competition for recruitment by prioritize maintenance needs based on what seeking staff from the same applicant pool; they believe is most important for their may lead to compensation inequality. facilities. Centralized staffing offers a greater May lead to greater economies of scale to resource to pool from during staffing free up a custodial supervisor position and shortages and emergency needs. transfer their duties to a recreation supervisor.

The Recreation Department would assume responsibility for the cost. This mitigates the risk that the ability to assign maintenance staff tasks would result in an increase in overtime spending.

The Recreation Department values the services that the Facilities Maintenance Division provides and advises taking time to discuss any potential changes collaboratively with the Facilities Maintenance Division, the Department of Development Services, and City leadership.

E. Recommendation and Rationale

Recommendation

MGT believes that the peer practice of placing maintenance resources in the Recreation Department is a good practice and would benefit the City of Orem. This applies only to the staff that Facilities Maintenance assigns to the Recreation Center – the remainder of the Facilities Maintenance Division would remain as it is.

MGT agrees with the Recreation Department that prior to any change, there should be discussions between the various stakeholders to see if all risks and benefits are clear.

The Recreation Department did not express interest in taking responsibility for maintaining playing fields and would be supportive of that service remaining the duty of the Department of Public Works. MGT supports that choice.

Rationale

Giving the Recreation Department control of the resources to manage the assets for whose quality it is held accountable can improve service to residents.

Fiscal Impact

Until the specific changes are identified, it is premature to estimate the fiscal impact. However, if staff are reassigned, it should not affect overall cost.

2. Generating Rental Revenue

The Recreation Department rents fields and facilities for events and charges for those rental services. It has explored the possibility of adding an employee to help with more aggressive marketing for rentals with the intent that the revenue resulting from that effort would exceed the cost of hiring someone to do it.

Lakeside Park has benefitted from significant investments in expanding and improving facilities. That such a facility would be a desirable place to host tournaments or other athletic events seems beyond dispute. The remaining questions would include:

Who are the target customers?



- Does this require a new hire, or could the work be done by a current employee?
- What type of event pricing is acceptable to the market?
- What type of advertising plan and budget should the City fund? The Convention and Visitors Bureau might help, but the Department's role in marketing needs to be defined.
- What timeline is reasonable to get an enhanced rental program to full speed?

The Department reports that it has done several analyses of this concept but that the analyses are not in a single document. Believing that there would be interest in event and field rentals, MGT encourages the Department to continue the planning process. Planning has two goals:

- To develop a roll-out plan and anticipate its challenges, and
- To obtain the support of the City leadership, whose approval would be necessary.

A. Estimating Revenue and Expenses

The expense of this option relates to the cost of salary and benefits for the new hire, which is estimated to be approximately \$75,000. That figure is based on the current Recreation Coordinator pay.

Current Orem rental rates are \$35 per hour for athletic fields, \$45 per hour for baseball and softball fields, and \$45 per hour for lighting. MGT presumes that higher rates are feasible for hosting tournaments and other large events.

One concern that MGT has seen in other cities is the ability of residents to have access to the facilities as well. The forecasts of incremental revenue would come in part from outside of Orem. Cities that book facilities primarily for the highest dollar levels may find that residents become resentful if they too cannot have access to facilities. The Recreation Director acknowledged this and is aware of the need to balance maximizing external customer revenue with equitable access to the facilities for residents. The Recreation Department has proven the ability to maintain this balance with other facilities that are rented.

B. Recommendations and Rationale

Recommendations

The Department should continue to plan how to get more event and rental revenue, particularly from Lakeside Park. The facility is outstanding and has the potential to attract users from outside of Orem for tournaments, large events, and field rentals.

Rationale

When a business seeks a loan, banks generally expect a business plan. The analogy holds here. This is a multimillion-dollar facility with rental potential. It deserves a planning effort to identify the target market, define an advertising strategy, determine how to staff it, estimate the number of rentals, and establish rental rates.

This planning effort has two goals. The first is to review that there are actionable steps to perform and that risks are identified and mitigated. The second is to persuade the City leadership that the planning process was appropriately thoughtful.

Fiscal Impact

A new program coordinator, if authorized, would cost \$74,765 for salary and benefits. Whether the effort requires a new hire or is within the capacity of current staff is yet to be determined.

Estimating the revenue from this campaign requires refining the estimates of the number of rentals and appropriate rental rates.



Senior Center

Background

The Orem Senior Center provides services for Orem residents over the age of 55. The services provided include 17 classes and activities such as bingo, line dancing, Tai Chi, and more. The Senior Center provides lunch to senior citizens every weekday and holds special events such as Octoberfest and Electric Scooter Rodeo.

The Senior Center is under the direction of the Recreation Department, whose staff supplement the staff dedicated to the Senior Center. The Senior Center is run by a supervisor, two service workers, four receptionists, and a kitchen service worker. Each of these positions works in tandem to provide services to the senior citizens of Orem.

The City's Adopted FY 2023-2024 budget appropriates \$47,850 to the Senior Citizens Fund plus \$171,769 to the Senior Citizens Division of the Recreation Department. Eight staff support the Center as part of their other duties for the Recreation Department.

For this study, the City asked MGT to address two Senior Center matters.

- 1. Are current staffing levels sufficient for the current workload?
- 2. Would minor facility modifications make the center useful for programs outside typical operation hours?

Report Highlights

1. Workload and capacity match reasonably and demand per worker compares to peers.

Services are reported to be good. While the budget is small for a city division, staff support from the rest of the Recreation Department is adequate.

Fiscal Impact – There is no fiscal impact.

2. The Senior Center can make minor modifications to use space for programs outside of typical operating hours, including facility rentals.

Modifications such as AV equipment, room dividers, cleaning materials, and rental agreement language can make the space more attractive for rental.

Fiscal Impact – The recommendations may add a new revenue source, assuming that the proposed cost is within the range of peers and that the price can include some markup.



1. Staffing Levels

The Senior Center's staffing currently consists of eight employees. These employees provide programs, lunch services, special events, and other activities for the City's Senior population.

MGT has been asked to gain an understanding of the Department's current staffing level and workload. MGT has also been asked to gain an understanding of similar departments at the selected peers of the City.

Factors to Consider

- 1. Workload vs capacity
- 2. Peer comparison

A. Current Workload Analysis

MGT performed an analysis to compare the current workload to the current capacity by job title. The Senior Center currently has one Supervisor, two part-time Service Workers, 4 part-time Receptionists, and one part-time Kitchen Service Worker. MGT worked with the Senior Center to complete Exhibit 1 below.

Exhibit 1 – Workload vs Capacity

	Supervisor	Service Worker (2)	Receptionist (4)	Kitchen Service Worker
Hours of capacity	1,800	1,275	1,750	866
Hours used	1,754	2,384	2,473	569
Net hours available	47	(1,109)	(723)	297
New FTE needed, calculated		(0.63)	(0.41)	
New FTE needed, rounded	-	(1.00)	-	-

Source: Created by MGT based on discussions with the Department.

The analysis suggests that workload exceeds capacity. In practice, this means that waiting times to accomplish tasks grow. MGT asked staff if there were complaints about service levels, but staff did not indicate any, suggesting that the staffing is sufficient.

The Senior Center provides an acceptable level of service and a variety of activities and programs. Under those circumstances, the staffing level is appropriate.

B. Peer Comparisons

Resident expectations of services are formed in part by what they hear about services in nearby communities. To that end, the analysis compared Orem's Senior Center to local peer communities. The metrics were the number of employees, volunteers, and average daily attendees.



Exhibit 2 – Peer Comparisons

	City of Orem	Peer Average	Variance to Peer Average	City of Provo	City of Sandy	City of West Valley	City of Lehi	City of West Jordan
Staff (FTE)	6.91	2.88	4.03	2.00	0.92	3.75	3.50	4.25
Staff (Headcount)	8	5	3	5	2	4	5	9
Average Daily Attendance	300	105	195	200	125	50	50	100
Avg Daily Attendance per FTE	43	36.41	6.59	100	136	13	14	24

The key productivity metric is workload per worker. On that basis, Orem's Senior Center serves an average daily attendance nominally greater than the peer average. This confirms the reasonableness of current staffing.

Orem's Senior Center staffs at a workload per worker within the range of peers. Average daily attendance is greater in Orem, but so too is the staffing necessary to support this level of use.

C. Recommendation and Rationale

Recommendation

MGT recommends the Senior Center maintain the current staffing level.

Rationale

Using two separate metrics (workload vs capacity and peer comparison), the expectations of staff are reasonable and consistent with industry practice. Service levels are reportedly good.

Fiscal Impact

There is no difference in fiscal impact of retaining the status quo.



2. After-Hours Facilities Rentals

Many jurisdictions make facilities and outdoor spaces available for rental for private events to create revenues to maintain or enhance public services associated with the facilities.

Orem asked MGT to explore if minor facility modifications could make the Senior Center available for rentals outside of typical operating hours.

A. Practices of Peers

MGT contacted peer cities to inquire about Senior Center facilities rentals outside normal operating hours. Of the peer group, Provo and Lehi are the only two cities that do so.

Factors to Consider

- 1. Peer rental practices
- 2. The need for rental agreements, staff to cover rentals.
- 3. Potential equipment additions that renters may need.

Exhibit 3 - Rental Practices of Peers

City	Rents Space	Pricing		Amenities	Annual Rental Revenue
Provo	Yes	\$125 per hour \$300 Kitchen Use	•	AV Equipment Two Projector Screens Stage Piano	\$8,000 for Senior Center
Lehi	Yes	\$200 Deposit \$50 per hour	•	Facility only	\$5,000 for Senior Center The Police Department has a well-equipped and rentable room for business meetings from which it generates \$15,000 to \$18,000 annually

While many peers do not rent their facilities for private use, there is local precedent for it.

B. Rental Agreement and Staffing

Part of the preparation for rentals would be to ask the City's attorneys to draft a rental agreement. An example of this language from the City of Lehi Senior Center rental agreement is in Attachment A.

The City would also need to decide on a proper rental deposit amount. Rental rates for peer facilities are in the prior table.

The only additional responsibility from this approach is for staff to open and lock the Senior Center outside typical operating hours, which would have a minimal fiscal impact. Rental rates should cover any associated expense for that, plus the cost of preparing and cleaning the space.



C. Modifications

The Senior Center has tables and chairs in the multipurpose room that can accommodate renters. Based on peer experience, the Senior Center may also want to provide rental for additional amenities, such as audio-visual equipment, room dividers, and kitchen use. The rental rate should factor in these expenses.

With minor modifications and additions to the multipurpose room, the City could generate some rental income from the facility.

D. Recommendations and Rationale

Recommendations

MGT recommends that the City determine the cost of certain items to make after-hours facility rentals feasible, namely:

- The cost of staff for setup and cleanup after hours,
- Audio-visual equipment,
- Additional cleaning supplies, and
- A proposed deposit amount.

That will allow it to set a rental rate and compare it to peer rates.

Rationale

There are a few unknowns to setting a rental rate. The Senior Center should have access to unit prices for those items and awareness of the cost of staff time. Assuming that the rental rate is within the range of nearby cities, the Senior Center may be able to generate additional revenue while meeting a demand in the community for rental event space.

Fiscal Impact

The fiscal impact of the recommendations may lead to longer-term revenues, but it would minimally increase costs in the near term.

