



City of Roseville
PARKS, RECREATION & LIBRARIES

Operational Performance Audit

June 2015



Heller and Heller Consulting, Inc.



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CONSULTING SUPPORT

Barbara Heller, Heller and Heller Consulting, Inc.

Elliott Becker, Heller and Heller Consulting, Inc.

Peter Burchard, LLC

Ruth Metz, Ruth Metz Associates

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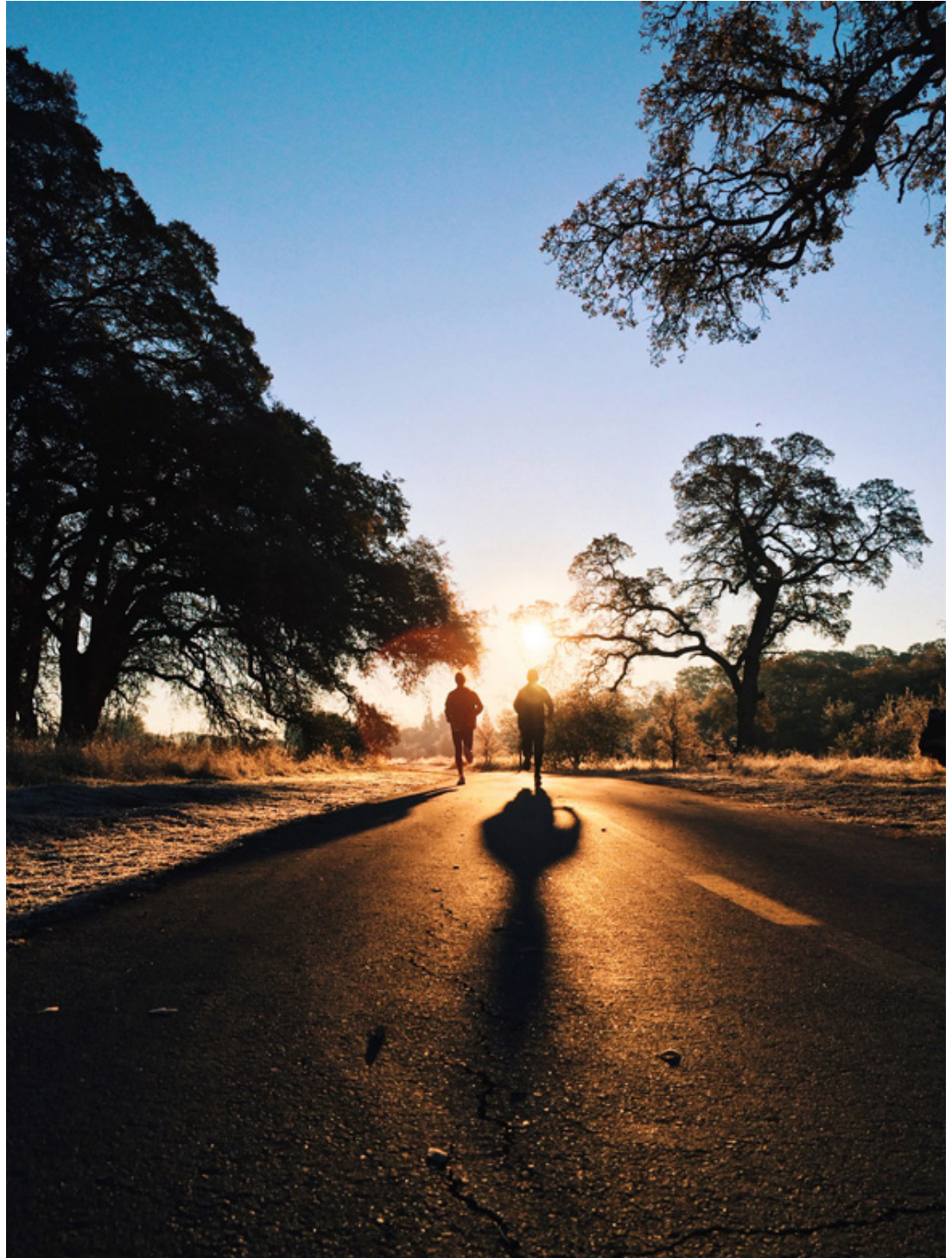
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Introduction

As part of the City of Roseville's Operational Performance Audit (OPA) process of all City Departments, the Parks, Recreation and Libraries (PR&L) Department worked with the consulting team of Heller and Heller Consulting, Inc. (HHC or the Consulting Team) to complete an assessment of the Department's operations.

The mission of the Parks, Recreation & Libraries Department is to enhance lives and the community by providing exceptional experiences. This is accomplished through the offering of a variety of programs, services and facilities including sports, adult and senior programming, golf, youth and teen classes and camps, aquatics, library and museum services, cultural arts and special events. The budget for fiscal year 2015 is approximately \$25 million, with an estimated \$12.3 million offset in revenue. The Department also oversees \$5.8 million in special districts and annual projects.

Currently, the Department maintains and operates 72 developed parks and facilities, 230 acres of landscape areas adjacent to roadways, 4,100 acres of open space, two championship golf courses, two community centers, three libraries, three swimming pool facilities, the Maidu Museum & Historic Site, and 17 Adventure Club Child Care facilities. The Department is organized in the following operating areas:

- Administration
- Park Planning and Development
- Recreation
- Park Operations
- Open Space
- Golf Operations
- Library and Museums

High level objectives of the Audit included the following areas of study relating to how the Department:

- Operates relative to comparably-sized jurisdictions
- Manages major risks (procurement, finance, operating, etc.)
- Performs with respect to internal controls; and
- Performs as a steward of public funds and resources

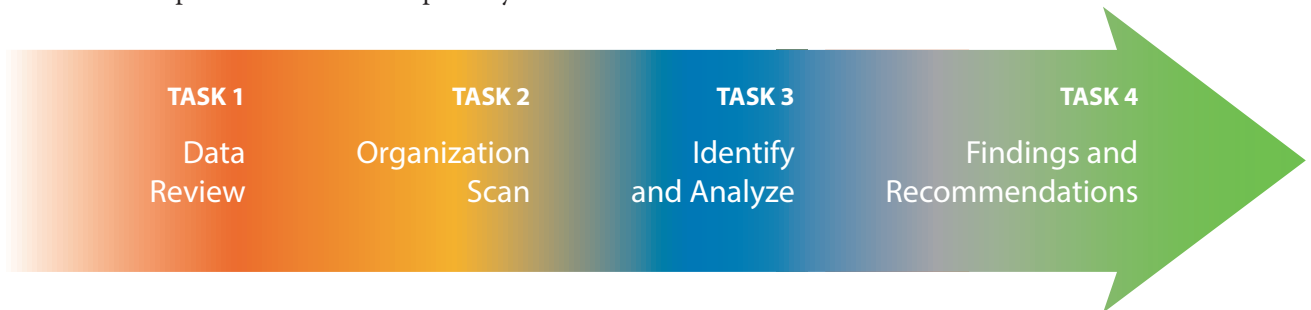
The primary focus of the Audit included a review of the prescribed City-wide Attributes, as well as additional areas of investigation including staffing and structure, golf course contract operations, benchmarking comparisons for parks, recreation and libraries, information about the Commission for Accreditation of Parks and Recreation Agencies (CAPRA) criteria, and development of Key Performance Indicators. Additionally, the overarching goal of the process was to identify opportunities for strengthening Departmental operations.

Executive Summary

The following section reviews the process used for the analysis. It also includes a summary of overall system findings. Highlights of the majority of sections of the report are included. This includes system themes, or areas of the operation that stand out as either organizational strengths or opportunities for improvement.

Review of Process

The process included four primary task areas as follows:



The study began in August 2014 with a meeting of the senior leadership group of the Department (the Management) to discuss project goals and expected outcomes. The HHC Team also provided an overview of the process in a series of presentations to all of the Department employees. This provided employees with an opportunity to learn more about the OPA process, to ask questions about the audit, and to provide their perspectives pertaining to the Department, as follows:

- What are organizational strengths we need to build upon as part of this process?
- What are ideas for organizational improvement you can think of?
- What are you hopeful for as a result of this process?
- Are there any issues or challenges you have that are important for us to know?
- What do you think is going exceptionally well and how can you tell?

The process included a review of significant City and Department documents. A sampling of the data reviewed included:

- The City of Roseville General Plan
- Department's Operating and Capital Budgets
- Pricing Policy
- City/Department Finance Policies
- 2013 Needs Assessment
- Library Strategic Plan
- Overarching Open Space Management Plan
- Arts and Entertainment Strategic Plan
- Annual Report
- Program Guide and website
- Organization Chart and Future Staffing Review

- Leadership Competencies
- Golf Course Contracts and Round and Revenue Performance
- Organizational Efficiency and Effectiveness Study by Matrix Consulting Group
- Urban Forest Master Plan
- Park Development Business Plan
- Child Care Business Plan
- Child Care Strategic Plan

In addition to the data review, the HHC Team also completed an extensive number of employee group interviews with staff from all levels and divisions of the Department. The Consulting Team facilitated over 50 meetings with employees as well as meetings with City Management staff, Department Heads, and elected officials. Department Heads unable to attend a meeting were provided a questionnaire to complete that addressed their areas of satisfaction in working with the Department as well as identifying the Department's most significant challenges.

Employee meetings included the following groups, individuals, and topic areas:

- Individual management member meetings
- Programming workshop meeting
- Marketing
- Finance related meetings
- Internal support meeting
- Safety
- Park maintenance
- Hiring
- Maidu Museum
- Library front line, supervisors, team leaders, and management team
- Library Champions: Friends, Foundation, and Board
- Golf
- Adventure Club
- City Department Heads and Executive Team

The report includes the following elements:

- Employee Online Survey results
- Attribute Review
 - Current Assessment of Attributes
 - Opportunities for Improvement
- Review of Staffing and Structure
 - Review of current staffing
 - Recommendations for possible improvements
- CAPRA Accreditation information
- Golf Operations Models
 - Examples of golf course management models
 - Comparative of other course rounds
- Adventure Club and Maidu Museum Review

- Affordable Care Act Narrative
- Contract Management Narrative
- Benchmark review of library systems/parks and recreation operations
- Key Performance Indicators
- Recommendations outlined for short, mid and long term
- Implementation Guidelines
- Appendix A Roseville Public Library Operational Performance Audit
- Appendix B Golf Course Review
- Appendix C Supplemental Program Information

Report Summaries

The following section highlights most of the Report's sections, including the Attributes and additional information requested as part of the Audit.

ARE WE MAKING PROGRESS SURVEY RESULTS:

A 36 question survey instrument was distributed to all employees of the Department. The survey was distributed online, with 101 employees responding. The survey assessed various components of the Department, including Operational Strength, Strategic Planning, Customer Satisfaction, Operational Optimization, Employee Leadership and Development, Operations Focus, and Product Quality. The areas with the highest scores included:

- I am committed to my Department's success.
- My customers are satisfied with my work.
- I know my Department's mission (what it is trying to accomplish).
- I know how to measure the quality of my work.
- I have a safe workplace.
- I know who most of my customers are.

The areas with the highest level of disagreement to the questions, or those areas in the greatest need of improvement included:

- I know how well my Department is doing financially.
- My Department asks what I think.
- My Department removes things that get in the way of progress.
- I know how my Department as a whole is doing.
- My Department has the right people and skills to do its work.
- I am recognized for my work.

CITY-WIDE ATTRIBUTES

PRODUCT QUALITY

A simple definition of product quality is: The collection of features and characteristics of a product that contribute to its ability to meet given requirements. The Department works toward achieving quality in services and programs by determining the needs of the residents through needs assessments, program evaluations, and surveys. In addition, the Department utilizes standards, and within some areas of the Department, audits and inspections are performed according to established criteria. Improvement in this area relates to the documentation of standards throughout all Divisions, the identification of key customer requirements, and audit processes used throughout the entire Department.

CUSTOMER SATISFACTION

A significant element of the Department relates to the Attribute of Customer Satisfaction. Given the number of parks, facilities, recreation programs and libraries within the PR&L Department's inventory, the number of customer service interactions is significant. As a result of the number of facilities and programs in a variety of locations and types of services offered, achieving high levels of customer satisfaction is challenging. The Department's commitment to customer service is top of mind for employees. There is recognition of the mission to create exceptional experiences for users. This is reflected in high levels of customer satisfaction scores in surveys completed by the Department. Satisfaction rates for the Department are generally in the upper 90 percentile.

Improvement areas are noted as well and include the development of a system wide approach to service quality, efforts to reduce variation of service quality, strengthened training for all service related positions of the Department, and creating an overall approach to measuring customer satisfaction through a variety of methods.

EMPLOYEE LEADERSHIP AND DEVELOPMENT

The City enjoys thoughtful and expansive training opportunities. The atmosphere reflects a deep dedication to public service and professionalism. A team of employees has begun working on implementing competencies for employees at all levels of the Department. Competencies have been developed; implementation is next. The Consulting Team observed the need to focus efforts that will specifically address leader development, process improvement, efficiencies, organizing principles, and a management system. A Departmental succession plan is another need.

OPERATIONAL OPTIMIZATION

The collegiality and work effort by PR&L is exceptional. The desire to serve the community and improve/expand public service is engrained in the team. PR&L, like other Departments and public organizations around the country, is facing uncertainty/challenges with the cost of service, the ability to be responsive at the level desired and the result of constraints such as staff reductions. The Consulting Team has sketched a roadmap to elevate PR&L to a new level of leadership and process.

FINANCIAL VIABILITY

The Department has demonstrated good performance in stewardship of financial resources. Compared to other agencies nationwide, Roseville's PR&L Department greatly exceeds the percentage of non-tax revenue. According to the National Recreation and Park Association's PRORAGIS (Parks and Recreation Operating Ratio and Geographical Information Systems) National Database Report, consisting of over 500 agencies nationwide, the average agency receives tax support of 70% of total expenses. For Roseville, the percent of tax subsidy to total expenses is only 42%.

Therefore, the Department generates significant revenue from sources other than taxes. Furthermore for the last few years, the Department has demonstrated excellent budget performance, as actual net revenues are better than the budgeted goal.

Improvement areas within this Attribute include the need to further document financial policies such as cash controls and to improve internal controls for remote sites that do not utilize point of sale technology.

INFRASTRUCTURE STABILITY

Roseville benefits from multiple planning documents that spell out new projects, maintenance/repairs and cost estimates. The Team notes a high level of awareness and effort focused on the linkage between facilities/infrastructure and service. As Roseville executes its plans or suffers delay, PR&L should keep a formal execution Gap Plan aimed at stating what infrastructure or maintenance work is on hold and for what reasons. We encourage open dialogue about asset protection and what projects haven't been completed (unaddressed project needs and projects identified but held back) on time.

OPERATIONAL STRENGTH

The Department demonstrates strength in a variety of areas, including a commitment to service; participative and effective leadership; general staff competencies; high regard in satisfaction levels of other City Departments toward PR&L, elected officials, and the public; a cooperative work environment; good product and service quality; and good financial results.

Attributes of Employee Leadership, Operational Optimization and Operational Strength should be read together. These Attributes weave together a roadmap for systematic/systemic improvement. Thinking and acting systemically is the imperative. To meet existing and future needs, new ideas and approaches are necessary. By embracing the challenges, a new ("next level") spirit of leadership, cross functional innovation and cost control will occur. The Consulting Team believes that by considering and acting on the ideas in this report, PR&L will re-create itself through changed thinking and learning.

COMMUNITY SUSTAINABILITY

Efforts have been made by the Department relating to sustainable practices. Examples include the reduction of water usage. There has been a 30% reduction in water usage since 2007. In addition, the Department has utilized efficient water management practices to reduce water usage and made ongoing improvements to irrigation systems. Open Space staff members engage the community in sustainability efforts in educating the public about issues relating to encroachment. Open Space also continued a 5-year grazing plan by utilizing over 1400 goats for fuel reduction, invasive species control, and thatch management.

Additional Departmental initiatives include the use of a pool cover to reduce heat and chemical loss, solar thermal system, the use of Musco lighting and LED lights, Gold LEED (Leadership through Energy Efficiency Design) certification, BigBelly dumpsters, and the use of e-books.

As for improvements, there is a lack of a system-wide approach to sustainable practices. In addition, aside from tracking water usage, there are no other measurements associated with these practices.

RESOURCE ADEQUACY

Of the 11 Attributes, the one with the greatest area of challenge for the Department is resource adequacy. Roseville's population continues to grow (20% population growth since 2007), with a correlating increase in demand for facilities, parks, and programs. Yet with this growth, the total staffing levels of the Department have decreased by 31.4%. Compared to other agencies nationwide (parks and recreation agencies, excluding library operations), with 86 FTEs in Roseville's budget for FY13-14, this is within the lower quartile of reporting agencies. The median of comparable agencies is 110 FTEs. This equates to Roseville's population per FTE of 1,365 as compared to the average agency's population per FTE of 1,010.

STAKEHOLDER UNDERSTANDING AND SUPPORT

The Department uses a variety of methods to connect with residents. Examples include the development process for a new park, marketing efforts such as the activity guide, and connecting with residents as part of the program and facility delivery system. The City has a branding initiative to ensure consistency of message among Departments. The Department participates in this process. By nature of their services, park, recreation and libraries staff have extensive interactions with users of the system. This is no different for PR&L as the entire complement of staff interface with customers on a daily basis. Limitations to greater efforts are the result of a lack of staff resources to provide more education and support.

Improvements in this area include the need to develop a public information, policy protocol, and marketing/community relations plans as identified in CAPRA (Commission for Accreditation of Park and Recreation Agencies).

SAFETY

The Consulting Team observes a safety program that is in transition and needs to go deeper into the thinking and processes of PR&L. The City and PR&L benefit from many sound safety related policies and an excellent central safety team. PR&L's role in the city wide team is excellent. The Consulting Team sees a need for: 1) more sharing of injury and accident data/trends, 2) safety/loss prevention goals, 3) more leadership conversations and 4) consistent and enforced safety standards/training for all field positions.



Additional Areas Being Evaluated for the Department

ACCREDITATION PROCESS

The Commission for Accreditation of Park and Recreation Agencies (CAPRA) Standards for National Accreditation provides an assessment tool for park and recreation agencies. This may be a process the Department pursues at a future point of time. CAPRA accreditation is a quality assurance and improvement process demonstrating an agency's commitment to established standards.

CAPRA is the generally accepted authoritative set of criteria for the parks and recreation industry. Through compliance with national standards, CAPRA accreditation assures policy makers, Department staff, taxpayers and the general public that an accredited park and recreation agency has been independently evaluated against established benchmarks. The Operational Performance Audit (OPA) includes a listing of standards that will need to be either developed or strengthened.

MAIDU MUSEUM

The museum is an historically significant community/regional asset for residents and native populations. The staff members describe the importance of the museum as a “Living Culture.” Operations are significantly dependent on volunteers/museum docents. Part of the vision is to grow the partnership with “indigenous people” in the overall leadership and management of the museum. Leadership’s intent includes completing a strategic plan with annual goals.

ADVENTURE CLUB

Adventure Club provides before and after school aged child care and preschool at 17 locations in Roseville. Four of the sites are part of a state grant assisted program. The size of the program is substantial and is managed by a Recreation Superintendent and two Recreation Supervisors who oversee eight and nine sites, respectively. The program has developed a Child Care Business Plan and Strategic Plan. The core services of the program are excellent, and the program has a great reputation. The program’s span of control is an area of needed improvement.

PUBLIC GOLF COURSE MANAGEMENT MODELS

As part of the Operational Performance Audit, the Department desired to compare the number of golf course rounds with other courses in the region as well as provide information about various management models employed by public golf courses around the country. This information is included in an Appendix.

System Summary of Strengths and Opportunities for Improvement

As part of the Executive Summary, the following section outlines the Department’s major areas of strength as well as the most significant areas for needed improvement.

MAJOR STRENGTHS

In multiple areas, the Department is a high performing organization and continuously improves its service delivery. The following details the key areas of strength.

LEADERSHIP QUALITY

The leadership system is very effective and continuously evolves and improves. The prevailing leadership style is one that is inclusive and encourages participation from all levels of employees. Employees are productive and capably perform with fewer resources. Having seen a reduction in resource allocation during the last several years, the employees have been diligent in not only maintaining services, but growing services with correlating growth in parks, facilities, and programs. While there are many areas of leadership to continuously improve, the existing foundation of leadership quality is excellent.

BUDGET PERFORMANCE

The Department has exceeded budget goals every year for the last four years, between budgeted to actual goals. Additionally, the Department produces a much higher level of non-tax revenue than the average agency according to the National Recreation and Park Association Park and Recreation Operating Ratio database. Financial reporting is excellent and provides staff with good data to use for decision making. An example is the monthly budget analysis report.

PRODUCT QUALITY EFFORTS

Many examples of product quality exist throughout the Department, which results in high levels of customer satisfaction. Examples of the use of quality tools include park maintenance standards defining the level of maintenance for various parks and facilities, park and planning development inspections, and the Library's commitment to its strategic planning process that outlines its commitment to continuously improving process, including the use of technology. Recreation staff members complete an annual program analysis process and a program proposal worksheet. The annual program analysis process provides an evaluation of services and methods of improvement.

CUSTOMER SERVICE

Staff members have a keen awareness of the importance of service. In staff interviews, the importance of quality service was emphasized repeatedly by staff. Staff members, including part-time and seasonal employees receive ongoing customer service training. A variety of customer satisfaction measurement tools are used including program evaluations, needs assessments, comment cards, input from community partners, Library surveys, and others. The 2013 Needs Assessment showed 98% of residents were satisfied or very satisfied with services. The 2012 Library survey resulted in 98% of residents feeling their value received by the Library was good, very good, or excellent.

PUBLIC ENGAGEMENT AND BRAND AND IMAGE

The Department has completed many community engagement efforts including the 2013 Needs Assessment, the Arts and Entertainment Strategic Plan, and the Library Strategic Plan. All of these processes included extensive community input processes. The Department works with 35 partners. Commissions, boards and coalitions include: Library Board, Parks and Recreation Commission, and Senior Commission as oversight bodies. In addition, there is a Friends of Roseville Public Library and Youth Sports Coalition.

Furthermore, the Department's brand and image is extremely good, based on reviewing survey and needs assessment results as well as information gained from other City departments and City Management.

EMPLOYEE SATISFACTION

Based on the employee survey instrument “Are We Making Progress” as part of the audit, the Department scored very well. Employees are committed to the Department’s mission, feel good about their ability to satisfy customers, and are committed to the Department’s success. The scores were consistent among Recreation, Parks and Library Divisions. General satisfaction was also noted throughout the 50 employee group meetings that were held as part of the Audit.

OPPORTUNITIES FOR IMPROVEMENT

This section outlines the key opportunities for improving the Department.

KEY PERFORMANCE INDICATORS

Currently, the Department measures performance throughout the agency. However, the measures are not comprehensive in nature, targets do not exist, and staff members do not have a good understanding of organizational performance. As part of the Audit, a system-wide measurement system has been developed. Therefore, the Department is at the beginning stages of systematically measuring performance. This will require education of staff and continuous communication of results to all employees.

PERFORMANCE MANAGEMENT

While Key Performance Indicators involve measurement and reporting, a performance management system involves management and improvement. Performance management is defined as an ongoing, systematic approach to improving results through evidence-based decision making, continuous organizational learning, and a focus on accountability for performance.¹ Performance management is integrated into all aspects of an organization’s management and policy-making processes, transforming an organization’s practices so it is focused on achieving improved results for the public. Performance management comprises the concerted actions an organization takes to apply objective information to improve results.

Performance Management includes seven principles, as follows:

1. A results focus permeates strategies, processes, the organizational culture, and decisions.
2. Information, measures, goals, priorities, and activities are relevant to the priorities and well-being of the government and the community.
3. Information related to performance, decisions, regulations, and processes is transparent — easy to access, use, and understand.
4. Goals, programs, activities, and resources are aligned with priorities and desired results.
5. Decisions and processes are driven by timely, accurate, and meaningful data.
6. Practices are sustainable over time and across organizational changes.
7. Performance management transforms the organization, its management, and the policy-making process.

¹ David N. Ammons, ed., *Leading Performance Management in Local Government* (Washington, DC: ICMA Press, 2008), v, ix.

For Roseville, this results in the need for a development of a strategic plan and an overall process for integrating results of existing plans in order to develop Departmental priorities, strengthening the use of data across all areas of the organization, and developing a systematic approach to measuring organizational performance. Improvement areas should also continuously be documented.

PROCESS MANAGEMENT

This is the set of activities for planning and monitoring the performance of a process. It is the application of knowledge, skills, tools, techniques and systems to define, visualize, measure, control, report and improve processes with the goal of meeting customer requirements. PR&L needs to identify critical processes, document, determine key customer requirements, monitor and improve on an ongoing basis. The management of processes is key to improving organizational efficiency. This relates to both external and internal customer processes. External customer processes include registration systems, program delivery, athletic field maintenance, and many others. Internal process examples include marketing support, park maintenance support, finance support, etc.

Currently, processes managed throughout the Department are not documented and customer requirements are not defined. Process management training can provide staff with the tools to streamline processes. One area of training includes process management improvement techniques, which provides methods to reduce organizational waste such as re-work, over-processing, and transportation time.

RESOURCE ADEQUACY

As noted throughout the report in the review of the Resource Adequacy Attribute, as well as library, parks, and recreation benchmarks, the Department is challenged with a reduction of resources during the last several years. From 2007 through 2014, the Department’s staffing complement reduced by 31.4%.

Additionally, the Library has .35 staff per thousand residents while the FY 2012-13 average of the comparator library group (population between 100,000) is 0.42 per thousand. The per capita operating income of California public library jurisdictions serving populations of 100,000 to 150,000 ranges from a high of \$135.60 (Berkeley) to a low of \$17.80 (Santa Maria); the average in this population grouping is \$47.40. Roseville Public Library’s operating income was \$27.50 per capita, far below the average.

The National Recreation and Park Association (NRPA) Parks and Recreation Operating and Geographical Information System (PRORAGIS) database compiles data of various metrics of comparison for agencies nationwide. One metric includes staffing levels of agencies. The following information shows the lower quartile, median, upper quartile and Roseville’s number of full-time staff equivalent for cities with a population between 100,000 and 150,000.

- Lower quartile 80
- Median 110
- Upper quartile 130
- Roseville 86

Therefore, Roseville’s staffing levels are at the lower end of the benchmark comparison.

As a result of a loss of resources for staffing, the Department relies heavily on part-time staff. An additional area of difficulty as a result of challenges with resource adequacy, part-time staff are heavily used throughout the Department in roles typically staffed by full-time employees. While full-time staff turnover is very low, part-time staff turnover is much higher. This is disruptive to excellent service delivery and creates inefficiency with the continued need to repeat training of staff.

SERVICE QUALITY SYSTEM

Customer service was noted as an organizational strength. Given the importance of service quality, this also represents an area to continuously improve and strengthen. The Department has a very good foundation to build upon. The Department's service delivery is a complex system, given the number and variety of parks, facilities, and programs and the significant number of part-time and seasonal staff who are on the front line of delivering service, this is an area that is difficult to manage.

Throughout the process, variation of service quality was noted as an improvement area. Policies and procedures related to service are not uniformly applied, which can cause differences in the customer experience. Best in class agencies develop an overall framework for service, typically with a cross functional team that monitors overall service quality, including a measurement system that tracks customer retention, identifying root cause of service errors, developing service standards, creating a varied and robust process to measure customer satisfaction, and developing an audit system to evaluate compliance with standards.

Parks, Recreation & Libraries Operational Performance Audit

REPORT ELEMENTS

Operational Performance Audit

This section of the Report outlines areas of organizational performance, starting with the results of an employee survey, followed by findings and opportunities for improvement.

Are We Making Progress Survey Instrument

As part of the Operational Performance Audit (OPA), an online survey was developed that included categories of assessment related to:

- Operational Strength
- Strategic Planning
- Customer Satisfaction
- Operational Optimization
- Employee Leadership and Development
- Operations Focus
- Product Quality

As can be seen, these categories closely match the City's eleven Attributes. The survey is based on the Are We Making Progress instrument developed as part of the Malcolm Baldrige Quality Criteria for Performance Excellence, with modifications for the purposes of the Performance Audit. This instrument is typically used in organizations interested in identifying opportunities for improvement by aligning operations with Malcolm Baldrige Criteria for Performance Excellence. While pursuit of the Malcolm Baldrige Award is not an intended outcome for the PR&L Department, it is included as part of the OPA as it is an established measurement system for important areas of organizational performance.

The Department Survey was completed by 101 employees from three Roseville divisions – Parks (33 responses), Recreation (38 responses) and Libraries (30 responses). Further, it was determined whether a respondent's status was "Regular/Permanent" or Temporary and for how many years the respondent has been an employee of Roseville. The selections were 0-2, 3-5, 6-10, 11-5 and 15+.

The survey was distributed via e-mail to every employee with a link to the SurveyGizmo application. Employees were given a two week window to complete the survey, and at least one reminder message was sent. Employees were also given a hard copy survey if requested.

The survey was comprised of 36 statements that were designed as affirmative claims about aspects of working for the PR&L Department, and the respondent's relationships with their work. Respondents were asked to reply with one of the following selections: Strongly Disagree, Disagree, Neutral, Agree or Strongly Agree. "Not Applicable" was offered for each statement to address the case where the question did not address aspects of the respondent's work.

Summary infographics were produced to deliver visual “insight” into which statements were met with the most agreement (green) and disagreement (red). Disagreement with an affirmative statement about the work environment suggest investigation of possible improvements in work objectives, job design, scope of work, communication, training, management or any other aspect of the work relationship.

Questions that attracted the most **AGREEMENT** (Strongly Agree and Agree values) were the following:

#27 – I am committed to my Department’s success.

#32 – My customers are satisfied with my work.

#4 – I know my Department’s mission (what it is trying to accomplish).

#17 – I know how to measure the quality of my work.

#25 – I have a safe workplace.

#13 – I know who most of my customers are.

Questions that attracted the most **DISAGREEMENT** (Strongly Disagree and Disagree values) were the following:

#33 – I know how well my Department is doing financially.

#9 – My Department asks what I think.

#35 – My Department removes things that get in the way of progress.

#21 – I know how my Department as a whole is doing.

#34 – My Department has the right people and skills to do its work.

#24 – I am recognized for my work.

BY DIVISIONS:

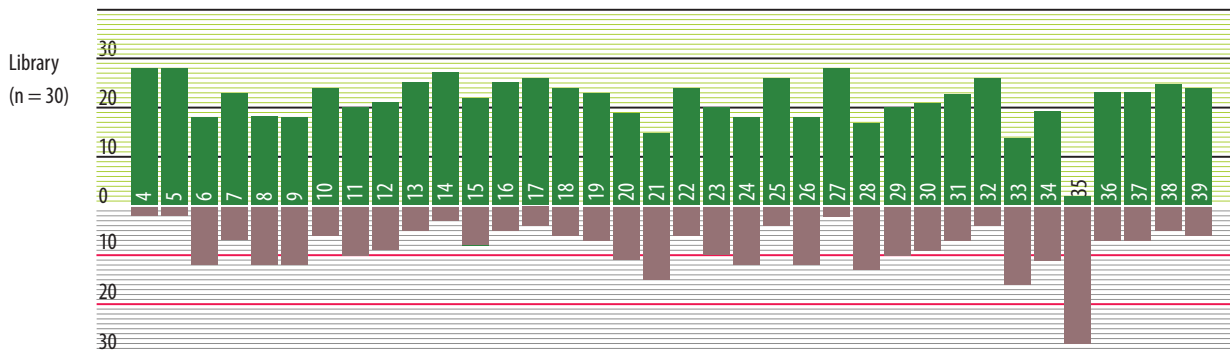
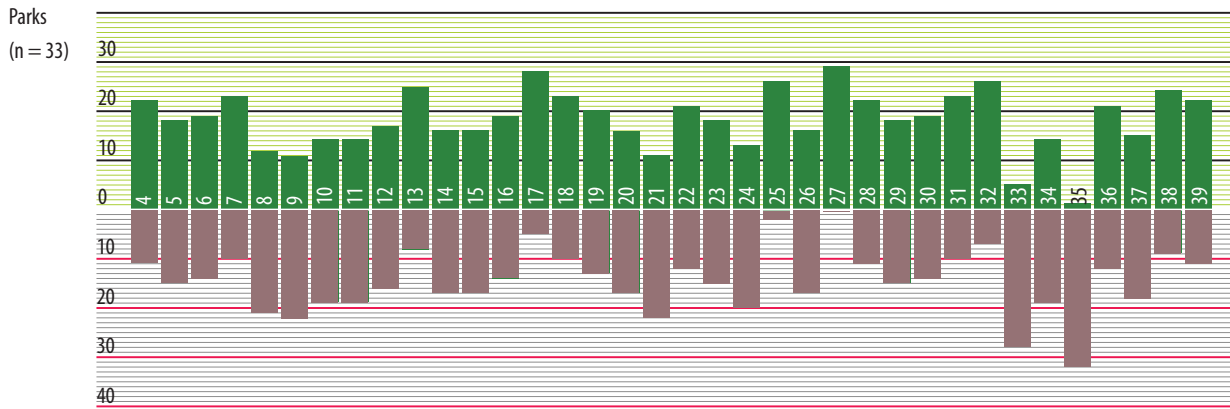
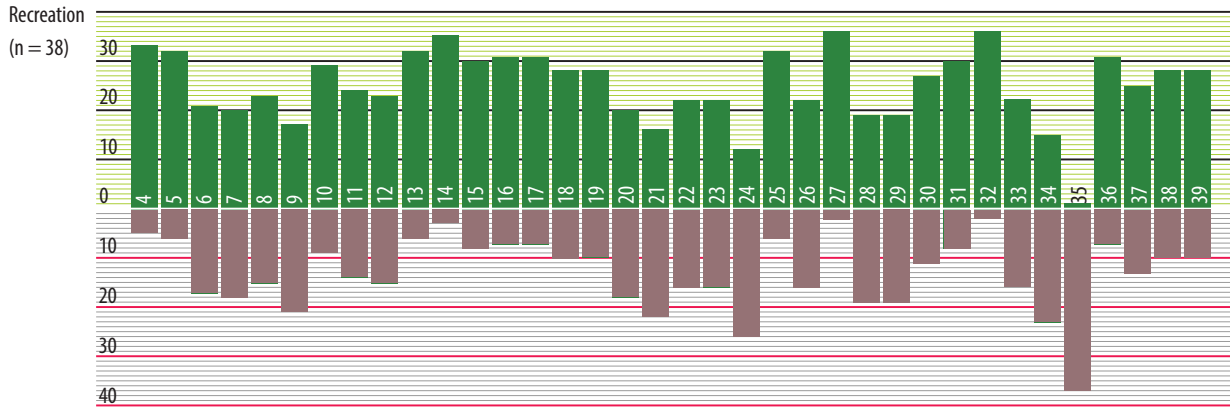
The following bar charts map the survey responses by Division. The goal of the chart is to compare the response data from each Division to see if one Division responded like another. Two charts were produced where the vertical axis represents the number of responses and the horizontal axis shows the survey statements.

Each response was credited to the appropriate Division and tallied to give visual insight into where the survey results represent Agreement (green) with the affirmative statements about the employment experience at Roseville. Neutral and Disagreement are shown in grey.

As can be seen from the charts, the Department Divisions had similar areas of strengths and opportunities for improvement. The complete data set can be found in a separate spreadsheet document that includes information showing differences among length of tenure and employee classification of full-time and part-time status.

Agree, Strongly Agree vs Disagree and Strongly Disagree and Neutral

4. ...my department's mission (what it is trying to accomplish).
5. ...my department's vision (where it is trying to go...
6. ...values are used to guide decisions in our department.
7. ...work environment that supports teamwork...
8. My department's leaders share information...
9. My department asks what I think.
10. My department encourages new ideas (innovation).
11. I know the parts of my department's plans...
12. ...flexible and can make changes quickly...
13. I know who my most important customers are.
14. I regularly ask my customers what they need and want.
15. I ask if my customers are satisfied or dissatisfied...
16. I am allowed to make decisions to solve problems
17. I know how to measure the quality of my work.
18. I can use this information to make changes...
19. I know if I am achieving the department's mission.
20. I get all the important information I need...
21. I know how my department ... is doing.
22. The people I work with cooperate and work as a team.
23. My bosses encourage me to develop my job skills...
24. I am recognized for my work.
25. I have a safe workplace.
26. My bosses and my department care about me.
27. I am committed to my department's success.
28. I get the resources I need to do my job.
29. We have good processes for doing our work.
30. We are prepared to handle an emergency.
31. My work products meet all requirements.
32. My customers are satisfied with my work.
33. I know how well my department is doing financially.
34. My department has the right people and skills...
35. My department removes things that get in the way of progress.
36. My department obeys laws and regulations.
37. My department practices high standards and ethics.
38. My department helps me help the community.
39. My department is a good place to work.



Review of Attributes

The following section outlines the eleven prescribed Attributes, listing the definition, current conditions of performance, and opportunities for improvement.

PRODUCT QUALITY

Meeting and exceeding customer expectations in programs and services and facilities through innovative, accessible and memorable experiences. Builds key customer requirements into product development. Ensures program and service offerings are aligned with customer need. Product delivery is measured according to key customer requirements and how well expectations are met. Systems are developed to ensure quality control of products and services.

CURRENT CONDITIONS

Information for product quality consists of types of processes that relate to quality of services, operational methods, and how well those services are delivered according to established criteria. The following information details evidence of efforts in support of quality. This includes items such as standards, specifications, auditing, customer requirements and needs, and meeting expectations.

The City's General Plan 2025 includes an adopted standard of 9 acres of park land per 1,000 residents. The nine-acre requirement is divided into three acres each for neighborhood, city-wide, and open space areas. This requirement has historically been met through the dedication of park land by developers. Credits are granted against the 9 acre per 1,000 population standard. Variation has only been applied to the value of open space, not specifically for active recreation.

Parks Operations operates with maintenance level of service standards. However, staff members commented about having a difficult time adhering to the standards as a result of lack of staff. Nonetheless, according to the 2012-2013 Annual Report, Parks met or exceeded satisfaction levels 98% of the time. The Parks Division has a quality assurance program in place with documented monthly inspections. There is a playground inspection crew that inspects playgrounds on a monthly basis as well. Inspections are done manually.

Much of park maintenance has been contracted. Park Supervisors and Sr. Parks Maintenance Workers are responsible for auditing the quality of contract work and internal maintenance functions. A narrative of contract maintenance appears later in the report.

There are plans developed to guide the Department's product quality including the Urban Forest Master Plan and Cultural Arts and Entertainment Master Plan. A 2013 Needs Assessment was completed that outlined resident needs and recommendations for the Department.

The Library's Strategic Plan and its "Edge Action Plan for the Roseville Library" chart a course of improving the offerings of the Library in keeping with the expressed needs of the community and library industry best practices. Edge benchmarks is a national public library tool to use in planning and continuously improving public access technology. The Library has a strategic plan, based on a public process; it has used the Edge assessment and has an action plan for improving public access technology.

Park Planning and Development Division has a Departmental inspector. At one time there were three maintenance staff that performed these inspections as part of their regular duties, but now there is one dedicated staff inspector who reports to the Park Planning and Development Superintendent. Having one staff person involved in these inspections is difficult from a work load perspective.

There are also inspections by other City Departments, in addition to park development inspections. Post construction evaluations are performed when new parks are completed as a way of continuously improving processes. This includes a post construction walk through at the site and analysis of why decisions were made and what can be done differently next time. Park construction standards were revised during 2012-13 and is updated every 2 years. The Department completed all park asset/GIS mapping data sets for the Enterprise Asset Management program.

Recreation completes an annual program analysis process in addition to ongoing program evaluations. This includes a Program Analysis Worksheet that ensures better product quality. Program evaluations are done seasonally, three times a year. This information is documented on a program analysis sheet. At an annual retreat for recreation, staff members discuss all of the issues related to programming, such as what went well and what did not go well. A determination is made to reposition the program or to stop offering the program.

The worksheet includes information relating to program goals, description, pricing, program and facility information, and required certifications. In addition to the Program Proposal Worksheet, staff members also prepare a Post Program Analysis that outlines an extensive amount of information related to program offerings. Information includes: revenue and expense information, non-instructor time allocation, pricing policy level, instructor costs, attendance information, and financial analysis. In addition to objective data, Supervisors are encouraged to provide subjective narratives to explain the overall specifics of coordinating the classes, level of difficulty, and customer comments.

Recreation has used importance performance surveys to determine what is most important to customers. There is no system wide approach to the development of quality standards in Recreation. Front desk mentioned not having enough process manuals to guide them. This also affects product quality and creates a longer learning curve during the onboarding process. According to staff and in reviewing staffing numbers, the Department relies heavily on part-time staff for recreation operations, including facility management. Turnover of part-time staff affects product quality, but this is not quantified.

As a part of product quality, the Consulting Team reviewed program offerings and developed a listing of core programs, age segment analysis, and how well core programs match up with participation rates from the 2013 Needs Assessment, Sports and Leisure Market Potential information. This information appears in an Appendix.

Program staff generally try to use a similar format for program evaluations, but with some variation that relates to specific programs. This is detailed more thoroughly in the discussion of customer satisfaction.

The definition for the Department's Product Quality attribute includes the creation of exceptional experiences. The Department aspires to being the leader in creating a healthy community through progressive, sustainable and memorable experience. Staff members have a keen awareness of the importance of the provision of exceptional experience. Product quality and the creation of exceptional experiences were "top of mind" responses provided by employees during focus group meetings.

OPPORTUNITIES FOR IMPROVEMENT

- Measure the cost of part-time turnover to determine its impact on product quality. Identify root causes for turnover, document, and identify ways to improve. This can be done with an exit interview, or simply a one page checklist or evaluation for employees to complete.
- Develop a way to measure the Department's commitment to mission fulfillment by identifying the Department's ability to create exceptional experiences.
- Standards are not consistently applied throughout the Department. All areas of the Department should have standards in place: park development, park maintenance, library, museum, and recreation programs and services. This includes safety standards, customer service standards, operational standards, and program standards.
- In order to identify how well standards are being met, specifications and audits need to be developed throughout the Department. This is currently being done in parks and needs to occur in all areas of the Department.
- The Product Quality attribute includes the need to identify customer requirements; therefore, each core program and facility should have the most significant customer requirements identified.
- This attribute also requires the need to identify how well expectations are being met. This suggests the need to have a formal process in identifying how well expectations are being met and/or exceeded in programs and services.
- There are recommendations from various plans the Department has completed, but evidence of action plans for completing recommendations or processes to integrate the plans into overall Departmental strategy needs to be strengthened.

CUSTOMER SATISFACTION

Creates a Voice of the Customer system by engaging customers and building relationships with customers, in an effort to exceed customer expectations. This includes an ongoing customer listening process, determination of satisfaction through a system-wide measurement process, satisfaction relative to competitors, customer support processes, and use of customer data to improve the service delivery process. This also includes processes to manage relationships with customers and build customer retention. Department desires to be considered a good value by our residents.

CURRENT CONDITIONS

Staff members universally agree that customers are satisfied with services. This perspective is based somewhat on quantifiable information from the 2013 Needs Assessment survey, and mostly from anecdotal information from interactions with customers and personal intuition about service quality. An absence of calls from the public indicates good customer satisfaction, according to staff. Wait lists for swim lessons indicates high level of satisfaction and brand recognition for the program. There are frequent interactions between customers and staff. This is evident throughout the entire system. There is a Parks and Recreation Commission, Youth Sports Coalition, Library Board and Friends group to ensure ongoing communication with Roseville residents. In addition, there is a Youth Commission Member on both the Library Board and Parks and Recreation Commission.

The staff frequently mentioned the attention given to customer service; as a result, service quality and a focus on the customer is an important element of organizational culture and is top of mind for employees. In discussions with staff, the prevailing attitude includes having an emphasis on customer service.

ASSESSING CUSTOMER SATISFACTION

The primary methods for assessing customer satisfaction include the 2013 Needs Assessment, Library strategic planning process, surveys, the use of customer comment boxes and program evaluations. In addition, the Parks Division has a complaint form. On occasion, focus groups are facilitated for specific topic areas. When a new facility is built, customers are asked about their likes and dislikes, but no formal process exists. No customer satisfaction process exists for park development feedback. Open Space staff dedicates time toward educating residents on an informal basis.

The 2013 Needs Assessment included a 700 response online survey, a questionnaire distributed to 14 sports organizations, and a statistically valid community wide telephone survey of 200. The Needs Assessment addressed future needs for facilities and park acreage and amenities. According to the Needs Assessment, 98% of residents are somewhat satisfied, satisfied, or very satisfied with recreation facilities and programs. Of that 98%, 63% from the questionnaire and 77% from the survey expressed being very satisfied and 35% from the questionnaire and 21% from the survey expressed being somewhat satisfied.

In addition, an Arts and Entertainment Strategic Plan was completed in 2014 in which eleven key strategies were recommended for developing and leveraging Roseville's arts and entertainment opportunities. This process included extensive community engagement.

The Library implemented a January 2012 survey with over 1,300 respondents. Survey respondents suggested improvements. Most of these fell into five categories:

- Desire for more hours
- More staff assistance and programs
- Improved collections and collection services
- Improved online services
- Facility improvements.

According to the community survey conducted in January 2012 by the Library for strategic planning purposes, 98% of over 1,300 respondents rated the “overall value received of their experience of the Library “as good, very good, or excellent.” Nearly 61% rated the overall value received as excellent. The highest percentage of excellent ratings went to staff courteousness, assistance from staff, cleanliness of the library and care of the grounds, and convenience of the library locations.

Recreation and Library staff members assess customer satisfaction through a program evaluation process. Survey monkey is used as an evaluative tool for day camps, but the response is low, according to staff. The aquatics program area uses a Guest Comment Card to determine customer satisfaction toward front counter/concession staff, lifeguard staff, and facility attributes. Quarterly meetings are held with the Youth Sports Coalition to get feedback about field conditions. In addition athletic field quality is evaluated by user groups, program, and tournament participants. There is not a process in place to measure customer satisfaction with new parks.

There is an absence of a framework for the service delivery system. There is inconsistency in how service policies are applied system wide. For example, one staff person may not have the latitude to issue a refund to a customer without checking with the program staff. Other staff members have the latitude to issue a refund. Therefore, service delivery is determined by the individual philosophy of supervisory staff. Some supervisors have a more liberal approach to customers than others.

Inadequate technology and staffing levels are two areas that impact service quality in all areas of the Department. The intermittent effectiveness of Wi-fi has been problematic for all areas of the Department, with a resultant impact on customer satisfaction.

Many part-time employees are doing the work of what typically is performed by full-time employees. As an example, facility oversight responsibilities are handled extensively by part-time staff. As additional amenities and services have developed, there has not been a correlating increase in staffing levels. There are employees designated as “temporary,” though they have worked for the Department for years.

There is no formal process in place to handle customer dissatisfaction. Some frequent customer issues include:

- Open Space staff deal with encroachment, trees, and vegetation management as their most frequent customer issue.
- Internet Wi-fi access.

STAFF TRAINING

Various types of customer service training are offered throughout the Department. This could be strengthened by having a consistent system wide approach. Individual supervisors develop training in their respective areas. Staff members primarily learn about service through on the job learning. The Library as well as other areas of the Department provide cross training, which can help to strengthen the service delivery process. On the other hand, this creates some difficulty for staff in knowing who to go to when assistance is needed as staff change responsibilities.

There is no system wide training for the program registration process for Recreation staff. At some facilities, a fellow staff person helps a new staff person learn Class registration software training. At one time there was a Class manual, but it is no longer used. Therefore, there is no standardized approach to learning the registration software system. In many areas, such as Adventure Club, there is a lack of procedural manuals for processes and protocols. There have been attempts to write procedures, but staff members do not have the time to develop and update policies and procedures.

Most areas of the Department have an onboarding process. The Library uses a checklist for orientation of new staff. Satisfaction toward the onboarding process is not measured.

Information sharing between Recreation and Library staff and front desk staff occurs. Library staff members receive meeting minutes as a way of fostering information sharing. Department staff members review the program guide in meetings with front desk staff. More information is entered on the intranet. Though, with the amount of information involved in all of the programs and services, this is an area that could be strengthened.

There is a peer to peer recognition program for good service. Staff commented that they would like to receive more recognition from supervisors.

INTERNAL CUSTOMER SATISFACTION THROUGHOUT THE DEPARTMENT

There is a feeling among the employees that the Parks, Recreation and Libraries Department is a good partner to other City Departments. This is confirmed by the results of a City Department head questionnaire that asked directors about working with PR&L. The results showed excellent partnership abilities by the Department.

Within the Department, a consensus of employees agree that good internal service exists by support functions, but it is somewhat short of the ideal. Some staff mentioned this resulting, in part, of feeling stretched in their jobs and not enough time to cultivate relationships internally.

More attention is given to external, rather than internal service. For example, efforts in assessing external customer satisfaction have been made, but no formal processes exist for the determination of internal customer satisfaction. Customer requirements for internal service have not been identified. However, during employee interviews, employees generally had positive experiences with the quality of internal support provided by areas such as administration and park maintenance.

CUSTOMER RETENTION AND BUILDING RELATIONSHIPS WITH CUSTOMERS

Program quality is used as a driver to build repeat business. Many staff expressed the opinion that good customer retention exists, though there is not data to support this.

The Department leverages social media and other forms of marketing such as the program guide and website to build relationships with customers.

Customer retention and building relationships with customers can also be strengthened by creating a loyalty program, with discounts or rewards given for repeat customers.

OPPORTUNITIES FOR IMPROVEMENT

- While there is an awareness of meeting and exceeding customer expectations and needs, there are no standardized processes in place to verify the Department's ability to meet/exceed customer expectations. Customer requirements are not defined (the product and service elements most important to the customer), with the exception of the use of the importance performance survey tool used by Recreation.
- There are not service or product standards in place. Service variation among the various facilities is one of the most significant gaps in service delivery. This is a result of an absence of policies in place. An example is staff handling refunds differently.
- Develop a technology plan for the Department to ensure technology is used to improve service.



- ISO 9000:2001 (International Standards Organization) develops standards for various industries worldwide and includes four important components in developing an overall excellent customer satisfaction system. These four components include:
 - Top management commitment
 - On-going needs assessment of customers
 - Overall customer satisfaction system
 - Overall customer dissatisfaction system
- The Department does have top management commitment toward the importance of service. Additionally, the Department has completed a needs assessment of customers and should continue these on a regular basis, typically every five years.
- There is no systematic approach to measuring customer satisfaction or a formal listening process aside from program evaluations. Most of the assessment of satisfaction comes anecdotally and from program evaluations. A few staff mentioned the success in retaining customers, but there is no data to support that retention is at a good level. Processes need to be implemented to ensure that improvements from customer feedback are acted upon.
- Best practice park and recreation systems have a cross functional team involved in managing the service system. This team of employees can monitor ongoing service improvements throughout the Department.
- Track and measure customer retention for program areas such as swim lessons, memberships, etc.

- The American Customer Satisfaction Index developed by the University of Michigan suggests measuring three areas to determine total customer satisfaction: overall system wide customer satisfaction, likelihood of customer repurchase, and customer referral percentage.
- Utilize other means of assessing customer satisfaction including focus groups, mystery shopping, online engagement tools, customer defection research, finding out why people do not participate in programs, etc.

EMPLOYEE LEADERSHIP AND DEVELOPMENT

Recruits and retains a workforce that is competent, motivated, adaptive, safe-working, and values people. Establishes a participatory, collaborative organization dedicated to continual learning and improvement. This includes successful deployment of mission, vision and values, and promoting ethical and legal behavior. Ensures employee institutional knowledge is retained and improved upon over time. Provides a focus and emphasis on opportunities for professional and leadership development and strives to create an integrated, well-coordinated team.

CURRENT CONDITIONS

No inappropriate behaviors, ethical breaches or legal problems were reported or detected. Employees at all levels displayed a mature and respectful attitude towards the City government, elected officials, other Departments and residents/system users. The general attitude and culture in PR&L is one of pride in the City, enjoyment of one's career and a belief there is no challenge that can't be met.

In conversations with employees, three overriding concerns exist at all levels: 1) the on-going financial strength of the City related to a sense that the level of service has started to or will decline, 2) the number of miscellaneous issues that seem to be unresolved and 3) the Department is operating on a shoestring – that certain employees are experiencing a high level of stress as they try to handle their increased workload from prior reductions in staff.

The rate of employee turn-over is not known by the Department. Though, according to staff, full-time employee retention is very good; turnover occurs within part-time positions. It would be helpful for the Human Resources Department to provide a report that tracks/measures full-time and permanent part-time employee turnover rates. Human Resources could also assist with measuring cycle time of hiring as Management members and other employees throughout the Department expressed concern that the cycle-time for hiring new employees was slow and the overall process is in need of better definition. A discussion regarding the usefulness of receiving a report from HR for a report that tracks/measures the cycle-time for new hires was started.

In addition, discussion regarding employee exit interview responses was started. HR conducts exit interviews and advises PR&L as it determines appropriate.

Genuine respect and willingness to follow the Director exists. The Director is considered thoughtful, smart, communicative and possesses the leadership skills the Department needs. It appears the Director enjoys a high level of respect throughout the City organization.

Because the Director is a skilled communicator and possesses the talent (knowledge and skill) needed for his position, there exists a high degree of dependence on him. The Director is also involved in many City-wide initiatives/committees. The City Manager's Office appreciates his skills and seeks his broader involvement.

The natural consequence is that the Director's time is squeezed and access to him is sometimes difficult. Consequently, three important high-level issues result. First, members of the PR&L Management need ongoing exposure to their Director's leadership/problem solving skills. This is the reality of present circumstances. The deployment and availability of the Director's skill set is critical to the Department's present and near-term success/performance. Second, at the same time, there is a need to set higher expectations for the development of the inner circles leadership skills. Third, there is a need to reorganize the Management in a manner that increases collaboration and accountability at the Management level and deeper into the Department. These matters are discussed in other appropriate sections of this report.

Some minor conflict exists between levels/divisions of PR&L. Some front line employees feel their expertise isn't sought out by management. One employee mentioned, with others agreeing, that management "wants to tell us what to do and not talk to us." We note that employees at all levels appreciate their jobs and opportunities for growth. Existing conflicts or disagreement are minor and well within what we observe as normal for a complex organization such as PR&L.

For reasons expressed above and in other Attributes, we find the beneficial concepts of "successful deployment of mission, vision and values" and "dedicate to continual learning and improvement" to be present in PR&L and at the same time difficult to track and highly informal.

There is clear deployment of the mission, vision and values in the daily administration of Departmental services. There is ongoing clear evidence of continuous improvement in the way employees at all levels see problems, solve problems and in some cases improve a level of service. For example, based on demand, employees measured the list of Roseville residents they had to put on a wait list or held over for future classes. Staff responded by giving residents priority registration for a limited period of time. In doing so, staff measured and thought through possible financial and service impacts.

The point is that staff uses measures and their own ingenuity continuously to improve services. The above example is not rare. The Consulting Team heard and observed multiple stories of similar efforts to improve operations and service at all levels and divisions of the Department. There are examples throughout this report. The Department lacks a “Brag Book.” With this said, there is a need for formal process improvement training.

The Department has a wide-ranging professional development program with training and standards for which PR&L benefits. Virtually all employees talked about the City/Department’s willingness to provide resources for training. There is a training team within the Department.

Related to professional development, some employees have experienced training in scorecards and Lean Six Sigma, but others have not. To utilize this training better, the Department will need an overall management plan that places emphasis on specific needs and new skills. That is, to address current and relevant needs, there needs to be a skills strategy for all employees – especially mid-management and above. This training must be required and linked to Department wide initiatives. The Department’s training team has begun this process through their competency development process.

The Department has determined the leadership competencies for its employees. This is a well-defined process in which 16 competencies have been identified. In addition, there is a supervisory academy for the Department which offers training such as goal setting and communications.

Management and mid-level supervisors lack training in critical areas that apply to process improvement and project management. This leads to a Department wide observation:

- Employees at every level expressed uncertainty over priorities and processes.
- There is no consistent process improvement system/training. When it comes to process improvement, employees act on their own. This approach can be acceptable but limits options and degrees of innovation when proven process improvement techniques are not known or deployed.

There is an ongoing seasonal orientation process; there is a process for new full-time staff orientation, but employees feel for the most part, they learn on the job and need to get up to speed very quickly. This is particularly true for part-time employees.

Parks staff members attend maintenance management school, irrigation staff members are certified in water management, and there are certified playground inspectors and certified pool operators. Parks has developed a job advancement program.

A succession plan to develop leadership bench strength is not in place.

OPPORTUNITIES FOR IMPROVEMENT

- In conjunction with related opportunities (specifically within the attributes of Operational Strength and Operational Optimization), training recommendations and system change/improvements include:
 - a. In order to address divisional and cross functional system improvements and to make this a long term part of PR&L's culture, all employees in supervisory, managerial and leadership positions should participate in the following types of professional development:
 - i. Process training improves the efficiency and effectiveness of programs and services. This skill is essential in an environment of financial uncertainty, and calls for increased innovation. Such training can also help encourage and cause cross functional collaboration.
 - ii. While many staff have received training related to project management, this is a skill that can be cascaded through all levels of the organization.
 - iii. Management system: A management system is a means to oversee and track the performance of the Department. A management system such as the Balanced Scorecard serves to integrate strategy with execution. A management system organizes priorities, ensures that all key parts of the organization are addressed, sets and organizes measures tied to strategy and organizes projects and process improvements.
- Continue work in the development and deployment of leadership competencies.
- PR&L should receive a quarterly report that discloses the results of all exit interviews. All information deemed sensitive, urgent and relative to current operations (e.g., safety issue, supervisory performance, etc.), should be brought to the attention of the Director as soon as possible and not held for a quarterly report.
- The Director and/or the Business Administrator should have quarterly open-dialogue meetings with front-line employees. The leaders should encourage courageous feedback.
- Develop a succession plan for the senior leadership positions of the Department.
- Improve the onboarding process for employees, and provide employees with the opportunity to evaluate the process.

OPERATIONAL OPTIMIZATION

Continuously improving efficiency and effectiveness of work systems. Designs and innovates work systems to maximize return on investment of resources, minimize redundancy, and work standardization, where appropriate. Controls overall costs of work systems and prevents defects, service errors and rework. Balances revenue generation with subsidies for programs and services that have high social value.

CURRENT CONDITIONS

Given the reduction in resources over the last several years, the Department has intuitively developed ways to do more with less. As noted later in the report, staffing levels have dropped by 31% during the last several years. The Department relies heavily on revenue generation, which is a way to augment service delivery. In addition, volunteers are used extensively. The Department has surpassed budget goals through reduction of expenses. Parks staff members are working with the City in the implementation of Maximo, the automated maintenance management system.

The Library's output performance over the past five years has increased in nearly every measure, even while budget resources have diminished. Selected public service transactions (SPSTs) have increased by 53%: circulation by 54%, visits by 23%, program offerings by 133%, program attendance by 200%, reference transactions by 30%.

The Library staff have economized back-of-house operations, especially technical services including acquisitions, cataloging, and processing of collections. It has improved labor-intensive processes through the introduction of radio frequency identification (RFID), self-checkout machines, and automated materials handling (AMH). These technologies reduce staff handling of materials and expedite check out for customers as multiple items can be automatically scanned at once for checkout and check in.

AMH mechanically sorts all returned items for re-shelving. These systems together improve customer service, reduce labor-intensive handling of materials by staff, reduce the risk of repetitive motion injury, improve inventory control and security of resources, and enable the Library to deploy staff for direct public service.

Recreation goes through an ongoing program analysis process. The goals of the analysis process are to review program development and to evaluate ways of growing programs that are popular or retiring programs that are no longer doing well.

DEPARTMENTAL LEADERSHIP'S RELATIONSHIP TO OPTIMIZATION

At first glance, PR&L is organized as a typical Parks and Recreation Department. The additional responsibility for the Library and the Maidu Museum creates added time and issue pressure on the Director. Our observation is that the benefits of this alignment surpass any difficulties. The alignment is complimentary and raises the entire team's relevance and skills. The current Director's broad based leadership skill makes the structure work.

The Director's time is limited due to other responsibilities throughout the City. We do not see any deep integration of Library services into Parks and Recreation or vice versa. The separation is obvious. It also works. We endorse this structure (having the Library report to the P&R Director). More should be done to cause the Library to feel a greater part of the team which is slanted towards issues and themes that are more parks and recreation oriented.

The OPA process surfaced Departmental structural and process issues as follows:

While the team is collegial, the team works in distinct and historical silos. Though, the Department continues to evolve into a more unified team.

While there are cross functional teams for areas such as safety, cross-functional work can be more fully developed and is one of the reasons why the dependency for direction is vertical and not collaborative. For example, a key function of the Management is to be/stay informed of City and Departmental matters, to air opinions and to hear requests/asks from others. This is not unusual. A more deeply cross functional Management would have multiple project and process responsibilities that it actively drives to completion. We believe it is this type of organization that PR&L should evolve into. This is explained in more detail elsewhere and under various “Opportunity” sections.

Management members and other levels of supervisors could not identify a list of overall Departmental responsibilities or issues that the Management was (or is) responsible for. Critical issues such as the budget are seen as the Director’s concern and Management members hold responsibility for implementing the direction. Why is this important? PR&L embraces a broad set of service responsibilities and issues management. The natural result is that there are a number of “orphaned” issues. That is, an issue is acknowledged, but the management of the issue is not.

This is apparent with several issues such as intermittent Wi-Fi reception, janitorial contract issues, some safety practices and use of measures. This was noted in the employee online survey and received the highest levels of dissatisfaction. Better issue management (a part of project management) is an important need for the Department.

PROCESS MANAGEMENT

Another key element of Operational Optimization includes management of process and continuously improving processes. There is a lack of written process documentation throughout the Department. The Department should document how the organization designs, manages, and improves key processes to deliver customer value and achieve organizational success and sustainability. The management of process includes two areas of performance: work process design and work process management.

Design concepts include how processes are developed and improved to meet customer requirements. The first step is to identify key work processes. Secondly, key requirements for the processes need to be identified. This includes reviewing use of new technology, organizational knowledge, product excellence, and the potential need for agility into these processes. Processes should incorporate cycle time, productivity, cost control, and other efficiency and effectiveness.

The management of work processes includes ensuring how they meet key customer requirements, and the identification of key performance indicators for the control and improvement of processes.

There are opportunities to develop standard work techniques in order to strengthen quality of services, as well as improving staff efficiency. The concept of “standard work” comes from a body of knowledge from Office Kaizen, or a system of reducing waste such as inefficiencies that exist in office environments. Standard work is defined as the best way to do the job that is currently known. The “best way” can be defined in many ways. A useful description is that standard work is the safest way to complete the task with outstanding quality that meets the output needs of the organization and provides superior customer satisfaction.

There are examples of staff who do a great job, but the way they do it evolved by itself and, even if it is superior, is not an established standard for everyone. The lack of standard work contributes to errors and variability in process outcomes. If five workers each do a task in a slightly different manner, it is often difficult to determine the cause of the mistakes

Additionally, when those five train the next five employees, the differences between them usually become greater as the new workers add their own well-intentioned embellishments. For these reasons, standard work is a bedrock principle of world-class work environments. It is usually developed by a team or involving the workers, their supervisor, the process customers, and so on. The team analyzes the performance requirements of the task. They review how everyone does the task and then decide the single best way to do it. This is often accomplished by the group constructing a flowchart of the process and discovering the different decisions, job aids, and judgments that the various workers employ. The final determination of the best way might require some experimentation and testing.

Once the best way to do the task is determined, it is documented and perhaps accompanied by a flowchart or task list. The standard work techniques are then documented in procedural manuals to guide employees in how to best accomplish work. It is very important. The development of check lists or how-to-guides are effective tools to use for standard work. This information is particularly helpful for new staff, both full-time and part-time.

OPPORTUNITIES FOR IMPROVEMENT

- Development of a more cross functional approach to issue resolution and significant organizational initiatives.
- Developing process manuals as needed.
- Identifying key customer requirements for core programs and services.
- Identification of key organizational processes, key customer requirements, and the development of an institutionalized system for improving the process.
- Create a strategic plan.

FINANCIAL VIABILITY

Manages financial resources and allocates them according to the highest and greatest need. Optimizes financial resources through revenue growth, balanced with social return on investment. Continuously grows alternative revenue to support added value programs. Identifies true costs of programs and acceptable cost recovery percentages, in line with the pricing policy. Ensures strong internal financial controls.

CURRENT CONDITIONS

A significant strength for the Department is ongoing financial reporting. Multiple reports exist to determine financial conditions and allocation of resources. This includes the Annual Report, which details budget information such as identification of revenue sources, and how money is spent. The Department also produces a monthly Budget Analysis report, which provides timely information on revenue and expenses within the various cost centers as well as totals for the three operating divisions: Parks, Recreation and Libraries.

The Department has proven to be an excellent steward of financial resources. As an example, in each of the last four years, the Department has exceeded budget goals from budget to actual. Although actual revenues have been lower than budgeted, expenses have been significantly lower. As a result, there has been a net gain from what was initially budgeted. The net gain in the last two years, in particular, has been impressive.

Net Gain Budget to Actual

<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>
\$110,105	\$182,481	\$482,036	\$596,474

Forty-two percent of the Department’s total expense budget is tax supported, as outlined in the 2012-2013 Annual Report. During that reporting period, \$11.4 million of revenues came from the General Fund and \$15.8 million was generated from fees and other funds. According to the National Recreation and Park Association’s PRORAGIS National Database Report, consisting of over 500 agencies nationwide, the average agency receives tax support of 70% of total expenses. For Roseville, the percent of non-tax revenue is 52%. Of total expenses of \$25.5 million according to the Annual Report, 41% is dedicated toward parks, open space, and streetscapes.

The City of Roseville has established several different funding mechanisms to ensure development of its park lands. These include its Neighborhood Park Fees, Citywide Park Fees, Pooled Unit Transfer Fees, In Lieu Park Land and/or Development Fees, Landscape and Lighting, Community Facilities Districts for services, Tree Mitigation, Public Facilities Fee, and Grants.

In addition to these funding sources, the Department is proactively researching other sustainable forms of revenue. Possible opportunities identified include:

- Parcel Tax
- Property Assessments
- Transient Occupancy Tax
- Partnerships/Foundations/Charities
- Grants
- Continuous review of user fees

In 2014, The Department developed an Evaluation of Opportunities to Increase Revenue, including research on taxing mechanisms and property assessments, Community Facility Districts, fee increases, grants, foundations, and partnerships.

The Library currently has a Friends group that assists with fund raising efforts, but there is nothing similar for Parks and Recreation. Many park and recreation agencies nationwide have developed corporate sponsorship programs and naming rights opportunities. PR&L does not have a centralized approach to these areas and may provide additional revenue.

In addition, the Department augments its resources with the use of volunteers. The Department utilized 22,950 volunteer hours, which equates to a value of \$568,000. This compares to a national median number of hours of 4,663 for parks and recreation agencies. The library uses volunteers more extensively than other areas of the Department and comprises 38% of total volunteer hours.

The City partners with Placer Valley Tourism to attract tournaments and events such as US Synchronized Swimming Masters Swim Meet and ASA 14 & Under National Girls Softball Tournament. Expenses, revenues, and impact of these events are quantified and bring additional tourism dollars into the City.

The Department developed a Pricing Policy in 2013 that includes pricing objectives, pricing strategies, and identification of core services for the Department. In addition, the Policy includes five classifications of services, from a highly individual benefit to a community benefit. Additionally, the Policy outlines target cost recovery rates of service and facility operations, as well as guidelines for indirect and direct charges. The Pricing Policy is detailed and includes all of the customer elements of pricing parks and recreation services. However, at times the Policy is not followed when doing so would increase the program's current general fund subsidy. In addition, a subsequent step is to determine true costs of service by calculating both direct and indirect costs. Indirect costs include administrative support costs.



FINANCIAL POLICIES

The following information provides detail about various financial policies, and the Department's adherence to policies.

PURCHASING GUIDELINES

Although there is no indication Department staff is violating purchasing procedures, the procedures in place impact efficiency. Additionally, there are some policies in place that impact internal controls. Examples of this include:

- Limits on P-Card transactions by dollar amounts.
- The need to write up an entire justification for purchases relative to IT.
- The policies surrounding Holds on Encumbrances should be refined. If a staff member goes over budget with a vendor or line item, the City delays purchasing items unnecessarily.
- Reduction in the frequency of check runs.

Budget Blocks- City management places a hold on purchases for possible overspending when a program budget is fully encumbered rather than fully spent. This requires staff to spend time reducing multiple encumbrances before payments are made or new purchase orders issued.

Blanket Purchase Orders/Open Service Agreements - To comply with purchasing requirements, staff create blanket purchase orders at frequent businesses in advance of actual purchases. This practice contributes to budget blocks.

Capital Outlay - City policy defines a capital outlay as any purchase over \$5,000 and has a useful life of more than two years. The City should consider significantly raising the threshold. With the current cost of goods in 2014, an item costing \$5,000 would more likely be classified as a supply. At minimum, the City should review when it last increased the threshold for capital outlays. This is particularly significant as any item deemed a capital outlay requires the approval of the Budget Division of the Finance Department as well as purchasing once again and slowing down processes.

City Credit Card - The City credit card should be expanded to more staff as vendors providing purchasing cards have adequate protection from misuse. Likewise, the amount per purchase, as long as it is included in the budget should be increased beyond its current \$1,000 threshold. In addition to speeding up operations through the immediate acquisition of particular goods, it will also reduce processing time and thus overhead and likely result in a rebate to the City depending on the card. Further, because of the limited number of cards issued, the City is not realizing the greatest benefit of having a card program in place. Purchase card programs greatly enhance the efficiency of the purchasing process. Additionally, the marketplace protects issuers as most cards have fraud protection built in.

In discussion with staff, the process is not very well automated on the back end. The City could simplify this process for the staff work with a card vendor that will deliver these services.

Frequency of Payments - Although it is understandable from an efficiency standpoint that checks are processed only once every two weeks, the staff expressed a great deal of frustration over this policy. Clarification of the Emergency Check guidelines may resolve issues with late payments.

Travel/Lodging/Meal Expenses and Cell Phone Policies - These policies are likely outdated with respect to long distance calls as it is assumed that most individuals who will be allowed to travel likely have cellular telephones and thus will not incur long distance charges. The personal use of cell phone policy is vague and should be clarified to identify what specific costs will be reimbursed. Perhaps the City should consider a basic reimbursement level for all personal cell phones.

Technology - Frustration with respect to technology was the next major challenge uncovered during the process. This was expressed universally throughout the discussion.

As in the case with purchasing, technology presents obstacles to completing operations in an efficient manner. Further, the lack of technology support has internal control implications. Case in point, a major initiative for the Roseville Community was the development of Vernon Street in front of Town Square. It is the goal to offer events on a weekly basis. However, running these events has become a cash basis operation because staff is unable to find a solution to accept credit cards. Cash handling is perhaps the most important internal control and the most easily abused. In light of the technology available, this is a situation that could and should be corrected. (In October of 2014 mobile credit card devices went into use. This approach to processing credit card transactions may resolve some concerns.)

Other Internal Control Weaknesses - One of the largest yet easiest to correct weaknesses in internal control is the fact that many of the policies aren't written. Staff believes that it has strong controls. However, without clear policies and procedures, assimilating new staff to follow these procedures becomes far more difficult. Further lack of written procedures makes it more difficult to hold staff accountable.

PR&L Administration - Core staff totals five staff and has been cut in half over the last several years as departing staff have not been replaced. Staff reports work that they would like to do simply can't get completed. An example includes developing more written policies related to cash control.

DEPARTMENT STAFFING

OPPORTUNITIES FOR IMPROVEMENT

- Provide training for employees about the financial system in order for employees to have a better understanding of how finances work. This was one of the lower scoring areas of the employee survey.
- Continue efforts in pursuing and growing alternative revenues.
- Develop more written policies relating to internal control and cash control.
- Create a centralized function related toward corporate support and sponsorships. This could be a contractual position, resulting in low expense for the Department.
- Work with other City Departments to identify ways to reduce barriers to efficiency in established policies and procedures.
- Calculate the economic impact of park and recreation services.

INFRASTRUCTURE STABILITY

Understands the condition of and costs associated with infrastructure assets. Maintains and enhances assets over the long term at the appropriate life-cycle cost and acceptable risk. Repair projects are coordinated within the community and staff members to minimize disruptions; Maintains and reinvests in facilities and technology.

CURRENT CONDITION

PR&L has multiple and well-organized infrastructure plans. Related documentation and reports include:

1. Asset Summary (Excel) inclusive of:
 - a. Specialty Feature Refurbishment
 - b. Play Area Replacement and Safety
 - c. Playground structures to be removed
 - d. Aquatics upgrades
 - e. Adventure Club
 - f. Golf Course Maintenance
 - g. Tenant Improvements
2. Asset Recycle Tracking
3. 5 Year Asset Reinvestment Plan with “Tracking” back to the year 2000
4. Numerous Park Maintenance Plans
5. Parks and Facilities Rehab Plan
6. Pool Rehab Plan

These planning documents are thorough and can provide the user with the information/data needed to maintain and replace assets while being aware of estimated cost. Natural features are also considered infrastructure. Of note:

- City of Roseville Open Space - Preserve Overarching Management Plan (2011)
- Urban Forest Master Plan (2014)

PR&L staff has an advanced grasp on the conditions and cost of PR&L assets.

As a general observation, and after visiting numerous parks and facilities, the Consulting Team notes how particular PR&L is in regards to exterior maintenance. With perhaps no exception, there is a welcome precision and sharpness in the way fields, parkways, parking lots, walkway entrances and related assets appear.

The Consulting Team recognizes that a longer term drought is likely to have a significant effect on some if not all large mowing areas and open space areas. Any current standards for how these areas should appear may need to be adjusted accordingly. Based on our general observations the employee team and contractors do an outstanding job maintaining parks and open space assets.

We note building remodeling underway at the Maidu Library with the goal of better serving residents and customers. We also note the painstaking effort to keep the work area safe amidst the presence of patrons.

The Consulting Team had numerous conversations with PR&L staff regarding the on-going efforts to market and rent PR&L facilities. PR&L has a high level of awareness of facility marketing (including a Plan) and the challenges faced when competing for rental space. A concern that PR&L facilities are “worn down” and don’t have the same “wow factor” as newer private facilities was expressed.

Wi-Fi inconsistency for public use was mentioned in one of the planning documents and during interviews. This matter detracts the public from using a facility.

OPPORTUNITIES FOR IMPROVEMENT

- Each year, some assets are not maintained or replaced as planned. PR&L should publish an annual Maintenance and Replacement Gap Report to track what isn’t being addressed based on adopted/used plans (formal or informal). PR&L and the City (officials and citizens) should know how the Department is progressing in terms of asset maintenance and replacement. Reasons for delay can be obvious and necessary. Reasoning may include reassessment of an assets useful life and lack of funding/delayed funding.
- Develop a Library facility master plan with operational and capital cost estimates.
- The Urban Forest Master Plan is a magnificent document (thorough, colorful and professional). The Consulting Team applauds this effort. The Consulting Team is concerned that many critical points (recommendations) addressed in the report are sometimes too subtle and buried in the findings. PR&L needs to have a plan so that the key actions and recommendations in the report are raised with the appropriate officials via Departmental strategy and budget proposals. The overall Plan is exhaustive and may be too cumbersome/difficult for officials and the public to respond to. Finding a simple way to convey the passion, critical needs, ideas and vision of the urban forester is an imperative.
- With respect to renting/marketing facilities, the Consulting Team sees PR&L facilities, as a whole, meeting two criteria for public consideration:
 - That PR&L facilities are unique as public assets and this alone is attractive.
 - That the amount of competition and the age of some facilities, PR&L is mostly a strong middle market player. To compete, the Department should continuously analyze the rates and types of facilities offered in the marketplace.

- Roseville provides Wi-Fi to employees and visitors. We heard numerous comments during interviews that the system is unreliable (“frequent outages”) for employees and visitors. No Department employee was familiar with any specific plans to improve the systems reliability. Our observation is that there are likely key technical issues that cannot be corrected without significant costs and some technical redesign. We recognize that there could be other reasons why the system is unreliable including procurement issues that could be in the process of a resolution. Although we did not complete a technical review of the system, we are highly experienced with quality standards for such systems. Building a reliable Wi-Fi system can be technically difficult and expensive. Specific Wi-Fi standards are well known in the industry and are routinely built.
- There was some discussion about the replacement or construction of PR&L public buildings. While analysis of the plans is beyond the Consulting Teams scope of services, we caution planners and decision makers regarding the changing environment around large public sector construction projects and new debt – even with earmarked funds. In our opinion, PR&L needs to have a current and well-funded multi-year financing plan related to current operations and capital replacement. Given operating costs that are on the rise, developing a well-funded and practical plan for new buildings will be difficult. The competition for new dollars is fierce.

Elsewhere, in this report, the Consulting Team has recommended the adoption of a management system. If done thoroughly, the management system practice will cause the current/annual recommendations from all plans to be surfaced and incorporated into the annual management plan. What projects aren’t funded or completed should be carried over and form the basis for a Gap Report (projects and plans recommended but not accomplished).

OPERATIONAL STRENGTH

Demonstrates a collaborative culture with internal and external customers, and is responsive to solving customer problems. A spirit of teamwork and continuous improvement exists. The Department assesses internal and external business risks. The Department is proactive; there exists an appropriate mix of skill levels to meet service demands and accomplish the mission and vision; the Department anticipates and responds to trends. The organizational culture reflects desired values; measures and management systems are effectively used.

CURRENT CONDITIONS

There is widespread collegiality and respect within the Department and among members of the Management. The Department continues to evolve in its ability to create a collaborative and participative environment. Naturally, there is some stress among members of Management and between Management members and others at various levels of the Department. Our observation is that the differences are inconsequential. We applaud the honesty and comradery that exists.

Organizational strengths are noted throughout the review of all of the attributes, as there are cause and effect relationships among the Attributes. The most profound strengths of the system as identified within the parameters of the Audit include:

- Leadership quality
- Budget performance
- Efforts in product quality
- Revenue production
- Financial reporting
- Top of mind awareness of service
- Continuing to deliver quality services with shrinking resources
- Employee satisfaction, based on the employee Are We Making Progress survey instrument

Additional details of all of these areas are identified throughout the Attribute current condition assessment.

The Consulting Team sees four areas, closely tied to other Attributes (Employee Leadership and Development, Operational Optimization) that are barriers to future leadership growth and service delivery.

1. PR&L does not have a strategic plan to identify strengths, weaknesses, opportunities and threats in the context of its mission, vision, values and service delivery obligations.
2. There has been considerable discussion regarding the use of performance measures. Generally, all Management members seem to agree that the current approach to measurement is confusing, difficult and lacks known usefulness. There is strong agreement that there is a need for a series of measures tied to specific program performance and overall Departmental progress. A better direction and practice is essential to the City and PR&L.

PR&L is actually doing a considerably good job collecting and using data. The key issue is to make sure the data is being used in a manner that serves to improve/change programs and satisfies the necessary oversight within the organization and out to the public.

We note that to a significant degree of usefulness, PR&L is skilled in the collection of useful data and deploys this data frequently to improve programs. We observed an abundance of useful data collection at all major recreation and library facilities.

That said, the overall activity of measurement and performance tracking has been subject to doubt and uncertainty regarding why the data is collected and how to better use measures in the regular course of business. For example, while much data is being collected, there is uncertainty regarding how to use the data to tell the important story of program performance, to explain shifts in service levels and to focus measures on what's truly important instead of everything under the sun.

3. PR&L is a complex organization that needs a coherent – organized – formal management system. A management system is a series of policies and processes that fix how work gets generated and done. A management system is a framework for addressing strategy and day-to-day work. Daily operations and strategy suffers from multiple processes, procedures, adaptations, levels of knowledge, tailored systems and uncertainty about priorities and expectations.

More specifically, in varying degrees:

- Goals and strategies are handled based on individual preference and experiences.
 - There is not a Department-wide system for managing work load, priorities and goals.
 - As part of the budget process, Departmental goals are addressed, but there is not a system-wide approach to strategic direction.
 - There are a number of system initiatives, such as creating business plans, which are incremental in nature and have created uncertainty. For example, creating divisional business plans can have the effect of just doing another project. Instead, with the correct process for participation and structure in place, employees can better see their role and contribution in directing Departmental results and outcomes.
4. The present organizational structure lends itself to an over-dependence on the Director. On one hand, given the Director's skills, abilities and approachability, we empathize with the Management's desire to work closely with the Director on key issues. On the other hand, the dependence on one person slows decision making and pushes some accountability up to the Director when the Management should make more decisions and embrace more responsibility. As long as the current structure and assumed responsibilities stay in place, we see limited professional growth at the Management level, on-going over-dependency on the Director, less time availability of the Director and a cap on divisional collaboration.

Related to the structure, we make three other observations. 1) Business Services is not always integrated into decisions. 2) The current silo leaning structure slows down decision making and makes communications difficult. Natural delay occurs as many issues/decisions have to flow up to or down from the Director. 3) Finally, at best, there is vague shared responsibility for Departmental performance. Responsibility and decision making is heavily dependent on the Director.

There is an imperative to the above points. Our observation is that the current performance and success of PR&L is tied directly to the Management member's on-going contact with the Director. Simply stated, as currently structured, the Management members need (and should have) regular contact with the Director.

We believe that several structural and accountability changes need to be made to address the above issues, which are detailed later in the report.

OPPORTUNITIES FOR IMPROVEMENT

- We observe that the Director and Management members need consistent exposure to one another. The talent and skills of the Director and Management, together with the training offered by the City and the challenges faced by Management members (in delivering services) creates a steep on-going learning curve for the team. How the team embraces this challenge will define PR&L for years to come. In time, the culture and leadership skills driven by the City and the Director will further penetrate into the Department. The relationship and details of how the Director and Management members interact need an overhaul as described throughout this report. If many of the recommendations in this report are followed, we believe PR&L will evolve into a substantially more modern and agile organization over the next two years.
- The Management needs to create a strategy for less dependency on the Director while increasing its own responsibility/authority as a cross functional team. To this point, PR&L will be in transition for some time (one to two years). Some steps can be taken over the next few weeks. At its core, the primary goal of a modern cross functional leadership team is to assume responsibility, within defined limits, to lead and provide appropriate management direction. To get to this stage, the team must first see how it currently operates. While the observations and beliefs will vary, we observe that the team should build a specific agenda for leading and advancing PR&L. How is this done?
 1. The team must be given responsibility for hearing, studying and resolving a host of Departmental issues. The decision path includes the completion of a Departmental strategic plan and the creation of a management system. These steps self-perpetuate (i.e., created by the participants) key issues, projects, process improvements and training.
 2. In addition to their regular responsibilities, individual Management members must be delegated responsibility for certain cross-functional segments of the Department. Naturally, the Director retains final say on key issues. In being responsible, each Management member understands the cross-functional issues, directs analysis and brings back results or recommendations to the team. For example, a member of the Cabinet should be assigned responsibility for Departmental safety/risk management. In this example, the Management member complements and oversees the safety related work done by others in the Department. The Management member ensures Departmental cooperation, and the creation and execution of goals and timelines. Another Management member could be assigned responsibility for researching and building the management system. Other issues for delegation from the Director to Management members (all cross functional) could include:
 - a. employee training (in the same sense that police and fire Departments often have training officers)
 - b. creating and managing a strategic plan
 - c. oversight of meaningful linked to strategies and goals
 - d. program quality and customer service
 - e. being the “champion” of implementing recommendations from the OPA

In addition to the above type of delegation, Management must see itself as highly relevant in overseeing Department wide performance and results. This is done almost entirely based on the issues Management decides to oversee and manage/lead.

PR&L should be aware of at least four levels of teaming/cross functional activity:

Level 1: Basic cooperation between people and activities with some resource sharing

Level 2: A higher degree of collaboration with project management teams working with a common interest

Level 3: Deeply cross functional work similar to “skunk works” (a small and loosely structured group of staff who research and develop a project primarily for the sake of radical innovation with a high degree of autonomy and accountability for end results)

Level 4: A matrix organization where silos are dissolved and teams are formed around projects and processes (not recommended)

3. The team itself should be restructured. In making this recommendation, we look at span of control and what makes sense. True to our previous comments, we believe the structure needs to give the Director flexibility to work on City-wide initiatives while keeping a reasonable amount of contact with Management members without inserting another layer of authority.

Other goals that can be achieved by restructuring and repurposing part of the role of the Director and Management members including:

- Increased growth and professional development of Management level positions
- Shared Departmental governance
- Decision making closer to the point of the decision
- A model for other cross functional teams deeper into the Department
- Greater collaboration and cross training
- Greater responsibility for the whole and not just a part of a process/system

In general, a Management member should expect, at first, a larger portion of their time dedicated to Department wide issues. In time, we believe this will make the Department more efficient and resolve multiple orphan issues and leadership/management needs.

We believe that a reasonable target is for Management members to devote 10 to 20% of their time to teaming/cross-functional/management system responsibilities. The return on this investment is undeniable. The Department will establish its strategy, set priorities, create divisional and PR&L-wide project and process improvement lists and grow the leadership skills of the Management.



4. The recommendation for senior leadership includes the creation of an Executive Leadership Team that includes the Director position and reporting positions of Parks, Business Services, Recreation and Library Division Managers.
- We have made multiple references to the need for a single management system. We strongly recommend that PR&L make a single management system and restructuring its top two priorities - as these steps will have a significant impact on the other challenges facing PR&L. Several leaders in the Department are familiar with management systems. Replacing current informal and inefficient practices will benefit residents and employees. Although there are options, the Balanced Scorecard (BSC) system is an excellent framework, and can be implemented as part of a future strategic planning process. Once BSC is better understood by the Management, we believe the parts to implement (and what to ignore) will become obvious. The advantages of the BSC include:
 - Linkage with the strategic plan and creation of a “Strategy Map”
 - Surfacing and organizing priorities
 - Creation and tracking of project and process lists (project and process lists)
 - A system to set divisional and Department wide priorities/goals
 - Establishment of measures linked to the priorities (here is the key to valuing measures)
 - Ability to link human and financial resources with workload
 - Tracking/management system and scorecards/dashboards
 - Availability of all forms and templates on-line

By adopting a management system, the need for and usefulness of measures and dashboards becomes more obvious and beneficial. A disciplined management system is the process by which strategy-goals-projects-processes-measures become central to decision making.

By adopting a management system and creating/using measures for targeted priorities (identified projects and processes), PR&L will energize the meaningfulness of measures and objectiveness in decision making.

COMMUNITY SUSTAINABILITY

Initiates, educates and practices sustainability by finding ways to preserve and protect the environment for present and future generations. Engages the community in sustainability ideas and efforts; supports community and employee health and wellness. Uses natural resources efficiently; reduces energy dependency; supports waste reduction, and increases recycling and supports pollution prevention. Supports design standards that preserve natural environments and reduces long-term maintenance costs. Restore, and enhance the planned and natural environment.

CURRENT CONDITION

The City's General Plan 2025, adopted in 2010, includes three elements directly related to the Department. These include the Parks and Recreation Element, the Open Space and Conservation Elements and the Public Facilities Element. The Parks and Recreation Element includes areas related to park acreage, park definitions, standards and siting criteria, and park credit information. The parks and recreation section includes three implementation measures that address sustainable practices including water and energy conservation, recycled water use, and water efficient landscape requirements. The Open Space Element includes information, goals, and implementation of areas related to the open space system, vegetation and wildlife, groundwater recharge and water quality, and archaeological historic and cultural resources.

Water and energy conservation includes the development and design of parks, golf courses and other recreation lands to be consistent with the Water and Energy Conservation Component of the Public Facilities Element, outlined in the General Plan. This also includes adopting landscaping and maintenance practices that conform to conservation standards included in the Public Facilities Element.

The General Plan also includes a recycled water use implementation measure. Recycled water should be used in parks, golf courses, and other recreation landscapes. The third implementation measure included relates to sustainable practices, including meeting standards for water conscious landscaping and to reduce water use in development projects, including tree and vegetation specifications, consistent with the Water and Energy Conservation Component of the Public Facilities Element, which is another section of the Plan.

The General Plan is supplemented with the City of Roseville Open Space Preserve Overarching Management Plan that was adopted in 2011. The goals of the Plan include providing Roseville with a City-wide approach to open space management, maintenance and monitoring, providing specific goals for open space management, maintenance, and monitoring, consolidate existing operation and management plans, and several other goals. While information related to

sustainable practices exists within the General Plan, there is a need to monitor progress toward sustainability goals.

The Department has developed practices in support of reducing water usage. As an example, the Department has utilized efficient water management practices to reduce water usage and made ongoing improvements to irrigation systems. There has been a 30% reduction in water usage since 2007. Open Space staff members engage the community in sustainability efforts in educating the public about issues relating to encroachment. Open Space also continued a 5-year grazing plan utilizing over 1,400 goats for fuel reduction, invasive species control, and thatch management.

Additional Departmental initiatives include solar thermal system, park designs limit non-functional turf, turf conversions of 14 acres, three additional park sites converted to recycled water, the use of a pool cover to reduce heat and chemical loss, the use of Musco lighting and LED lights, Riley Library Gold LEED (Leadership through Energy Efficiency Design) certification, Bigbelly dumpsters, and the use of ebooks. Aside from tracking water usage, there are no other measurements associated with these practices.

One of the elements of this attribute includes engaging the community in sustainability ideas and efforts. This is included as another implementation component of the General Plan as one of the implementation measure is to educate the public and offer programs relating to preserving and protecting the City's parks through prevention, enforcement, community education, and public relations activities in order to develop resident appreciation of natural resources.

The Department, as a core area of service delivery, supports community and employee health and wellness with facilities, parks, and programs all enhancing wellness opportunities for the community. This includes a wide range of parks, facilities, and program offerings such as athletic fields and amenities such as tennis courts, basketball courts, and playgrounds. Programs include yoga, tiny tot sports, youth and adult dance, youth and adult sports activities, and adult fitness programs.

OPPORTUNITY FOR IMPROVEMENT

- The Department has taken a tactical approach to sustainability initiatives. A starting point for sustainable practices is assessing the Department in its current practices. Using an assessment tool can result in a system wide approach to developing sustainable practices.
- Best practice systems have developed dashboards of performance indicators relating to cost savings from the implementation of sustainable practices. Identify key metrics to identify results of sustainable practices beyond tracking water use and provide a dashboard of performance, posted in the website. The City of Portland, OR utilizes best practice approaches to measurement.
- The Department should assign a staff person to oversee sustainable practice implementation from the General Plan as well as other sustainable practice initiatives. This person would serve as a champion for the Departments' sustainable practices.
- Create a section on the website that regularly explains the Department's commitment to conservation, in addition to water conservation.
- Develop a Recycling and Zero Waste Policy for CAPRA compliance.

RESOURCE ADEQUACY

The Department requests, receives and uses the resources needed to consistently meet the mission and serves current and future customer needs using long-term resource supply and demand analysis, conservation, and public education. The Department leads in infrastructure reinvestment and stewardship. The Department analyzes its need for resources and utilizes the necessary tools, facilities and resources to meet intended outcomes.

This section includes information about staffing, budget, and equipment. When asked if they had enough resources to do their jobs effectively, the interviewed staff responded with a resounding “no.” This is primarily based on staffing levels of the Department. Comments from staff included:

- We could use more staff. This was echoed throughout the entire organization. All areas commented on the number of positions that have been eliminated over the last several years
- There is a great dependency on part-time staff for job responsibilities full-time staff should be responsible
- Adventure Club staff mentioned the difficulty of having just two supervisors and need more
- Staff feels they need to be creative to get jobs done successfully
- The impact of the ACA is weighing heavily on the Department
- We continue to take on new workload, projects, parks, and facilities
- Capacity demand issues exist...the demand for our services continue
- Yes; staff will say they are stretched
- We do a lot of great things on a limited budget

The following chart shows staffing levels of full-time equivalent positions of the Department. The results reflect a 31.4% drop in FTEs from FY07 to FY14. The decrease in staffing has occurred during continued population growth of 20% since FY 2006-2007.

FTE LEVELS FROM FY07 TO FY15

<i>Summary</i>	<i>FY07</i>	<i>FY08</i>	<i>FY09</i>	<i>FY10</i>	<i>FY11</i>	<i>FY12</i>	<i>FY13</i>	<i>FY14</i>	<i>FY15</i>
Parks and Admin	68.755	68.755	61.500	57.500	48.381	47.083	43.887	44.036	51.211
Recreation	21.995	21.995	20.245	20.245	15.177	13.600	13.902	13.687	16.499
Child Care	37.250	37.250	36.480	33.230	28.925	27.801	28.205	28.280	28.296
Library	33.000	31.290	29.525	27.525	25.519	24.520	24.515	24.515	24.500
TOTAL	161.0	159.3	147.8	138.5	118.0	113.0	110.5	110.5	120.5
FTE change		(1.7)	(11.5)	(9.3)	(20.5)	(5.0)	(2.5)	0.0	10.0
FTE % Change		-1.1%	-7.2%	-6.3%	-14.8%	-4.2%	-2.2%	0.0%	9.0%

Change Between FY07 through FY14

-31.4%

Individually, the various divisions decreased from FY07 through FY14 as follows:

- Parks and Administration decreased by 36%
- Recreation decreased by 37%
- Child Care decreased by 24%
- Library decreased by 26%

The Library has 0.35 staff per thousand residents while the FY 2012-13 average of the comparator group is 0.42 per thousand. To bring the Library up to the average per thousand, for instance, would be the equivalent of an additional 8.645 FTE. Not only are program staffing levels minimal but the high percentage of part-time staff is administratively inefficient, necessitating the hiring and replacement, supervision and training of more employees than would otherwise be necessary for the current program of service.

According to the most recent comparative data (FY12-13), the per capita operating income of CA public library jurisdictions serving populations of 100,000 to 150,000 includes:

Berkeley	\$136.60	(highest value)
Average library system	\$47.40	
Roseville	\$27.50	
Santa Maria	\$17.80	(lowest value)

Therefore, Roseville is not only below the average, but toward the lowest end of the scale. As previously noted, Roseville residents receive good value for their dollar at the Library. Since FY 2006/07, nearly every output measure of the Library’s performance has shown an increase while every resource measure has shown a decline.

The National Recreation and Park Association (NRPA) Parks and Recreation Operating and Geographical Information System (PRORAGIS) database compiles data of various metrics of comparison for agencies nationwide. One metric includes staffing levels of agencies. The following information shows the lower quartile, median, upper quartile and Roseville’s number of full-time staff equivalent for cities with a population between 100,000 and 150,000.

Lower Quartile	80
Median	110
Upper Quartile	130
Roseville	86

As for staffing, with 86 FTEs in Roseville's budget for FY13-14, this is within the lower quartile of reporting agencies of 80 FTEs. The median of comparable agencies is 110 FTEs. This equates to Roseville's population per FTE of 1,365 as compared to the average agency's population per FTE of 1,010.

The Department continues to be challenged with additional expenses including:

- \$215,999 for FT salary increases for FY15
- \$354,301 for part-time minimum wage increases for FY15

STAKEHOLDER UNDERSTANDING AND SUPPORT

The Department continuously educates, seeks dialogue and receives feedback from the public. The Department conveys information about services and manages external expectations. The Department tells its story using service success and data driven facts. Relies on understanding and supportive relationships from oversight bodies; actively involves stakeholders in the decisions that will affect them.

CURRENT CONDITION

The Department makes earnest efforts in connecting with residents and customers. Examples include the development process for a new park, marketing efforts, and connecting with residents as part of the program and facility delivery system. The City has a branding initiative to ensure consistency of message among Departments. The Department participates in this process. By nature of their services, park, recreation and library staff have extensive interactions with users of the system. This is no different for Roseville as the entire complement of staff interface with customers on a daily basis. Limitations to greater efforts are the result of a lack of staff resources to provide more education and support.

One of the measures of a library's success is the percentage of residents that have an active library card. The Library has 71,076 card holders and this is 56% of the population. The average for the regional comparator group is 49%; for the municipal library comparators group it is 75%.

COMMUNITY ENGAGEMENT

There is not an over-arching framework for the community engagement process. However, many different forms of engagement are used throughout the system. The responsibility for engagement is decentralized throughout the Department and managed by the various parts of the organization.

A significant element of community engagement and connections with residents includes the partnerships and working relationships with boards, commissions, and community groups. According to the 2012-2013 Annual Report, the Department works with 35 partners. The Department works with a Library Board, Parks and Recreation Commission, and Senior Commission as oversight bodies. In addition, there is a Friends of Roseville Public Library. Partners include examples such as the Chamber, School Districts, Youth Sports Coalition, and Roseville Coalition of Neighborhood Associations.

There is a formal process for the development of new parks. Public workshops are held when a new park project is initiated. Another touch point with residents occurs when a sketch of the park is presented to residents. Therefore the protocol is to include two workshops and then a final plan is developed for residents to provide comments online. The park development process is on the City's website. A formal dedication for a new park is held.

Both the General Plan 2025 and the City of Roseville Open Space Preserve Overarching Management Plan call for community education as part of the recommendations.

Another mechanism for community engagement includes participation on the City's communication team. The PR&L Marketing and Communications Analyst is a member of this team. The Open Space staff utilizes the website for educating the public. Staff members are trained to communicate with the public. Social media is also used for communication. Each area of the Department organizes its own approach to outreach.

Some of the most significant community engagement processes included the 2013 Needs Assessment with 1,000 residents participating, the Arts and Entertainment Strategic Plan with 2,000+ involved in the process, the Library Strategic Plan with 1,300 community members involved, and 954 respondents for the Age Friendly Report Survey.

The website, activity guides, and social media platforms are also used to educate the community. The Annual Report also serves as a way to educate the public as information is included about the budget, listing of Department partners, use of volunteers, highlights of accomplishment, and projects. The website and program guide are detailed more specifically in the following section as a result of their importance in fulfilling the primary elements of the Stakeholder Understanding and Support attribute.

RECREATION GUIDE REVIEW

The 2014 summer and 2014 fall Recreation Guides and website were reviewed. The review of the program guide and website include three sections: practices to continue, suggestions for practices to begin implementing, and practices to discontinue.

CURRENT PRACTICES TO CONTINUE

Typically park and recreation brochures are the most effective marketing tool agencies use to communicate services, programs and information to customers. According to a survey firm, Leisure Vision, for over 600 agencies in their database, over 50% of households find out about programs from program guides. However, park and recreation websites are becoming increasingly important as a marketing tool, an identification of brand and image, and an avenue to provide government transparency.

- The Recreation Guide is attractive to the eye with appropriate use of one featured photograph on the front cover.
- The Recreation Guide's contents and theme are simple and consistent throughout and information is easy to find due to the table of contents listing of programs and other information/headers.
- Both inside covers provide attractive advertisements for special event information.

- There is a pleasing amount of photographs used throughout the guide. Great photos can help sell the experience. In addition, the quotes on certain pages is an enjoyable touch. The strategic placement of information and photos throughout the guide is essential to the overall design.
- Creative program titles are important. Flour Power and Duct Tape Creations are amusing examples of a creative title.
- Best practices for program descriptions include brief descriptions, no longer than six or seven lines, as readers lose interest in programs if they are required to read through lengthy text. A good example includes the program Ninjaneering. A creative title is used, and the description captures the interest of the reader as well as provides all basic information for participating in the program. Another good example is Mother Goose on the Loose in the 2014 fall Recreation Guide.
- Let's Get Social! page advertises the many ways the Department provides communication.
- Use of social media icons throughout are good.
- Emergency information advertisement is good.
- Map and legend is very informative.
- The "save" symbol and the "look for this symbol to save" information are useful tools.
- Did You Know? fun facts is a good section.
- Good selection of teen enrichment programs.
- Summer Planning calendar is easy to read.
- The use of photos from actual programs and events help provide interest from the reader and sell the experience.
- Employment Opportunities ad in the spring/summer Recreation Guide is a great tool to attract new employees.

Website

- Scrolling photos are the main focus when the page is open. Several photos are very descriptive as to what it is. Readers that want to view the current Activity Guide can simply click on the photo "Fall Recreation 2014 Guide." Visuals like this help web pages look more inviting.
- Option to view the page as text version or mobile and a drop-down box to change the language of the webpage into eighty-one different languages is good.
- Main photo usage and option to select to provide additional info is effective.
- Simple page and ease of navigation.
- Use of YouTube video to highlight Adult Sports is good.
- Facebook, Twitter and Pinterest icon usage is effective.
- Colorful photos on additional pages are effective.
- Providing the option to email or have the Guide mailed is good practice.

SUGGESTIONS TO BEGIN IMPLEMENTING

Program Guide

- Having a second option on the website as a “virtual” program guide, would be helpful for customers. Creating a virtual or flipbook style guide online, other than the PDF version, would be more visually appealing and easier to read. These types are also more easily available to read on smart phones and tablets.
- There are three advertisements below the picture highlighting specific information headers and what page the information can be found on. These advertisements could use more flair when highlighting specific information.
- The photographs paint a fun and entertaining picture for Roseville residents and other potential customers. Labeling the photo would help tell the reader as to what they are looking at, and also promoting the photo.
- The four “covers;” front, inside front, back and inside back are usually printed on a higher quality glossy paper. Utilizing these “covers” to promote information of high importance can be effective in generating reader interest.
- Including which season the guide represents can be placed along the bottom of each page; an idea to use the bottom space.
- Include the mission statement and a Director’s message at the beginning to focus on Department’s recent park projects, program updates, special events, and acknowledgements.
- Develop program titles and descriptions with great care as customers generally look to the price of a program and then the program title as a means of determining whether or not they will register for a class.
- After price and title, the third element of importance that customers use to select programs is the description. Descriptions should include features, attributes, and benefits. Some of the text included in program descriptions is informational, rather than promotional. Identify the unique value propositions for each program and identify the “hook” that will entice people to register. A detailed title and very informative description highlights the benefits of the program. Program titles and descriptions may be the only opportunity to attract the reader.
- Include a staff highlight section within the Recreation Guide.
- Advertise the Adult Sports You Tube video.
- Label photos or provide a caption.
- Be creative with the way photos are displayed, i.e. shadow.
- Add instructor bios. This brings a personal and approachable touch to the programs they teach/instruct.
- Add creative headers for the front page headers.
- Create incentives for a person to be interested in registering for a program by listing the benefits of what the participant will receive in the program descriptions.
- Add customer testimonials.
- Include phone numbers, where applicable, of the parks and facilities on the map page. Or direct readers to the website where they can find this information.

Website

- Provide the “Register Online Now” icon on each page.
- Utilize logo colors more on the website.
- Utilize the sidebars to provide seasonal scenery or something that is more specific to Roseville.
- Keep information “above the fold” pages as to not lose the reader with lengthy material.
- Include Parks, Recreation and Library home page links on golf course website.
- Use more YouTube video to promote additional areas of the Department.
- Develop applications to work with online registration.
- A website and activity guide assessment should be completed minimally on an annual basis to ensure these vehicles are as effective as possible. The assessment should include external customer feedback through focus groups. In addition, it is helpful to have recreation program staff and contractual instructors review the site and provide suggestions in areas of improvement, based on their use of the site and suggestions they hear from customers.

PRACTICES TO DISCONTINUE

- Program titles and descriptions: Many titles and descriptions simply state what the program is about. The goal should be to develop more creativity in the program titles to grab the reader’s attention.
- “www” is not needed for the website address.
- Some lists on the website are too long and the viewer has to scroll far down the page to view the information.
- Change activity guide and website as noted.

OPPORTUNITIES FOR IMPROVEMENT

- Develop a public information and policy protocol as identified in CAPRA (Commission for Accreditation of Park and Recreation Agencies).
- Develop a marketing/community relations plan as identified in CAPRA.
- Identify and quantify how residents desire to find out about programs and services.
- Evaluate outreach efforts on a continuous basis and develop an action plan for improvements.
- The Library would benefit from a strategic communications and fund-raising plan that has as its goal maximizing the number of active library card holders.



SAFETY

Maintains a safe environment for employees, visitors, and users of all services. Ensures all employees are fully trained to recognize and respond to unsafe practices, emergencies, and unnecessary risks. Actively promotes personal safety for all users and employees. Investigates all accidents, risks and safety violations and make recommendations to address findings. Conducts regular safety inspections.

CURRENT CONDITION

PRL has in place comprehensive and appropriate safety related policies and measures. Most of the policies and procedures have their genesis in city-wide policies and practices. The documents include:

- Workers Compensation – A Supervisor and Employee Guide
- Injury and Illness Prevention Program
- Heat Illness Prevention
- Respiratory Plan
- Safety Incentive Policy
- Employee Injury Report and Procedures

PRL actively participates and contributes to the City Occupational Safety and Health Committee (OSHC). We reviewed five months of meeting agendas and minutes. The minutes indicate a serious and thorough review of key issues. PRL's liaison to the OSHC is highly invested in the purpose and value of the OSHC. He demonstrates a high level of knowledge regarding safety policies and practices.

As required/recommended in various policy documents, PRL conducts regular tailgate training discussions with employees on topics related to safety (frequency varies by division). Employees and supervisors noted that PRL is committed to this practice and follows this practice nearly every week of the year. This commitment is a key factor in promoting a culture of safety.

Without reservation, the superintendents and supervisors see PRL fully dedicated to resident, customer and employee safety. Comments such as "Safety is our job" were common in the Department. Other comments included: "We grew up practicing safety – we know it." That said, some supervisory level employees said that safety is seldom discussed and not part of the culture.

Many employees expressed the value and attention paid to the Emergency Action Plan safety trainings. Some summary reports are prepared for the OHSC. We examined a summary of work comp claims. PR&L's Director indicates receiving and reviewing these accident reports with the Management. The Department indicates that accidents are reviewed by the Management on a quarterly basis.

Management members review and discuss accident reports on a quarterly basis, but, as a team, do not review them in detail, such as a review of trends. Management members are unfamiliar with occurrences, trends, findings and costs within the Department. The Department does not have loss reduction/prevention goals.

We examined numerous individual accident reports. The provided forms and records of incidents are properly used and recorded. We observed that sometimes the accident details/information is minimal.

According to many members of the leadership team, there are only quarterly leadership conversations regarding loss prevention reports, claim audits or related safety Departmental goals.

We asked fifteen different employees – all considered to be in a supervisory position - this question: "What accident investigation (work comp and auto) training have you had?" All said none. All indicated that they are self-taught and know how to complete the required forms. We consider accident investigation training a minimal requirement for supervisors.

Related to accident investigations and what would be a significant benefit to PRL, the July 22, 2014 minutes to the OSHC meeting indicate a discussion regarding the injury and incident form. Regarding the section of the form titled "Statement of Facts," the committee thought a supervisor and not the employee should complete this section. This is an excellent observation by the OSHC. PRL should make sure this point is followed at all times.

As noted, PRL is subject to the comprehensive policies and procedures created and enforced by the city. We were informed that the new city-wide risk manager is in the process of reviewing/ updating the policies and practices. We welcome this critical project/effort by the city, the OSHC and the risk manager. As auditors we requested and received what we believe are all safety related policies and procedures. We make these general observations about these documents:

- Comprehensive, useful, practical and thoughtful in terms of sections such as communications and training.
- At times redundant and conflicting. Examples:
 - The Workers Compensation Guide and the Illness and Injury Prevention Program both include workers compensation procedures that are inconsistent. One provides a “Reporting Workers Compensation Injuries” and the other “Injury and Illness Investigation Reporting Procedures.”
 - Many procedures are difficult to follow because they are laced with commentary.
 - We received multiple forms including: Incident Report, Incident Report Form, Supervisors Report of Accident and Vehicle/Equipment Accident Form to name four. While some of the forms may not be in common use, they are still in circulation and overall are difficult to know exactly what specific form should be used for a given incident/accident.

OPPORTUNITIES FOR IMPROVEMENT

- Management Team should conduct monthly reviews of all Departmental accidents and incidents to focus on trends, training and costs. Safety should be a permanent part of the Management’s written agenda.
- Management Team should require each division to identify key risks, training needs and goals pertaining to employees and visitors/users.
- Management Team should create and manage Department-wide safety goals.
- PRL should work with the risk manager and OSHC to construct a single set of policies and procedures covering over-arching policies and practices. Procedures for completing forms should be stated in a step- by-step format and void of distracting commentary (commentary should be in a separate section and not co-mingled with steps). Seemingly duplicative processes and forms must be eliminated.
- All employees responsible for investigating and completing accident forms must be trained in the process of asking questions and making observations that lead to the highest possible level of objective information and recommendations. Such training should be mandatory.
- PRL should complete a simplified annual safety and risk management report that summarizes past cost, trends and progress towards goals. New divisional and Department wide goals should be stated. This should cover employees and visitors/users.
- Regarding KPI’s, PRL should create KPIs that focus on lowering cost, accident and injury form/investigation completion, site visits (risk identification) and specific accident trends. These measures should be incorporated into the performance expectations of all employees and especially supervisors.
- As noted, PRL has many safety related practices and training components. We see many opportunities to improve the overall management of safety related practices and processes.

Organization Structure

The Report on the Organizational Efficiency and Effectiveness Study completed by the Matrix Consulting Group in 2011 detailed concerns about the wide span of control for the Director position. At the time of the Study, the Director had eight direct reports overseeing functional areas of the Department and one administrative support position. Currently, the Director supervises six direct reports and one administrative support position.

An acceptable span of control is partially dependent upon the disparate nature of positions reporting to a supervisor. In the case of the Parks, Recreation and Libraries Department, the positions have very disparate functions. Furthermore, the Director spends time performing duties beyond the Department's role, including city management project involvement such as the City's work in organizational culture.

The recommendation is to slightly narrow the Director's span of control to four divisions and an administrative support position that becomes the Executive Team, as noted within the Operational Strength Attribute, replacing the current Management, as follows:

- Parks Division Manager
- Recreation Division Manager
- Libraries Division Manager
- Business Services Division Manager
- Administrative Assistant

The current Cabinet consists of eleven staff, which results in significant labor allocation invested in meeting attendance. Currently, the three Recreation Superintendents, Open Space Superintendent, Parks Superintendent and Park Planning and Development Superintendent are a part of the Management in addition to the five positions listed above.

In addition to the development of an Executive Team, additional areas of structural recommendations include:

- For future consideration, add an Assistant Director position that oversees special projects, process documentation, strengthening operations, and leadership development of the Executive Team.
- The Parks Division Manager should oversee Park Planning and Development, Park Maintenance, Open Space and Golf Course Contract Management. In order to streamline divisions, and further reduce the Director's span of control, include Open Space as part of Parks.
- Currently, a Recreation Superintendent oversees golf contract administration. The recommendation is to move golf contract administration to the Parks Division Manager.
- One of the most significant areas of improvement needed by the Department includes an additional business analysis function, including data analytics, policy development, process documentation, and special projects such as NRPA Accreditation. An additional position involved in data analytics is recommended.
- The Business Administrator position should include higher level skills such as being the champion for Departmental plan deployment, including strategic planning and execution of improvements from the Operational Performance Audit.

- The marketing function includes one full-time staff and two part-time staff. While no national standard exists for appropriate number of marketing staff, agencies the size of Roseville typically have two to three full-time staff. This includes public information responsibilities, which is increasingly important to park, recreation and library Departments. The accreditation criteria include the need for a marketing plan, public information policy and procedures, and a community relations plan. Therefore, the part-time staff could evolve into full-time positions. Or, the group could be supplemented with contractual employees.
- The area of the Department that has experienced the most significant loss of staff is the Adventure Club program. The program is administered by a Recreation Superintendent who oversees golf as well, and two Recreation Supervisor positions. The existing Recreation Supervisors have a large span of control, with eight and nine Adventure Club sites, respectively. The recommendation is to remove golf from the Superintendent's responsibilities and adding an additional Recreation Supervisor position. This addition will result in decreasing span of control to a more manageable number of approximately six sites per supervisor. This will result in more time allocated from the Recreation Superintendent toward Adventure Club. An additional program area could also be overseen by this position as well.
- Administrative support is provided by two positions, an Administrative Assistant reporting to the Director and an Office Assistant, reporting within the parks area. As a result, supervisory staff perform administrative duties that does not yield a good return on investment of salaries for these positions. Efficiency can be gained by adding additional office support staff. Additional support could include contractual staff.
- The three Recreation Superintendent positions oversee all recreation programs. As part of the realignment of responsibilities for the Department, review all of the program offerings and streamline them among the three superintendents. This includes adding a program area to the Superintendent that currently oversees the golf operation.
- As mentioned throughout the Report, there are many deficiencies in the Department's ability to leverage technology for service and operational improvements. As a result, the creation of a technology support position is warranted. This position would provide support for AutoCAD, GIS, Class, ILS (Integrated Library System), Maximo, and other technology. This position would troubleshoot problems, offer training, and provide internal support to staff, which ultimately would improve service to external customers. A few years later, a Technology Manager could be hired to provide strategic direction to the technology area for the Department. The provision of excellent service will continue to rely on effective leveraging of technology support. Furthermore, effective use of technology, replacing manual applications for work tasks, will result in improved efficiency. Additional support could include contractual staff.
- Based on conversations with front desk staff, additional front counter management would strengthen the important area of service delivery.
- One area of weakness identified in the overview of contractual services is irrigation maintenance and repair. While a cost benefit analysis of contracting this service has not been quantified, the quality of work performed by contractors has not been adequate and has become more costly with staff oversight required as a result. The recommendation is to bring this service back in-house with an Irrigation Technician position to oversee irrigation maintenance and repair.
- As noted earlier in the report, park development staffing includes one individual performing park inspections. There is a need for additional support in this area.

Accreditation Process

The Commission for Accreditation of Park and Recreation Agencies (CAPRA) Standards for National Accreditation provide an assessment tool for park and recreation agencies. This is the generally accepted authoritative set of criteria for the parks and recreation industry. Through compliance with these national standards of excellence, CAPRA accreditation provides an agency with assurance that an accredited park and recreation agency has been independently evaluated against established benchmarks. CAPRA accreditation is a quality assurance and quality improvement process demonstrating an agency's commitment.

The PR&L Department may intend to pursue CAPRA at some point. The purpose of this section of the report is to identify areas that need to be developed or strengthened in the event the Department chooses to pursue accreditation.

Accreditation is based on an agency's compliance with the 151 standards for national accreditation. To achieve accreditation, an agency must comply with all 37 Fundamental Standards, and at least 85% of the remaining 114 standards (97).

Roseville's Operational Performance Audit was not based on the CAPRA criteria, but on a set of attributes consistent for all City of Roseville Departments. While reviewing the Department against the selected eleven attributes, attention was given to the CAPRA criteria. The Department currently meets a significant number of CAPRA's Fundamental and Secondary Standards. Many other areas meet some level of the established standard, but not completely and other areas are absent and need to be developed. Areas that need to be developed further or do not show evidence of meeting the standard include:

- Goals and objectives 1.4.1 (some areas of the Department have them and some do not)
- Recycling and Zero Waste Policy Section 1.2
- ADA transition plan 1.2.1 and 2.10
- Strategic Plan 1.2.1 and 2.5
- Public information and policy 1.2.1
- Marketing plan 3.4.3
- Historical and cultural resource management plans 2.8
- Public Information policy and procedures 3.4
- Community relations plan 3.4.2
- Leadership succession 4.4.1
- Internal communication: Communication matrix for internal communication 3.3
- Code of Ethics 4.1.1
- Consultants and contract employees policies and procedures 4.8
- Program objectives 6.2



- Systematic evaluation of programs, facilities, and services and operational efficiency and effectiveness 10.1 (the key word is “systematic” as the Department has ongoing efforts in evaluations of programs, facilities, and services, but they are not deployed systematically. Furthermore, operational efficiency and effectiveness is not systematically evaluated and documented)
- Staff training on how to evaluate services 10.1.2
- PRORAGIS 10.5.3 relates to entering data into the national database
- Performance measurement 10.3 (the Department does measure performance in several areas though needs to formalize the process in addition to the development of measures according to the eleven attributes).

Additional Assessment Areas

Maidu Museum Review

CURRENT CONDITIONS

Maidu Museum is an historically significant community/regional asset for residents and native populations. The Supervisor describes the importance of the Museum as a “Living Culture.” Operations are significantly dependent on volunteers/museum docents. Part of the vision is to grow the partnership with “indigenous people” in the overall leadership and management of the museum. The team is proud of the Maidu Museum facility, exhibits, gift shop and grounds that

help to “tell the story.” The staff exhibit intense love and calm passion for the work they do and the involvement of indigenous persons.

From a programming perspective, the Museum welcomes the public and school children-visitors-education programs. There is a desire for more paid staff to do tours. Stories would be more consistent and better. The staff used program and entrance measures to make the case for a new employee hired this year. The staff members are proud and dependent on people who volunteer. Volunteers assist in doing some landscape work to supplement work performed by Parks staff.

There is a desire for a strategic plan and specific annual goals. They are considering how to team with organizations for capital improvements. Museum staff enjoy and respect their relationship with the library. There is a desire to be more involved in related City discussions/meetings/outreach, and the lead supervisor to be included in all meetings with the Tribe. In addition, the staff would like a full-time docent/volunteer coordinator to help manage the 3,800 hours of volunteers.

OPPORTUNITIES FOR IMPROVEMENT

- Plan for the long term protection/preservation of petroglyphs.
- Potential for new corporate sponsorship program with museum staff directly involved in this process.
- To actively participate with the Department in the management system with goals.
- Improve promotion of gift shop.
- Inclusion in all Tribal discussions/meetings.
- Addition of a volunteer coordinator.

Adventure Club

CURRENT CONDITIONS

Employees at the Adventure Club (AC) sites reflected a common culture and attitude displayed by most every PR&L employee: excitement and dedication to what they do. AC employees and supervisors displayed an obvious sense that while their work is hard, they are doing something meaningful for the participants and the community. The program has developed a Child Care Business Plan and in the process of completing a Strategic Plan.

Each facility is an outbuilding adjacent/near a school. There is general agreement by employees who work in the facilities that the facilities are adequate and safe.

Three facility issues were surfaced:

- A desire by some to have video cameras.
- The awkwardness that is sometimes created by having to take attendees to the bathroom in the adjacent school building.
- The lack of a procedure to inform the AC facility if there is an emergency incident in the adjacent school.

Employees and supervisors are puzzled by how to resolve some elusive conflicts between their daily reality and State rules. For example, when participants are escorted to the bathroom, a supervisor/employee goes with them. This normal practice could result in the main facility not having the State required employee to participant ratio at all times – even for just a few minutes.

There is agreement that the relationship with schools is cooperative. No contractual issues were identified. (The site supervisors are unfamiliar with the terms of the agreement.)

Employees and supervisor report a strong and supportive relationship with residents, parents and guardians.

It is reported that occasional site problems and participant issues (disciplinary) are addressed immediately with appropriate persons including parents or guardians. Related, however, the program supervisors feel stretched for time and expressed that desired follow-up is seldom possible.

Employees and supervisors feel well trained and able to handle any situation they face, that the service is well thought out and valuable, and that they are fully aware of and committed to follow State regulations and their training; a violation is “rare.”

The Consulting Team met with the program supervisors and all but two site supervisors. The following concerns were noted:

- At times they (in each case, “they” means that the opinion was expressed by at least two people) feel isolated and lack communication with the City and PR&L.
- Each person felt they were fully knowledgeable of State related regulations.
- There was full agreement that policies from the Department and City are unknown and they wouldn’t know where to look for them. They each acknowledged signing off on policies on-line.
- They would like to see even more training for behavior management.
- Nearly unanimously, the site supervisors stated there is a general need to have more contact and visits with the program supervisors. They expressed the ability to work independently but also a need for more contact with a supervisor for problem solving, idea generation and concerns related to their site. Some stated that they may not see a supervisor for a month or more. As a rule, they are uncomfortable with this.
- This same issue of site visits/frequency was raised in a separate meeting with the program supervisors. They are in general agreement in terms of more contact being needed with each site. However, the program supervisors indicated that given staff changes, this isn’t likely. The general concern is for more contact and that this contact will improve communication, effectiveness and prevent potential problems. There was general agreement with site and program supervisors are extremely rushed when on the phone.
- There was a consistent feeling that the front counter/customer service team is understaffed.
- Several employees stated they were experiencing intense stress and at the “end of their rope.” The reasons were: need for more site supervision, many issues were unaddressed, the lack of support staff, the lack of time to address project and process issues/demands and that supervisors were increasingly doing front-line administrative work because that action was often most urgent.

- There are few if any measures tracked for quality.
- Program and site supervisors unanimously agreed that having just two supervisors over the seventeen sites is inadequate for the reasons mentioned above.
- Customer service staff noted the current software limitations regarding the flexible payment schedules offered to Adventure Club customers. This causes internal scheduling and billing challenges. Tracking of customer data is performed manually, resulting in inefficiencies.
- The Consulting Team observes that the core services of this program are excellent.

OPPORTUNITIES FOR IMPROVEMENT

- The Consulting Team observes that while the program has outstanding and committed employees/supervisors and a cooperative relationship with the schools, there are too many unresolved issues that need to be addressed through greater involvement by the City and potentially the addition of one more supervisor and one more customer service employee.
- Customer service staff noted the current software limitations regarding the flexible payment schedules offered to Adventure Club customers. This causes internal scheduling and billing challenges. Tracking of customer data is performed manually, resulting in inefficiencies.
- The Consulting Team believes that most of the issues mentioned above need further exploration through an in-house “quality assessment team.” AC employees should work directly with the quality team to further explore these issues and identify actions. Members of the in-house quality team must be skilled in independent judgment, communications, analysis and action. This quality team should complete its initial report within six months. Thereafter, the City should look at the work-staffing load and consider the possibility of an additional program supervisor.
- As currently organized and given the supervisors workload, the Consulting Team does not see that the AC division/program has the internal resources to address these managerial and direction issues.
- Another option exists: The staff member responsible for AC can spend three to four months focusing most of his time toward completing a process improvement initiative to improve the overall AC program.

Affordable Care Act

CURRENT CONDITIONS

PR&L is engaged in an intense effort to comply with the City policy implementing the Patient Protection and Affordable Care Act (PPACA or ACA). As the Department studies the policy and implements the requirements, the Department is “in the moment” feeling the ramifications on PR&L services.

Although the full impact on services is just now being understood at a high level, Departmental leaders believe the short and long term impacts will be costly and potentially reduce PR&L services.

For PR&L, the emerging and prevailing impact on PR&L services pertains to new/future employee recruitment. As the Department makes adjustments to comply, rules and procedures that have facilitated the past delivery of programs have dramatically changed. In the past, and with few if any restrictions (subject to FLSA and known labor laws), PR&L demonstrates that,

with rare exception, they succeeded in meeting service needs/goals from the existing labor pool. The Department reports a dramatic shift in how to meet service demand directly related to compliance with the ACA.

While the Department is at the beginning stages of implementation and impact, the Department states that fewer persons are/will applying for PR&L seasonal positions. While making the policy changes is a matter of management practice, filling new positions with these new requirements and restrictions is a labor market phenomenon. The Department indicates that, in their opinion, based on observations to date, the labor pool will not support new restrictions/limits on hours. “Because of the restrictions, there aren’t enough people in the labor pool.”

Over time, the City may consider other options to recruit the personnel needed to provide services. Many “other” options, including hiring fulltime employees, will trigger greater costs.

OPPORTUNITIES FOR IMPROVEMENT:

- As PR&L implements the ACA policy, the Department must track costs and impacts on services. The Department needs to formulate and implement a plan.
- The City policy should reflect the following change: The 1000 Hour Employee should read “cannot work an average of (not “of more than”) 130 hours or more per month (equivalent of 30 per week).”
- The policy pertaining to 1000 Hour Employees has a built-in margin of error that is unnecessary – but perhaps prudent.
- Since 30 hours per week (never to be exceeded) is equivalent to 130 per month, the restriction could be set at 29 hours per week or 129 per month – never to be exceeded.
- The words “assignments of” (in 1000 Hour Employee section) should be replaced with the word “working.”

Contract Management

CURRENT CONDITIONS

Department members (leaders and front line employees) expressed general satisfaction with outside contractors who are performing mass production contracts such as mowing, streetscapes and tree trimming/removal. Generally, members of the Management Team who work with contractors indicate that the contractors, with a few notable exceptions, perform an efficient and effective service for the City.

The staff would not recommend going back to hiring more employees to perform these specific services. However, as noted below, there are aspects of these contracts (i.e., specific types of services within a given contractors current scope) that the Department staff members believe they should perform and would do so with greater efficiency and effectiveness. The staff would not recommend going back to hiring more employees to perform specific services. In fact, using contractual services will continue to be an important element of the Department’s resource allocation. The Department will need to balance between full-time, part-time and contractual staff.

That said, there are few if any active measures to validate the cost-benefit of these contracted services. That is, the answer to the question: “How well are the contracts achieving/meeting the city’s intended service and cost reduction goals?” is unknown based on current procedures and measures. The Consulting Team notes that the Department is unaware of a baseline cost or service level against which past and future contract performance could be measured for success. This is not to be confused with the daily effort by PR&L staff to monitor and inspect the on-going work of the contractors they are responsible for.

PR&L reports that its employees regularly train the contractor’s employees.

Regarding public use bathrooms, with some exceptions, there is significant dissatisfaction with the building/facility cleaning contractor. Many employees, including supervisors, say washrooms in public buildings smell and are not properly cleaned. Employees, including management employees, report poor janitorial contractor performance. Management/supervisory employees report having to routinely clean bathrooms.

The Consulting Team spoke with four supervisors who said they have to “clean up after” the contractor before morning meetings. Supervisors at various levels and facilities clean toilets, wash floors and empty garbage cans following the service provided by the contractor. This includes public building washrooms and on-site recreation bathrooms.

There is significant desire to have two narrowly defined contracted services brought back in-house. These services include specific types of tree trimming and certain irrigation services. Supervisors see these criteria for bringing certain portions of contracts back in-house as:

- Certain specialized work that requires special training
- Work with a high service level and program impact
- Work that requires an immediate and sometimes emergency response
- Work that is not routine or mass-production in nature

The Consulting Team notes that the supervisors and front line employees see the opportunity to bring some services back in house similarly – with emphasis on quick response and improved service within a narrowly defined scope. The Team also notes that these two ideas need further in-house discussion to establish measures of performance, goals and how to make the best case for costs and process.

OPPORTUNITIES FOR IMPROVEMENT

- There is a need for better issue management around complaints and expectations involving other City Departments who manage and award contracts.
- Take aggressive management action to resolve janitorial complaints/issues.
- Have high level discussions regarding possible change/amendment to irrigation and tree removal contracts to determine how to perform a service level and cost analysis.
- For all large contractors, perform an annual level of service and cost-benefit analysis.
- Supervisors should keep detailed Level of Service/Complaint Reports consistent with contract specifications.
- Create a Quality Assurance process that matches expected service levels.

Benchmark Comparisons

Library Benchmark

The benchmark section includes information for library services, separate from parks and recreation operations. This is a result of library operations typically being a separate Department from parks and recreation.

The library benchmark is followed by a benchmark of park and recreation agencies. As evidenced by the information, library operations have the ability to utilize much more robust information than park and recreation operations.

The library analysis includes five years of the Library's statistical reports to the California State Library; the California State Library's statistical database includes 130 input and output measures. In addition, data for Roseville included the relationship to two groups of comparator libraries:

- four other libraries in the region
- 17 city libraries throughout California serving populations of 100,000-150,000 and Yolo County Library because it is in this population group as well as in the region.

Charts 1 and 2: Funding and Service Measures Compared

Chart 1 shows the relationship between operating dollars spent and selective services delivered. One can infer from this chart that Roseville Public Library has comparatively high service delivery for its expenditure level. The chart compares the total operating expenditures for these comparator libraries as well as "selected public service transactions" (SPSTs) in the same year, FY 2012-13.

Certain service measures are reported to the California State Library annually by public libraries. We have combined these service measures and called them SPSTs: they include the number of visits, circulation of physical and digital items, use by the public of library computers, attendance at programs of the libraries, the number of reference questions, and the number of inter-library loan transactions. SPSTs do not capture all of the service measures of the libraries. The comparator libraries are similar in that they all serve populations of 100,000 to 150,000 and are city libraries; the exception is Yolo County Library which though not a city library is in the same population group and region.

Preliminary 2012-13 Total Expenditure & Selected Public Service Transactions

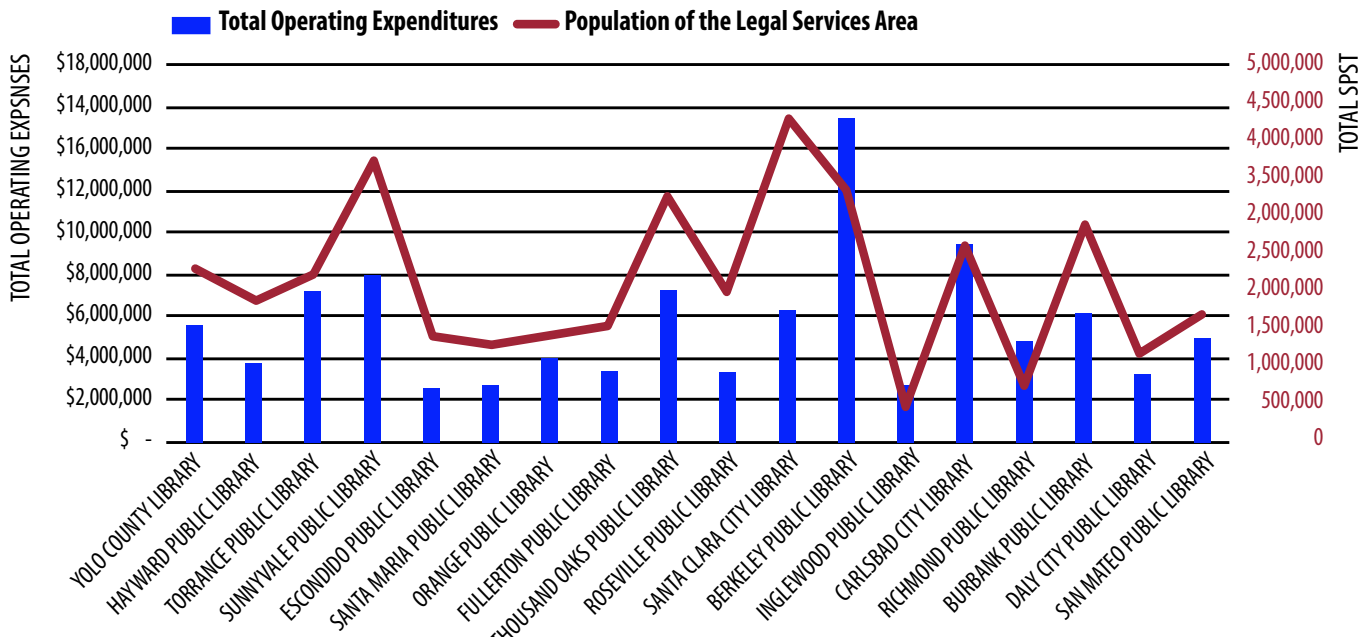
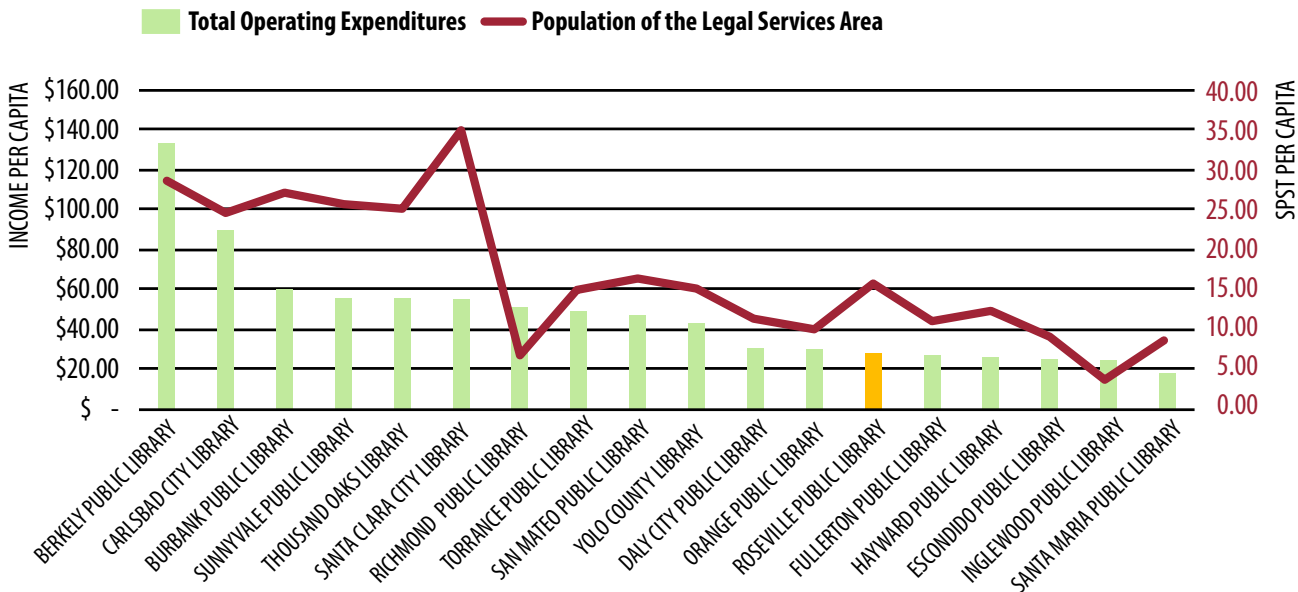


Chart 2 shows the operating income per capita for the comparator libraries and the SPSTs per capita. In this chart, the libraries are arranged from highest to lowest per capita income (left to right) along the horizontal axis while the red line shows SPSTs per capita.

CHART 2

Income per Capita & SPST per Capita



Charts 3 and 4: Roseville Public Library Operational Trends, FY 2006-07-FY 2013-14

Service levels have steadily increased even with funding and staffing reductions. Chart 3 compares the service population, SPSTs, virtual visits, and operating expenditures of the Library over time. The Library’s funding (operating expenditures) exceeded \$4 million in FY 2007-08 and had dropped precipitously by FY 2011-12. Funding of the Library has improved since then but not to previous levels. The dramatic increase in virtual visits in FY 2013-14 has to do with new procedures for recording database usage and online public access computer (OPAC) usage, according to the Roseville City Librarian. The California State Library has added a measure, wireless sessions per year, starting in FY 2013-14.

CHART 3

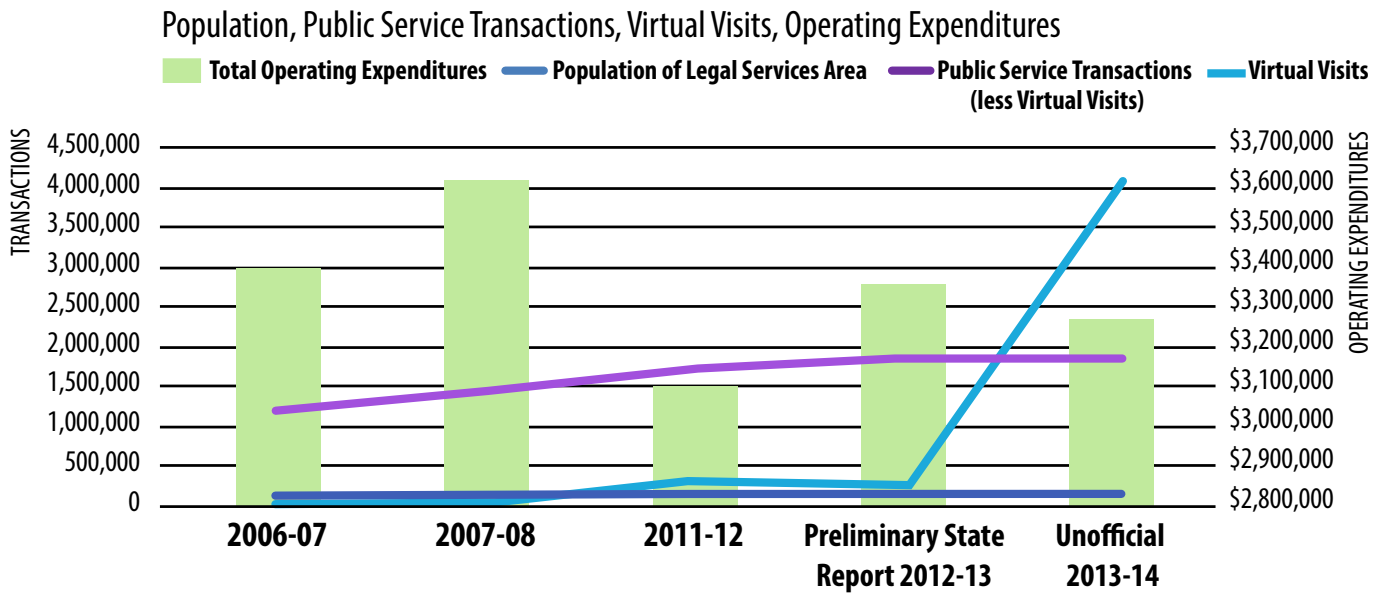


Chart 4: Roseville Public Library Funding, Service, and Staffing Per Capita, Trends

Chart 4 compares the operating budget, service levels, and staffing levels per capita over time. Chart 4 shows that while the operational funding of the Library has decreased dramatically, and staffing per capita has decreased, the amount of service per capita has increased. This is an indication that the staff is productive and operations have become increasingly more efficient, even as the population has grown and resources have diminished.

CHART 4

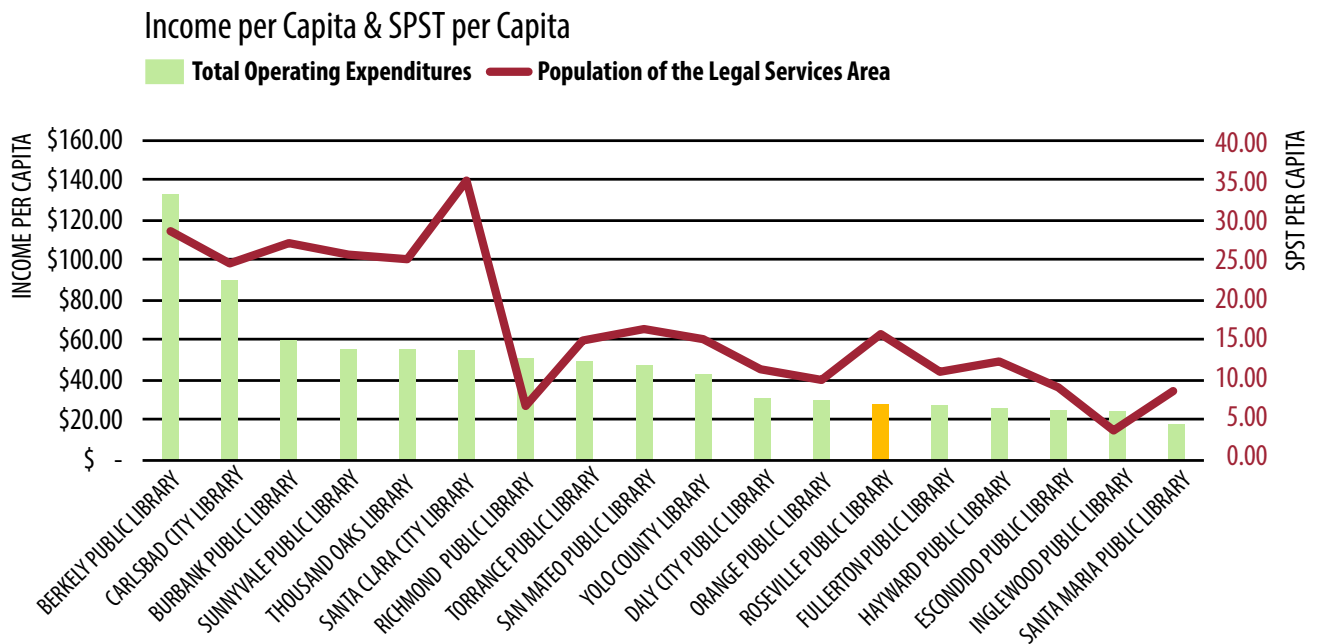


Chart 5-7: Library Funding Trends and Comparisons

Chart 5 shows the trend in resources going to three budget categories over time: staffing, collections, and all other operations. Operating expenditures are reported annually to the California State Library in these categories. The Chart shows the decline in real dollars in each of these categories. The Library’s operating budget has been reduced to such an extent that even with fewer full time equated (FTE) staff, personnel makes up 82% of the operating budget. This leaves little for collections and other operating costs which range from supplies to contracts and so forth.

CHART 5

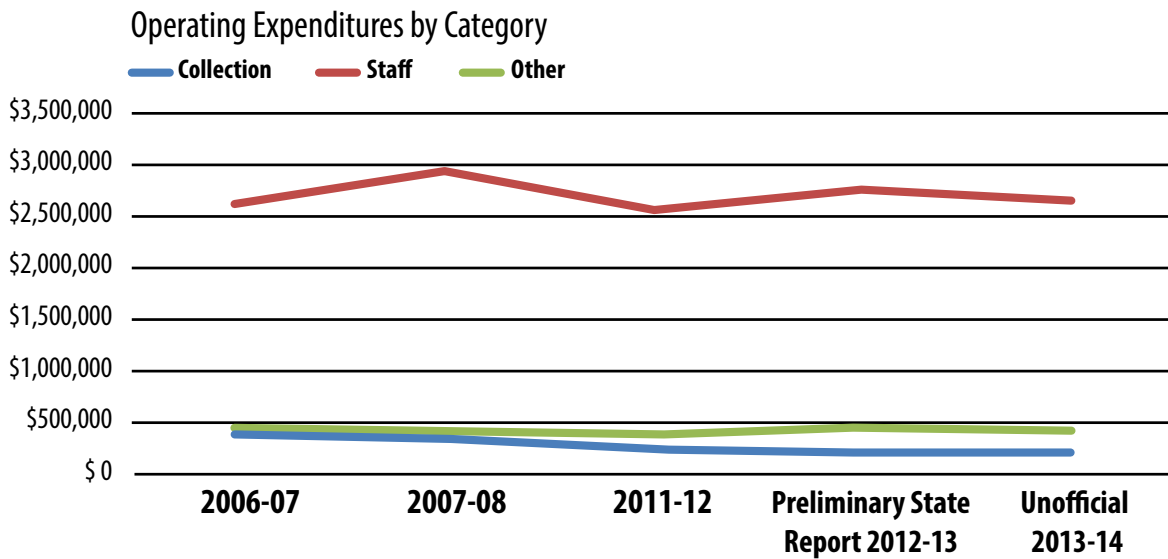


Chart 6: The Library Collection: Expenditures, Circulation Per Capita Compared

Chart 6 shows the number of items in the collection, per capita, and check-outs (circulation) and the amount expended per capita for the comparator group in FY 2012-13. At 1.44 items per capita, Roseville has one of the smallest collections; it spend \$1.62 per capita on new items for the collection; it had 9.67 circulations per capita, just above the average (9.67) of the comparator group.

CHART 6

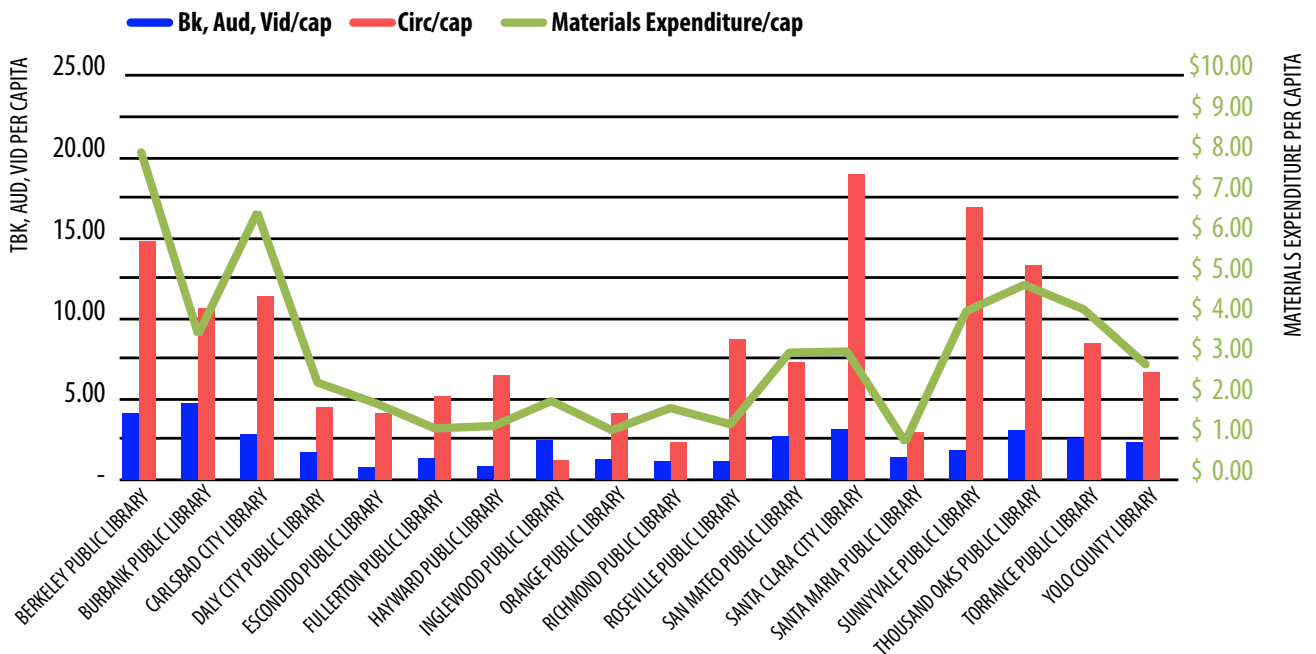
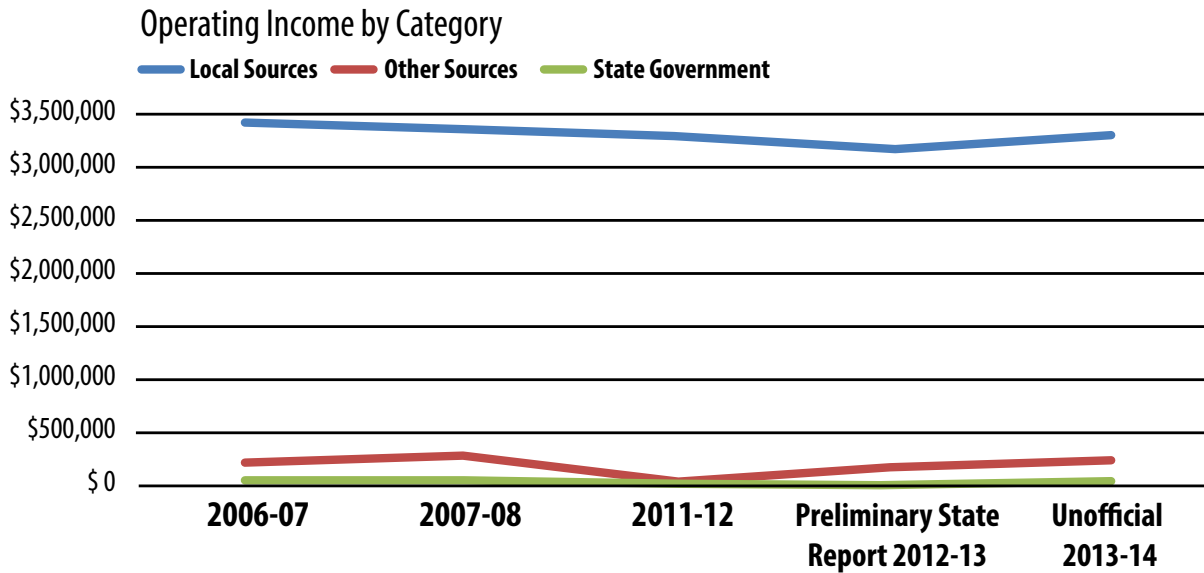


Chart 7: Roseville Public Library Income Source History and Trends

Chart 7 shows local government operating income for the Library, other sources, and from state government. Since the Library’s strategic plan calls for leveraging local resources to increase support for the Library, the Library’s management should monitor funding trends by source.

California libraries annually report income by categories according to the instructions of the California State Library. Local Government Income includes all local government funds designated and available for expenditure by the public library. This may not include the value of any contributed or in-kind services. It may not include the value of any gifts and donations, library fines, fees, or grants; these are required to be reported separately. It does not include state, federal, and other funds passed through local government for library use; these are to be reported separately. It does not include capital funds which must be reported separately. Other sources include fines and fees, copying fees, program revenues, use fees, and concessions. The state government category includes the literacy grant and has included in the past state funding administered through the California State Library.

CHART 7



Parks and Recreation Benchmark

Comparative information requests were sent to approximately 12 agencies for parks and recreation comparisons. Six of the twelve agencies responded. One of the six agencies had very little information included in their response, and was excluded. These agencies included:

- Brentwood
- Folsom
- Walnut Creek
- Tacoma, WA
- Henderson, NV

Parks and recreation agencies do not have comparative information available to them as do library systems. There are no statewide metrics or good comparative data in the parks and recreation industry.

The survey was divided into five different sections:

- Agency Information
- Maintenance
- Technology
- Recreation
- Marketing

The following tables compare Roseville’s operation with the other municipalities. PR&L Department staff selected jurisdictions that were similar in size to Roseville, with a few below, and a couple above the population of Roseville. Table 1 indicates the population of the various benchmark cities along with their respective expense budget.

**TABLE 1
POPULATION AND EXPENSE BUDGET**

<i>Agency</i>	<i>Population served</i>	<i>Expense Budget</i>
Brentwood, CA	53,673	\$17,189,187
Folsom, CA	72,000	\$11,175,166
Walnut Creek, CA	66,190	\$19,904,014
Tacoma, WA	200,400	\$85,572,697
Henderson, NV	279,226	\$28,237,515
Roseville, CA	126,956	\$21,189,989

As part of the comparison, the benchmark survey asked for the percent of Parks and Recreation budget as part of the overall General Fund Budget, and the percentage of the operating budget from taxes. Table 2 shows these results. As the results indicate Roseville’s P&R budget as a percentage of General Fund is the lowest of the surveyed cities and the percent Operating Budget that was from taxes is less than the median.

**TABLE 2
PERCENTAGE PARKS AND RECREATION BUDGET OF THE GENERAL FUND AND
PERCENTAGE OF PARKS AND RECREATION BUDGET FROM TAXES**

<i>Agency</i>	<i>% P&R budget/GF</i>	<i>% Operating Budget from Taxes</i>
Brentwood, CA	12%	60%
Folsom, CA	16%	48%
Walnut Creek, CA	7%	27%
Tacoma, WA	N/A	80%
Henderson, NV	16%	35%
Roseville, CA	7%	43%
<i>Median</i>	<i>12%</i>	<i>46%</i>

In order to compare capital budgets, expense budgets and non-tax rev, the survey asked for these values on a per capita basis. Roseville’s values for Capital Expenditures and Expenses per capita were both lower than the median value, while their non-tax Rev/capita was higher than the median value.

TABLE 3
CAPITAL BUDGET, EXPENSE, AND NON-TAX REV/CAPITA

<i>Agency</i>	<i>Capital Budget/Capita</i>	<i>Expense \$/Capita</i>	<i>Non-tax Rev/Capita</i>
Brentwood, CA	\$22.71	\$320.26	\$62.37
Folsom, CA	\$41.67	\$155.21	\$71.68
Walnut Creek, CA	Not Provided	\$300.71	\$230.47
Tacoma, WA	\$192.61	\$427.01	\$85.11
Henderson, NV	\$6.07	\$101.13	\$25.53
Roseville, CA	\$19.05	\$166.91	\$93.91
<i>Median</i>	<i>\$22.71</i>	<i>\$233.81</i>	<i>\$78.39</i>

Park Maintenance Comparisons

Table 4 is a summary of the total acres of park land for each jurisdiction.

TABLE 4
TOTAL ACRES, OPEN SPACE ACRES AND MOWABLE ACRES

<i>Agency</i>	<i>Total Acres</i>	<i>Open Space Acres</i>	<i>Mowable Acres</i>
Brentwood, CA	471	101	175
Folsom, CA	439	420	114
Walnut Creek, CA	400	2,700	100
Tacoma, WA	1,905	1,245	277
Henderson, NV	1,862	220	215
Roseville, CA	700	4,100	315

Table 5 indicates the total Outdoor Park Maintenance Expense Budget for each jurisdiction and expense budget per capita. Roseville's per capital Maintenance is the second lowest of the surveyed jurisdictions.

TABLE 5
OUTDOOR PARK MAINTENANCE EXPENSE BUDGET AND OUTDOOR PARK MAINTENANCE BUDGET/CAPITA

<i>Agency</i>	<i>Outdoor Park Maintenance Expense Budget</i>	<i>Outdoor Park Maintenance \$ /Capita</i>
Brentwood, CA	\$3,704,889	\$69.03
Folsom, CA	\$2,300,162	\$31.95
Walnut Creek, CA	\$3,900,000	\$58.92
Tacoma, WA	\$11,069,000	\$55.23
Henderson, NV	\$16,442,343	\$58.89
Roseville, CA	\$5,571,340	\$43.88
<i>Median</i>		<i>\$57.06</i>

RECREATION

Four metrics for recreation were compared for the six communities: number of full time recreation staff, revenue generated per full time recreation staff, cost recovery and performance metrics.

The number of full time recreation staff in relation to population size is relatively low for Roseville. It ranks 5 out of 6, indicating staffing levels are comparatively lean.

POPULATION PER FULL TIME RECREATION STAFF:

Brentwood	8,945
Folsom	3,600
Walnut Creek	4,011
Tacoma	6,464
Henderson	4,814
Roseville	8,463

However, the ratio of full time recreation staff to total non-tax revenue places Roseville second out of six that reported this data. This can be interpreted as a measure of efficiency from a public accountability perspective.

Brentwood	\$ 557,901
Folsom	\$ 258,032
Walnut Creek	\$ 924,535
Tacoma	\$ 566,300
Henderson	\$ 122,901
Roseville	\$ 794,867

Roseville compares favorably as well in cost recovery metrics. For the five agencies that reported this figure, Roseville ranks second from the top surpassed only by Folsom.

Brentwood	--
Folsom	83%
Walnut Creek	60%
Tacoma	60%
Henderson	22%
Roseville	72%

Three agencies listed performance metrics relating to recreation services. The primary measurements related to participation, satisfaction, and cost recovery. Additionally, one agency tracks number of programs offered in selected key result areas. This indicates progress towards certain initiatives important to that agency.

	<i>participation</i>	<i>satisfaction</i>	<i>cost recovery</i>	<i>key result programs</i>
Folsom	--	--	--	--
Walnut Creek	X	X	X	
Henderson	X	X	X	X
Tacoma	X	X	--	--
Roseville	X	X	X	--
Brentwood	--	--	--	--

Overall, Roseville bears most similarity to Folsom, especially in number of staff per capita and cost recovery. A notable exception is that Roseville has fewer staff, yet earns roughly double the amount of non-tax revenue.

TECHNOLOGY

The only agencies that have a technology plan are Walnut Creek and Tacoma. Henderson has a plan in progress. Roseville has a City-wide plan for technology. Henderson uses smart phone applications and tablets for registration, irrigation testing, and water system monitoring. Tacoma uses tablets for education sessions and GIS for park maintenance. Folsom will soon begin using tablets for work orders and irrigation.

MARKETING

	<i>Brentwood</i>	<i>Folsom</i>	<i>Walnut Creek</i>	<i>Tacoma</i>	<i>Henderson</i>	<i>Roseville</i>
% online registration	14%	20%	55%	43%	41%	39%
Number of staff	0	.8	1	5	0	2.25
% of operating budget devoted to marketing	--	1%	4.5%	3%	2.71%	1.3%
Alternative Revenue amount	--	\$70K	\$471K	--	--	\$92,027

Online registration ranges from 14% to 55%. According to a database from Leisure Vision, a survey firm specializing in park and recreation needs assessments, the average online registration for park and recreation agencies is 35%. Roseville is lower than three of the benchmark agencies listed above but slightly higher than the Leisure Vision benchmark.

Marketing staff has a range of 0 to 5 staff, with Roseville in between with 1 full-time staff and 1.25 part-time staff. There is no national benchmark in existence for number of marketing staff; however, agencies have been increasing allocation of labor resources toward marketing, corresponding with the growth in social media.

Within the Heller and Heller database of approximately 50 agencies, the average budget allocation toward marketing is 3-4% of the Department's total budget. Of the agencies reporting above, the range goes from 1% to 4.5%, with Roseville at the lower end of the range. Alternative revenue amount was reported by only three of the six agencies, with Walnut Creek's \$471,000 at the high end, and Folsom at the low end. Roseville produced \$92,027, but with ASES and the State Grant for child care, that amount jumps to \$451,238.

Key Performance Indicators

The Parks, Recreation & Libraries Department is continuing to refine its Key Performance Indicators. The Department currently measures many of its business functions, however, in an effort to ensure meaningful data is being collected and used the Department is creating a management system. Creating appropriate targets for these measurements will be important and will help drive results. The Department is currently working on a 5 year operations plan that will coordinate the information provided in a variety of plans that have been developed the last few years, including the Department audit. Part of the operations plan will help developing the KPI's along with appropriate goals and strategies.

<i>KPI</i>	<i>Actual</i>	<i>Target</i>
PRODUCT QUALITY		
Miles of firebreaks installed		
# Parks QAs conducted and meets standards.		
Number of acres of open space/wetlands inspected		4,050
# of creekway inspections to meet flood, fire and water quality requirements		
CUSTOMER SATISFACTION		
Meets or exceeds customer expectations	98	96
EMPLOYEE LEADERSHIP & DEVELOPMENT		
Number of hours of training/employee attendance based on Department Training Calendar.		TBD
OC&L initiatives implemented.		6
OPERATIONAL OPTIMIZATION		
User/program registrants		875,000
Library card holders		81,000
Number of documented processes created annually.		10
FINANCIAL VIABILITY		
Percentage & dollar of revenue to total budget		
Are we meeting cost recovery goals by program area?.		
Number of volunteer hours.		22,950
# of acres funded parks		
# of acres general fund parks		
Cost per acre of funded parks		
Cost per acre of general fund parks		
% of CIP projects on budget		100%

INFRASTRUCTURE STABILITY		
Percent infrastructure improvements completed within budget year (CIP's)		8
Deferred infrastructure amount, in dollars	785,787	2,000,000
Unplanned failures due to deferred infrastructure investment		0
# of trees maintained at the 5 year pruning cycle standard		1,800
# of assets mapped.		
 COMMUNITY SUSTAINABILITY		
Amount of non-functional turf removed		
% of sites using recycled water		
Water use meets overall water budget		
Online Library use.		3,000,000
 RESOURCE ADEQUACY		
Labor dollar trends - full-time, part-time, contracts.		
Full-time fte per 1000 residents		
 STAKEHOLDER UNDERSTANDING & SUPPORT		
Website hits.		
Social media followers		8,000
 SAFETY.		
Number of employee accidents.		
Number of customer accidents/ injuries/incidents.		
Compliance with safety training		
# of playground safety inspections conducted		

Strategic Recommendations

The analysis of the OPA Attributes resulted in approximately 50 Opportunities for Improvement (OFI). Additional OFIs are listed for Maidu Museum, Adventure Club, Affordable Care Act, and Contract Management. Each improvement recommendation includes a timeframe for completion.

The timeframes take into account the level of sophistication of the improvement. Some represent higher level skills and should occur subsequent to more basic, foundational items. The timeframes for completion are listed as year 1, year 2, year 3, and year 4, reflecting the four year OPA cycle. A few recommendations have the designation of “continuous,” which will be worked on throughout each of the four years. It is important to note that implementation of many of these recommendations will require additional resources.

PRODUCT QUALITY

OPPORTUNITIES FOR IMPROVEMENT

- There are recommendations from various plans the Department has completed, but evidence of action plans for completing recommendations or processes to integrate the plans into overall Departmental strategy needs to be strengthened. This includes assigning the Opportunities for Improvement (OFI) deployment to a staff person. YEAR 1
- Standards are not consistently applied throughout the Department. All areas of the Department should have standards in place: park development, park maintenance, library, museum, and recreation programs and services. This includes safety standards, customer service standards, operational standards, and program standards. YEAR 3
- In order to identify how well standards are being met, specifications and audits need to be developed throughout the Department. This is currently being done in parks and needs to occur in all areas of the Department. YEAR 3
- The Product Quality attribute includes the need to identify customer requirements; therefore, each core program and facility should have the most significant customer requirements identified. YEAR 4
- Develop a way to measure the Department’s commitment to mission fulfillment by identifying the Department’s ability to create exceptional experiences and how well expectations are met. YEAR 4

CUSTOMER SATISFACTION

OPPORTUNITIES FOR IMPROVEMENT

- Track and measure customer retention for program areas that are membership based or have a progression of skill levels such as swim lessons, fitness memberships, Adventure Club, etc. YEAR 1
- Develop a technology plan for the Department to ensure technology is used to improve service. YEAR 2

- Best practice park and recreation systems have a cross functional team involved in managing the service system. This team of employees can monitor ongoing service improvements throughout the Department. YEAR 3
- Utilize additional means of assessing customer satisfaction including focus groups, mystery shopping, online engagement tools, customer defection research, finding out why people do not participate in programs, etc. YEAR 4
- ISO 9000:2001 (International Standards Organization) develops standards for various industries worldwide and includes four important components in developing an overall excellent customer satisfaction system. These four components include:
 - Top management commitment
 - On-going needs assessment of customers
 - Overall customer satisfaction system
 - Overall customer dissatisfaction system

The Department does have top management commitment toward the importance of service. Additionally, the Department has completed a needs assessment of customers and should continue these on a regular basis, typically every five years. YEAR 4

EMPLOYEE LEADERSHIP AND DEVELOPMENT

OPPORTUNITIES FOR IMPROVEMENT

- The Director and/or the Business Administrator should have quarterly open-dialogue meetings with front-line employees. The leaders should encourage courageous feedback. YEAR 1
- In conjunction with related opportunities (specifically within the attributes of Operational Strength and Operational Optimization), training recommendations and system change/improvements include: YEAR 1
 - Process improvement
 - Project management
 - Performance management system
- Complete exit interviews for a sample of part-time and seasonal staff to determine root causes of turnover, or a less time consuming process involves the development of a questionnaire/checklist for completion by the employee. Full-time staff exit interviews are available through Human Resources in a quarterly report. Information that is deemed sensitive, urgent, and relative to current operations should be brought to the attention of the Director as soon as possible, and not held for a quarterly report. YEAR 2
- Improve the onboarding process for employees, and develop an evaluation process. YEAR 2
- Develop a succession plan for the senior leadership positions of the Department. YEAR 4
- Continue work in the development and deployment of leadership competencies. CONTINUOUS

OPERATIONAL OPTIMIZATION

OPPORTUNITIES FOR IMPROVEMENT

- Continue to develop more cross functional approach to issue resolution and significant organizational initiatives. YEAR 1
- Develop a strategic plan. YEAR 1
- Identify key organizational processes and the development of an institutionalized system for improving the process. YEAR 3
- Develop process manuals as needed. CONTINUOUS

FINANCIAL VIABILITY

OPPORTUNITIES FOR IMPROVEMENT

- Provide training for employees about the financial system in order for employees to have a better understanding of how finances work. YEAR 3
- Create a centralized function related toward corporate support and sponsorships. This could be a contractual position, resulting in low expense for the Department. YEAR 3
- Calculate the economic impact of the Department's services. YEAR 4
- Continue efforts in pursuing and growing alternative revenues. CONTINUOUS
- Develop more written policies relating to internal control and cash control. CONTINUOUS
- Work with other City departments to identify ways to reduce barriers to efficiency in established policies and procedures. CONTINUOUS

INFRASTRUCTURE STABILITY

OPPORTUNITIES FOR IMPROVEMENT

- Each year, some assets are not maintained or replaced as planned. PR&L should publish an annual Maintenance and Replacement Gap Report to track what isn't being addressed based on adopted/used plans (formal or informal). YEAR 1
- Providing Wi-Fi to employees and visitors must be consistent with normal reliability standards. Track downtime and work with the IT Department to improve consistent service. YEAR 1
- PR&L needs to have a current and well-funded multi-year financing plan related to current operations and capital replacement. Given operating costs that are on the rise, developing a well-funded and practical plan for new buildings will be difficult. The competition for new dollars is fierce. YEAR 2
- Develop a well-defined implementation process for the Urban Forest Master Plan. YEAR 2
- Develop a Library facility master plan with operational and capital cost estimates. YEAR 3

OPERATIONAL STRENGTH

OPPORTUNITIES FOR IMPROVEMENT

- Create a system-wide performance management system to include:
 - Linkage with the strategic plan and creation of a “Strategy Map”
 - Organizing priorities
 - Creation and tracking of project and process lists
 - A system to set divisional and department wide priorities/goals
 - Establishment of measures linked to the priorities
 - Ability to link human and financial resources with workload
 - Tracking/management system and scorecards/dashboards
 - Availability of all forms and templates on-line YEAR 1
- Develop an Executive Team that includes the Director, Parks Division Manager, Library Division Manager, Business Services Manager, and Recreation Division Manager. YEAR 1

COMMUNITY SUSTAINABILITY

OPPORTUNITIES FOR IMPROVEMENT

- Create a section on the website that regularly explains the Department’s commitment to conservation efforts, in addition to water conservation. YEAR 1
- The Department has taken a tactical approach to sustainability initiatives. A starting point for sustainable practices is assessing the Department in its current practices. Using an assessment tool can result in a system wide approach to developing sustainable practices. YEAR 1
- Using the assessment tool can result in a system wide approach to developing sustainable practices. YEAR 2
- Best practice systems have developed dashboards of performance indicators relating to cost savings from the implementation of sustainable practices. Identify key metrics to identify results of sustainable practices beyond tracking water use and provide a dashboard of performance, posted in the website. YEAR 2
- The Department should assign a staff person to oversee sustainable practice implementation from the General Plan as well as other sustainable practice initiatives. This person would serve as a champion for sustainable practices. YEAR 2
- Develop a Recycling and Zero Waste Policy for CAPRA compliance. YEAR 3

RESOURCE ADEQUACY

- Compared to other agencies in the NRPA PRORAGIS database and the Library benchmark, the Department's staffing levels are below the median of other agencies. Additional positions should be considered including an Assistant Director, Business Analytics, Administrative Assistant, Recreation Supervisor overseeing the Adventure Club, technology support, park development inspections, and front counter supervision. In addition, changes in responsibilities for the Parks Division Manager and Recreation Superintendent overseeing the golf course operation are recommended. CONTINUOUS

STAKEHOLDER UNDERSTANDING AND SUPPORT

OPPORTUNITIES FOR IMPROVEMENT

- Develop a public information and policy protocol as identified in CAPRA (Commission for Accreditation of Park and Recreation Agencies). YEAR 2
- Develop a marketing/community relations plan as identified in CAPRA. YEAR 2
- Evaluate outreach efforts on a continuous basis and develop an action plan for improvements. YEAR 2
- The Library would benefit from a strategic communications and fund-raising plan that has a goal of maximizing the number of active library card holders. YEAR 3
- Identify and quantify how residents desire to find out about programs and services. YEAR 4
- Continue improvements to the activity guide and website. CONTINUOUS

SAFETY

OPPORTUNITIES FOR IMPROVEMENT

- Management team should conduct monthly reviews of all Departmental accidents and incidents to focus on trends, training and costs. Safety should be a permanent part of the Management team's written agenda. YEAR 1
- All employees responsible for investigating and completing accident forms must be trained in the process of asking questions and making observations that lead to the highest possible level of objective information and recommendations. Such training should be mandatory. YEAR 1
- Management team should require each Division to identify key risks, training needs and goals pertaining to employees and visitors/users. YEAR 2
- PR&L should complete a simplified annual safety and risk management report that summarizes past cost, trends and progress towards goals. New divisional and Department wide goals should be stated. This should cover employees and visitors/users. YEAR 3
- Management team should create and manage Department-wide safety goals. CONTINUOUS



- PR&L should create KPIs that focus on lowering cost, accident and injury form/investigation completion, site visits (risk identification) and specific accident trends. These measures should be incorporated into the performance expectations of all employees and especially supervisors. CONTINUOUS
- PR&L needs to develop, implement and manage minimum procedures, equipment and risk training for all employees. CONTINUOUS

MAIDU MUSEUM

OPPORTUNITIES FOR IMPROVEMENT

- Plan for the long term protection/preservation of petroglyphs. YEAR 1
- Improve promotion of gift shop. YEAR 2
- Research the potential for new corporate sponsorship program with museum staff directly involved in this process. YEAR 3 (along with system wide approach within the Financial Viability Attribute)
- Consider the addition of a volunteer coordinator. YEAR 3
- Have staff actively participate with the Department in the management system with goals. CONTINUOUS
- Inclusion in all Tribal discussions/meetings. CONTINUOUS

ADVENTURE CLUB

OPPORTUNITIES FOR IMPROVEMENT

- The City needs to update the cost of services-reimbursement study. YEAR 1
- Investigate improved software for Adventure Club billing, late and delinquent payments, and scheduling. YEAR 1
- Develop an in-house “quality assessment team.” Adventure Club employees should work directly with the quality team to further explore these issues and identify actions. Members of the in-house quality team must be skilled in independent judgment, communications, analysis and action. This quality team should complete its initial report within six months. Thereafter, the City should look at the work-staffing load and consider the possibility of an additional program supervisor. YEAR 2
- Another option exists: The Superintendent responsible for Adventure Club will need to spend approximately half of his time over the next three to four months on direct oversight and assisting the supervisors in resetting processes, practices and further studying needs. YEAR 2

AFFORDABLE CARE ACT

OPPORTUNITIES FOR IMPROVEMENT

- As PR&L implements the ACA policy, the Department must track costs and impacts on services. The Department needs to formulate and implement a plan. YEAR 1
- The City policy should reflect the following change: The 1000 Hour Employee should read: “cannot work an average of (not “of more than”) 130 hours or more per month (equivalent of 30 per week).” YEAR 1
- Since 30 hours per week (never to be exceeded) is equivalent to 130 per month, the restriction could be set at 29 hours per week or 129 per month – never to be exceeded. YEAR 1
- The words “assignments of” (in 1000 Hour Employee section) should be replaced with the word “working.” YEAR 1

CONTRACT MANAGEMENT

OPPORTUNITIES FOR IMPROVEMENT

- Have high level discussions regarding possible change/amendment to irrigation and tree removal contracts to determine how to perform a service level and cost analysis. YEAR 1
- There is a need for better issue management around complaints and expectations involving other City departments who manage and award contracts. CONTINUOUS
- Take management action to resolve janitorial complaints/issues. CONTINUOUS
- For all large contractors, perform an annual level of service and cost-benefit analysis. CONTINUOUS
- Supervisors should keep detailed Level of Service/complaint reports consistent with contract specifications. CONTINUOUS

Implementation Guidelines

The following is a listing of suggestions for successful implementation of the recommendations. The list represents the commitment and discipline required to integrate the process into daily operations. The desired outcome of the process is to have the recommendations built into daily operations and the way the Department staff work together, rather than it being perceived as “extra work.”

- This information should be included as part of the employee orientation program.
- Post the summary of information on the website and track results on the site as well. Share results with other City Departments. It may also be helpful to print a short summary of progress to distribute to interested partners and community members.
- A staff person or team should have responsibility of being the project manager or “champion” of the Plan’s implementation to ensure success. This staff person is responsible for monitoring the Plan’s progress and works with staff to effectively integrate the Plan with operations.
- Recommendations will have a leader assigned to manage the process. The leader selected should be a good facilitator of process, have knowledge of the responsibility, and the initiative should be connected to the individual’s job responsibilities. Many recommendations will require a cross functional team of employees to complete the recommendation. There can be one, two, or five or more employees on a team for an individual initiative.
- Regular progress reporting should occur. Break the Plan into separate fiscal years and report one year at a time, as an ongoing annual work plan. Each recommendation should include a list of tactics that support its completion. The tactics are developed prior to each year for the upcoming list of initiatives. The team of employees assigned to each initiative should develop the list of tactics. It is the project leader’s responsibility to report on his/her recommendation, to be included in a quarterly report. A suggestion is to input each year’s recommendations on a spreadsheet that lists the recommendation start date and targeted completion date, and which staff person is responsible for completion. Steps in the process include:
 1. Selecting a team leader for the recommendation
 2. Team leader and/or senior leadership select the supporting employees who may be needed to complete the initiative
 3. The team meets to develop the list of tactics
 4. The team develops a team charter that outlines the goals of their recommendations, start date, targeted completion date, and a list of tactics. The team leader provides a summary of progress each quarter

- At the end of the year, perform an annual written review and documentation of the recommendations.
- Create a dashboard of Key Performance Indicators (KPIs) either on a spreadsheet or through a dashboard software program.
- Conduct staff meetings on a semi-annual basis to review progress and results of KPIs. Create opportunities for Visual Management, or having KPI results posted in office areas.
- An annual just-in-time review of the next year's recommendations to determine if priorities have changed. In addition, review the KPIs and determine if changes to metrics are required based on experience. This can be included at an annual retreat in which successive years' recommendations are discussed as part of the annual budget process.

Appendix A: Acronyms Used throughout the Report

AC: Adventure Club

AMH: Automated materials handling

BSC: Balanced Scorecard

CAPRA: Commission for Accreditation of Parks and Recreation Agencies

FLSA: Fair Labor Standards Act

FTE: Full-time staff equivalent

HHC: Heller and Heller Consulting, Inc.

ISO: International Standards Organization

IIPP: Illness and Injury Prevention Program

ILS: Integrated Library System

KPIs: Key Performance Indicators

LEED: Leadership through Energy Efficient Design

NRPA: National Recreation and Park Association

OFI: Opportunities for Improvement

OPA: Operational Performance Audit

OSHC: Occupational Safety and Health Committee

PPACA or ACA: Patient Protection and Affordable Care Act

PR&L: Parks, Recreation & Libraries

PRORAGIS: NRPA Park and Recreation Operating Ratio and Geographical Information System

RFID: Radio frequency identification

SPSTs: Selected public service transactions

Appendix B: Operational Performance Audit of Roseville Public Library

Executive Summary

INTRODUCTION

The City of Roseville commissioned an operational performance audit (OPA) for the Parks, Recreation, and Libraries Department. Ruth Metz Associates, a Portland Oregon firm specializing in libraries, conducted the OPA of the Library. This Executive Summary highlights our findings and conclusions, areas suggested for further review, and recommendations. Details are in the body of the report.

KEY FINDINGS

The Library is providing the scope of library services one would expect of a public library. It is outpacing many of its counterparts in service output per capita even while it is amongst the lowest-funded per capita.

The Library operation is lean and generally efficient. Reduced funding levels since 2007/08 coupled with significant Roseville population growth have necessitated a great deal of belt-tightening. The Division has economized back-of-house operations and this has enabled the Library to deploy staff for direct public service.

The notable exception to efficiency is the ratio of individual staff to full time equivalence (FTE) positions. The personnel workload--hiring, training, and supervision--is exponentially increased by having to employ 79 individuals to fill 43 FTE.

The Division has gone a long way toward high/tech-high/touch; performance measures indisputably show that the Division is doing more with less. The Library has shown greater output per capita even as operating income, staffing, and collections per capita have declined.

Roseville residents receive good value for their dollar at the Library. Since FY 2006/07, nearly every output measure has shown an increase while every resource measure has shown a decline.

While 98% of over 1,300 survey respondents rated the "value of their experience" of the Library good, very good, or excellent in January 2012, over 900 of those respondents made note of the many needed improvements including hours and services, collections, facilities, and technology.

The highest percentage of excellent ratings went to staff courteousness, assistance from staff, cleanliness of the Library and care of the grounds, and convenience of the Library locations.

To serve an ever-increasing population, the Library has more locations and is open more hours than at any previous time. A mobile library is in production and will further enhance the Library's direct service capability and increase public service hours.

The Division has done a remarkable job of keeping the Library relevant to a growing population in an increasingly digital age, even as they have had to stretch and leverage resources. However, the capacity of the Division to continue to do a good job is at risk due to low funding.

The Library's resources have been stretched and leveraged, perhaps to the tipping point. With funding per capita well below the average of the comparator libraries serving populations of 100,000-150,000, there simply isn't sufficient money for the collections, technology, facilities, and services to meet the needs of a growing population in an increasingly digital world.

Since FY 2006-07, the population of Roseville has increased by 20% while the per capita funding of the Library has decreased by 20%. The result has been fewer staff per thousand residents, fewer collection items per capita, and extremely limited funding for other operational categories inherent in running a dynamic library system for a growing population.

FOR FURTHER REVIEW

THE LIBRARY AND IT

The Library is purposefully and necessarily committed to a strategy of "high tech/high touch" in a "new normal" that requires "doing more with less". The effective introduction, deployment, and management of technology by the Library and support from City IT are crucial to the Library's efficiency, effectiveness, viability, and sustainability. These areas warrant further review: the slow speed of access for customers using the Library's website and integrated library system (ILS); customer and staff complaints about the open-source ILS¹, and the robustness of the Library's website.

LIBRARY SYSTEM FACILITIES

At present, the City is meeting its General Plan goal of a library facility for every 40,000 residents. However, it is on the threshold of continued growth, Library funding is flat, and the existing libraries are not located optimally to serve the whole City. In addition, the existing libraries were not designed to accommodate 21st century library technology or with the flexibility for repurposing spaces, or to optimize the efficiency of staff.

Many communities are facing the same challenges and developing interesting ways to address these issues. It is timely for the City to assess current conditions and growth patterns, examine best practices in library facility modeling from a systems perspective, and determine the optimum 21st century configuration for Roseville.

CONCLUSION

The Division has done virtually what can be done to stretch limited resources and deserves to be commended. The operational performance capacity of the Library is impacted for better or worse by the level of funding, for it is the funding that provides the four essential elements of service: staffing, collections, technology, and facilities. As these are limited, so is the Library's performance capacity. The City risks jeopardizing the public's confidence if the Library cannot deliver service levels that the public wants from the Library. It risks the good will of funding supporters like the Library Foundation and the Friends of the Library. With an ever-increasing

1 - An integrated library system (ILS), also known as a library management system (LMS),^{[1][2]} is an enterprise resource planning system for a library, used to track items owned, orders made, bills paid, and patrons who have borrowed.

population and ever demanding digital environment, it risks the viability of the Library in a community that increasingly expects a standard of technological performance that matches what they find in the rest of the world.

RECOMMENDATIONS

1. RESOURCE ADEQUACY

We recommend that the City take steps to raise Library funding per capita, with the intention to bring operating funds per capita to the average of its population comparator group.

2. TECHNOLOGY REVIEW

We recommend a review that analyzes IT capacity to support Library operations.

3. LIBRARY FACILITIES MASTER PLAN

We recommend that the City develop a master plan for library facilities.

4. ADDITIONAL BENCHMARKS AND COMPARATORS

We recommend that the Library monitor over time its progress regionally and in comparison to its population group in funding, output, and performance.

Purpose of This Report

The City of Roseville commissioned an operational performance audit (OPA) for the Parks, Recreation, and Libraries Department. Ruth Metz Associates, a Portland Oregon firm specializing in libraries, conducted the OPA of the Library. This report pertains to the Library and is organized in relation to the City's specifications and the contractor's engagement agreement.

Audit Methodology for the Library

This audit combined analysis of key operational and performance data, onsite observation and interviews of key City departmental and Library personnel, and representatives of the Library Board, Library Foundation, and Friends of the Library. It included a site visit on September 28-29, 2014, follow-up interviews, and review of many Library and departmental documents provided or requested for our purposes.

We analyzed five years of the Library's statistical reports to the California State Library; the California State Library's statistical database includes 130 input and output measures. We also analyzed the data for Roseville in relationship to two groups of comparator libraries:

- four other libraries in the region
- 17 city libraries throughout California serving populations of 100,000-150,000. We also included Yolo County Library because it is in this population group as well as in the region.

We also reviewed the needs assessment survey conducted by the Library in January 2012; this included the multiple choice summary provided by the Library. We also reviewed the over 900 written comments of the respondents. We also reviewed the summary of the November 2013 customer survey. We interviewed the City Librarian concerning the attributes and administered an organizational effectiveness work sheet.

COMPARATOR LIBRARIES AND DATA

Prior to our site visit and the selection of comparators libraries for benchmarking purposes, we conferred with the Roseville City Librarian to inform the selection of comparator libraries. For the purposes of this audit, we have relied on the population group and not the regional group. The population group includes the Roseville Public Library and 16 other California city libraries serving populations of 100,000-150,000². We also included Yolo County Library in this group even though it is a county library because it is in the population group as well as in the region.

Since municipal libraries are usually departments of a city, and the Roseville Public Library is a departure from the norm, we determined to include other jurisdictions where the public library is blended with Parks and Recreation departments. We found two such libraries in the population group: Sunnyvale and Richmond. We also compared Roseville Public Library regionally with El Dorado County, Folsom, Sacramento, and Yolo County.

Our data source was the California State Library annual statistics FY 2010-11, FY 2011-12, and preliminary FY 2012-13³. The Roseville City Librarian provided FY 2013-14 data because it is not yet available from the California State Library. For the Roseville Public Library alone, we also included FY 2006-07 and FY 2007-08 data from the California State Library; this was done to compare conditions before and following the economic downturn.

It is important to note that the comparison of key input, output, and performance measures tells only part of any public library story. The comparator libraries have a population grouping in common but there are many variables in the jurisdictions they serve: geophysical, demographic, social, financial, and political. Nevertheless, the data is useful in gauging the relative performance of any given library, as long as the reality of these other factors is acknowledged. Also, these libraries are not the sum total of the State Library statistics; the data does not tally everything they do but only certain measures.

2 - The California State Library compiles data reported annually by public libraries in California. The California State Library's statistical database includes about 130 input and output measures for the 186 public libraries in California. For purposes of comparison, it groups public libraries in seven categories according to population. Roseville is one of municipal public libraries in its population grouping of 100,000-150,000 residents. We did not include the cities of Downey, Murrieta, and Victorville because their single-branches and geographies made them outliers. Although Sunnyvale has just one facility, we included it in the population group because like Roseville, it is "blended" with Parks and Recreation.

3 - The California State Library's statistical database includes about 130 input and output measures for the 186 public libraries in California.

High Level Objectives

HOW THE LIBRARY OPERATES RELATIVE TO COMPARABLY-SIZED JURISDICTIONS

The Library operation is lean and efficient. Successive budget reductions since 2007/08 and steady population growth have necessitated a great deal of belt-tightening. Wisely, the Library leadership has economized back-of-house operations and this has enabled the Library to deploy staff for direct public service.

Many of the behind-the-scenes functions typical of a public library have been streamlined, outsourced, or eliminated for efficiency and cost reduction. At the same time, the Library has more locations and is open more hours than at any future time: 31% more than in FY 2006-07. A mobile library is in production and will further enhance the Library's direct service capability and increase public service hours.

The Division has done a remarkable job of keeping the Library relevant to the community, of meeting the increasing demand of a growing population, and of stretching and leveraging resources to keep pace in an increasingly digital age. The Library is outpacing many of its counterparts in service output, even while the Library is amongst the lowest-funded.

According to the most recent comparative data (FY 2012-13), the per capita operating income of California public library jurisdictions serving populations of 100,000 to 150,000 ranges from a high of \$135.60 (Berkeley) to a low of \$17.80 (Santa Maria); the average in this population grouping is \$47.40. Roseville Public Library's operating income was \$27.50 per capita and increased slightly to \$27.80 in FY 2013-14.

Relatively speaking, Roseville residents receive good value for the dollar at the Library. One major indication of this is the relatively high service output of the Library given its very low funding level. Roseville Public Library has a higher level of output in relationship to its operating income than many libraries in the population group. The Library's selected public service transactions (SPST)⁴ are an indication of its use by the community: visits, computer sessions, check-outs, program attendance, reference, and inter-library lending and borrowing exceeded 1.965 million. Chart 1 of this report compares the operating expenditures and SPSTs of all 18 libraries in the comparator population group. Chart 2 compares the per capita operating and SPSTs per capita.

Funding for the Library, staffing, collections, and other operations have decreased over time, while productivity has increased to meet the demands of a growing population. Performance trends for the Library, from FY 2006-07 to FY 2013-14, are shown in Charts 3, 4, 5 and 6.

Even as the Roseville population has increased by over 20% since FY 2006-07, the Library's operating budget has decreased by 20% per capita. Reductions since FY 2007-08 have meant fewer staff per thousand residents, fewer collection items per capita, and extremely limited funding for other operational categories inherent in running a library system.

4 - This performance indicator is a composite of several output measures: number of visitors to the library, items circulated, items inter-library loaned or borrowed, reference transactions, programs attended by the public, and computer uses in the library. These measures are reported to the California State Library annually and compiled by the State Library in a database. We combined these output measures for the purposes of this audit. These alone are not the full measure of any public library's performance; they are used here for comparative purposes because all of the libraries are required to report them.

STEWARD OF PUBLIC FUNDS AND RESOURCES

As previously noted, Roseville residents receive good value for their dollar at the Library. Since FY 2006/07, nearly every output measure of the Library's performance has shown an increase while every resource measure has shown a decline. The Library has shown greater output per capita even as operating income, staffing, and collections have declined. Charts 3 and 4, as previously noted, show input and output measures for the Library, beginning with FY 2006-2007, just before the economic downturn, through the last full fiscal year, FY 2013-14.

Even in the wake of the economic downturn, the Library is open at more sites for more hours than ever. The Library staff operates three facilities for a total of more hours than all but 6 of the libraries in its population group with fewer staff per thousand residents than most of its comparator libraries. A fourth facility—a mobile library was received and deployed in the Spring of 2015.

Library leadership has shown resourcefulness in eliminating and honing functions so that as much personnel time as possible can be given to direct public service. Library technical functions have been streamlined and automated. The administrative and management structure of the Library has been “flattened” and these functions largely distributed across staffing classifications. Library staff has diverse portfolios that are ever-changing to meet changing demands.

The Library leadership has brought the Library into the digital age and employed many best practices in order to make operations efficient. The Library leadership has resourcefully leveraged its local government income, working with the Friends of the Library and the Library Foundation to additionally fund the Library.

Evaluation

SUCCESS IN FULFILLING THE DEPARTMENT'S MISSION

“The City of Roseville Parks, Recreation & Libraries Department's mission is to enhance lives and the community by providing exceptional services.”⁵ The Library is providing the breadth of library services one would expect of a public library. As noted above, the Library is also outperforming comparator libraries in the region and in some measures, other cities in its population group. Given its comparatively low per capita funding, however, providing exceptional services is a very ambitious mission.

The community appreciates the Library and gives it high ratings overall for the value of their experiences of the Library. The highest percentage of excellent ratings went to staff courteousness, assistance from staff, cleanliness of the Library and care of the grounds, and convenience of the library locations. However, residents also want improvements from the Library in services, collections, technology, and facilities.

In a January 2012 survey, the over 1300 respondents had over 900 suggestions for improving the Library. Most of these fell into five categories: a desire for more hours, more staff assistance and programs; improved collections and collection services; improved online services; and facility

improvements. Some comments spoke directly to improving the funding of the Library and the many suggestions are illustrative of how the lack of funding affects the Library's ability to be exceptional.

The Library has already trimmed its operational sails extensively. Making the desired improvements – more hours, better collections, improved online services, and improved facilities – would need increased operational funding. There is no doubt of this given the population growth and the need to keep up with the service needs of an increasingly digital population.

COMMUNITY AWARENESS

One of the measures of a library's success is the percentage of residents that have an active library card. The Library has 71,076 card holders and this is 56% of the population. The average for the regional comparator group is 49%; for the municipal library comparators group it is 75%. The Library would benefit from a strategic communications and fund-raising plan that has as its goal maximizing the number of active library card holders.

CUSTOMER SATISFACTION

The City risks jeopardizing the public's confidence if the Library cannot deliver service levels that the public wants from the Library. According to the community survey conduct in January 2012 by the Library for strategic planning purposes, 98% of over 1,300 respondents rated the "overall value received of their experience of the Library" as good, very good, or excellent. Nearly 61% rated the overall value received as excellent. The highest percentage of excellent ratings went to staff courteousness, assistance from staff, cleanliness of the library and care of the grounds, and convenience of the library locations.

The survey respondents had over 900 write in suggestions for improving the Library and most of these fell into five categories: additional hours; additional staff assistance and programs; collections and collection services; online services; facilities; and outreach, public awareness, and marketing of the Library. Some comments spoke directly to improving the funding of the Library and the many suggestions are illustrative of how the lack of funding affects the Library's ability to be exceptional. The lowest percentage of excellent ratings went to convenience of library hours, arrangement of library materials the respondent wanted to borrow, and helpfulness of signage. A high "not applicable" rating for adult's, teen's, and children's programs suggest that at that time programs may be underutilized and perhaps not well known.⁶

The City risks jeopardizing the public's confidence if the Library cannot deliver service levels that the public wants from the Library. It risks the good will of funding supporters like the Library Foundation and the Friends of the Library. With an ever-increasing population and ever demanding digital environment, it risks the viability of the Library in a community that increasingly expects a standard of technological performance that matches what they find in the rest of the world.

6 - Programmatic offerings: The Library has dramatically increased its program offerings and the attendance has increased dramatically over the past three years although the number of programs and the attendance dropped somewhat in the last fiscal year. Library programs include story times, author events, and a variety of literary, educational, and cultural events.

PROGRAM STAFFING LEVELS AND PERFORMANCE OF VARIOUS PROGRAMS

The Library has 0.35 staff per thousand residents while the FY 2012-13 average of the comparator group is 0.42 per thousand. To bring the Library up to the average per thousand, for instance, would be the equivalent of an additional 8.645 FTE. Not only are program staffing levels minimal but the high percentage of part-time staff is administratively inefficient, necessitating the hiring and replacement, supervision and training of more employees than would otherwise be necessary for the current program of service.

Common measures of program performance include visits to the Library, circulation of the collection, the number of sessions the public uses the Library's public computers, inter-library lending and borrowing, and program attendance. For the purposes of this audit, these numbers were combined for a selective public service transaction count.

As previously noted, the Library's output performance over the past five years has increased in nearly every measure, even while budget resources have diminished. SPTSs have increased by 53%: circulation by 54%, visits by 23%, program offerings by 133%, program attendance by 200%, reference transactions by 30%. Chart 3 presents a summary of these measures, starting before the economic downturn and ending with the last full fiscal year, 2013-14.

However, in the FY 2012-13 analysis of the Library in comparison to its population cohort, the Library at 1.965 million SPSTs was slightly below the 2.12 million average of its population cohort. The range for the cohort group was a high of 4.2 million (Santa Clara City Library) and a low of about 435,000 (Inglewood City Library).

The performance capacity of the Library is impacted for better or worse by the level of funding, for it is the funding that provides the four essential elements of service: staffing, collections, technology, and facilities. As these are limited, so is the Library's performance capacity. The Library leadership and management has done virtually what can be done to stretch resources, allocating limited resources thinly across these elements.

The Library's Strategic Plan and its "Edge Action Plan for the Roseville Library"⁷ chart a course of improving the offerings of the Library in keeping with the expressed needs of the community and library industry best practices. The Library leadership has a strategic plan, based on a public process; it has used the Edge assessment and has an action plan for improving public access technology. That these planning efforts are coordinated and calibrated is impressive. These processes have helped the Library leadership set its priorities and there is every indication that the leadership is following through.

USE OF FINANCIAL RESOURCES BY THE LIBRARY

Since FY 2006-07, the population of Roseville has increased by 20% while the funding of the Library has decreased by 20% per capita. Reductions since FY 2007-08 have meant fewer staff per thousand residents, fewer collection items per capita, and extremely limited funding for other operational categories inherent in running a library system. The Library's FY 2013-14 operating budget of \$3.27 million has been flat for years even as the population has grown, facilities have been added, hours have been increased, and service use has increased.

As previously noted, successive budget reductions since 2007/08 have necessitated a great deal of belt-tightening. Wisely, the Library leadership has economized back-of-house operations, especially technical services including acquisitions, cataloging, and processing of collections. It has improved labor-intensive processes through the introduction of radio frequency identification (RFID), self-checkout machines, and automated materials handling (AMH). These technologies reduce staff handling of materials and expedite check out for customers as multiple items can be automatically scanned at once for checkout and check in. AMH robotically sorts all returned items for reshelving. These systems together improve customer service, reduce labor-intensive handling of materials by staff, reduce the risk of repetitive motion injury, improve inventory control and security of resources, and enabled the Library to deploy staff for direct public service.

Many of the behind-the-scenes functions typical of a public library have been streamlined, outsourced, or eliminated for efficiency and cost reduction. At the same time, the Library has more locations and is open more hours than at any future time: 31% more than in FY 2006-07. A mobile library is in production and will further enhance the Library's direct service capability.

The Division has done a remarkable job of keeping the Library relevant to the community, of meeting the increasing demand of a growing population, and of stretching and leveraging resources to keep pace in an increasingly digital age. The Library is outpacing many of its counterparts in service output, even while the Library is amongst the lowest-funded. According to the most recent comparative data (FY 2012-13), the per capita operating income of California public library jurisdictions serving populations of 100,000 to 150,000⁸ ranges from a high of \$135.60 (Berkeley) to a low of \$17.80 (Santa Maria); the average in this population grouping is \$47.40. Roseville Public Library's operating income was \$27.50 per capita. FY 2013-14 operating income per capita was \$27.80 for Roseville; comparative data for other libraries is not available at this time.

Relatively speaking, Roseville residents receive good value for the dollar at the Library. One indication of this is the relatively high service output of the Library given its very low funding level. In FY 2012-13, Roseville Public Library had a higher level of output in relationship to its funding than many libraries in its population group. The Library's selected public service transactions (SPST)⁹ are an indication of its use by the community: visits, computer sessions, check-outs, program attendance, reference, and inter-library lending and borrowing exceeded 1.965 million. Chart 1 of this report compares the operating expenditures and SPSTs of all 18 libraries in Roseville's population group. Chart 2 compares the per capita operating and SPSTs per capita.

8 - The California State Library compiles data reported annually by public libraries in California. For purposes of comparison, it groups public libraries in seven categories according to population. For the reported year, FY 2012-13, Roseville is one of 18 public libraries in its population grouping. Though these libraries have somewhat similarly sized populations, there are many variables that make comparison at the data level unreliable. For example, some are single facility libraries while others have branches and bookmobiles. Some are municipal libraries and others are district or county libraries. Nevertheless, a comparison of per capita operating budget and service output is a high-level indication of how the Roseville Public Library compares with similarly sized jurisdictions.

While 98% of customers of the Library rated the “value of their experience” of the Library good to excellent in January 2012, those same respondents made note of many needed improvements including hours, collections, services, facilities, and technology. Our review affirms these needs.

We question the sustainability of the Library at its present funding level chiefly because it does not have sufficient money to purchase collections, to improve facilities, to add hours and other services, and to provide a robust technology.

Areas for Future Analysis

THE LIBRARY AND CITY IT SUPPORT

Sufficient support from City IT is crucial to the Library’s efficiency, effectiveness, viability, and sustainability. The Library is purposefully and necessarily committed to providing 24/7 virtual service, a mobile library, and well placed physical facilities. It is also committed to a strategy of “high tech/high touch” as a necessity in a “new normal” economy that requires “doing more with less”.

The Department should be concerned about 1) slow speed of access for customers using the Library’s website and 2) impediments to the timely adoption of library technology that would enable the Library to function more efficiently and effectively. These issues were noted by customers and staff and threaten to undermine stakeholders’ impression of the Library’s organizational effectiveness.

THE LIBRARY’S ILS¹⁰ AND VENDOR SERVICE

Many public libraries use open source ILSes. It is an industry “given” that open-source systems are labor intensive at the beginning and can take a while to finesse. Libraries that elect to use open source software instead of commercial ILS vendors generally do so because they are dissatisfied with the product, the service, and the cost of what is commercially available.

However, the Library’s nearly 2-year old open-source ILS system has been a source of dissatisfaction with customers and the Library staff who directly serve the public. Staff is concerned that customers have become cynical about the Library taking their concerns seriously.

Nearly a year after the start of the new ILS a November 2013 survey administered by the Library about the Library’s website found that about 75% of 132 respondents rated their visit to the website good, very good, or excellent while about 25% of respondents rated their visits to the website fair or poor. The respondents’ suggested improvements had to do with navigation, searching, the mobile application, finding account information, response time slowness, and placing, finding, and cancelling holds.

Interviews and observations conducted for this audit at the end of September 2014 showed the Library’s new ILS continues to raise concerns. Library management knows of these problems and concerns and has been addressing them, according to Library management. Natasha Casteel, City Librarian wrote that the October 2014 six-month upgrade to the ILS went well. She said the upgrade fixed the delays at check-out and that the system is working faster now.

9 - This performance indicator is a composite of several annual output measures: number of visitors to the library, items circulated, items inter-library loaned or borrowed, reference transactions, programs attended by the public, and computer uses in the library. These measures are reported to the California State Library annually and compiled by the State Library in a database. We combined these output measures for the purposes of this audit. These alone are not the full measure of any public library’s performance; they are used here for comparative purposes because all of the libraries are required to report them.

10 - An integrated library system (ILS), also known as a library management system (LMS),^{[1][2]} is an enterprise resource planning system for a library, used to track items owned, orders made, bills paid, and patrons who have borrowed.

Nevertheless, we recommend monitoring staff and customer experience with the speed, efficiency, and effectiveness of the Library's website and its ILS. Further, we recommend that the Library and the IT Department make a plan of support for the Library that improves the customer experience and that supports the Library at the level necessary for the Library to function efficiently and effectively in the digital age. We recommend additional analysis of the role of City IT and the Library's vendor, ByWater, with respect to the Library's 2-year old Koha open-source ILS.

THE LIBRARY WEBSITE

Because the Library's website is a portal to the Library and the platform for the Library's intention to provide 24/7 services, we visited the website from the user side. Our brief review suggested some deficiencies that bear further review and analysis. We found inconsistent attention given to design norms, to ease of navigation, and to functionality. We have provided specific examples of these deficiencies in writing to the City Librarian in the course of this audit. The above recommended further review of City IT support for the Library should include an assessment of how improved City IT support could improve the website.

LIBRARY FACILITIES

The City's General Plan calls for a library for every 40,000 residents. At the City's current population of (127,025, FY 2013/14) the City is meeting its goal with three facilities. Including all three facilities, the Library has 54,300 square feet of space or .44 square feet per capita. This is more space per capita than the average of its regional neighbor libraries (.33 SF) and less space than the average of its population group (.60 SF).

Public Library Industry norms dictate that public libraries should be well-placed in the community for ease of access by all residents. Guidelines for the design of public libraries emphasize flexibility so that space can be repurposed over time as needs, collections, and technology influence the way people find and use information. There is no uniform national or state standard for facility size or placement of libraries in jurisdictions.

The industry norm in new construction and remodels shows that public libraries are typically getting larger per capita. This is generally attributed to the public's desire for their public libraries to provide spaces for a wide range of purposes: large community rooms (seating for 75-200) for meetings and programs; small meeting spaces for collaborative learning and tutoring; creative, "maker spaces"; "zones" for young children and families, for teens, and for adults where uses range from story times to quiet reading, research, and study; public computer commons and training labs.

While the City is meeting its goal at present, it is on the threshold of continued growth. Library funding is flat and the existing libraries are not located optimally to serve the whole City. In addition the existing libraries were not designed to accommodate 21st century library technology or with the flexibility for repurposing spaces, or for self-service and "new normal" staffing levels (on a single level). Many communities are facing the same challenges and developing interesting ways to address these issues.

The City might better reconfigure its future Library system with these concepts in mind, taking a system wide view. It is timely for the City to assess current conditions and growth patterns, examine best practices in library facility modeling from a systems perspective, and determine the optimum 21st century configuration for Roseville.

Potential “Red Flags”

RESOURCE ADEQUACY

The ability of the Library to continue to do a good job is at risk. This is a resource issue. At current funding levels and with an ever-increasing population, it is doubtful the Library can sustain its viability in an increasingly digital world. The Library’s resources, through resourceful leadership and dedication of staff, have been stretched and leveraged, perhaps to the tipping point.

Since FY 2006/07, nearly every output measure has shown an increase while every resource measure has shown a decline. The Library has shown greater use per capita even as operating income, staffing, and collections have declined. The Library is open at more sites for more hours than it was five years ago. The number of program offerings has progressively increased by 133%; likewise, program attendance per thousand residents has increased 151%. Visits, checkouts, reference, all have increased significantly over that time span. A new output measure, virtual visits to the Library’s website and online and digital resources, is an indication of the Library’s relevance in the digital age; in FY 2013-14, the Library had 4.054 million virtual visits.

However SPSTs are beginning to show a decline, even as the population has increased. Programs offered, program attendance, reference, and inter-library loans per capita all declined from FY 2012-13 to FY 2013-14.

The Library has tried to position itself to survive in the “new normal” economy and in an environment that has demanded it do more with less. With a per capita operating budget that is only 58% of the average of the Library’s population group there simply isn’t much money for collections, technology, facilities, and additional hours. Staffing costs (FY 2013-14) comprised 82% of the Library’s operating budget even as staffing-per-thousand-residents is at its lowest (.3354). This is not to suggest that the Library is overstaffed for it is not. Rather, collections and other operations of the Library are underfunded.

Facilities, collections, technology, and services all need funding for the Library to succeed in the future. Further, the Library needs equipment, technology, and facility replacement reserves; these are non-existent at this time.

EMPLOYEE LEADERSHIP AND DEVELOPMENT

There is a sense of speed and urgency in managing the affairs of the Library that has undoubtedly helped sustain the Library. That very speed and urgency can undercut communication and put a great deal of pressure on the system. The Library’s ability to deliver exceptional services is dependent on well conceived decisions and a well-informed, motivated workforce. When the staff comes to believe that they dare not report operational problems for fear of being labeled complainers it is a potential liability for the Library, the City, and for residents.

It is often difficult to find the right balance but it is always important to bring staff along, to respect their input, and take it seriously. Front-line staff is generally in the best position to see what the customer experiences and to hear what the customer says. The most important Library asset is a community that trusts that the Library is well-managed, responsive, and reliable.

Conclusions

CONSISTENCY WITH PREVAILING INDUSTRY STANDARDS AND PRACTICES

The Library is providing the range of library services one would expect of a public library. The Division's effort is exceptional and the public recognizes the exceptional effort, according to a 2012 survey with other 1300 responses. Customers think the Library is a good value for the dollar. At the same time, respondents suggested many improvements in the Library, from hours, to collections, to facilities, to technology. Their suggestions are consistent with our observations.

The Library staff has gone a long way toward high/tech-high/touch and performance measures indisputably show that they are doing more with less. However, the robustness of resources – staffing, collections, technology, and facilities – is marginal for the times and the place. That is, it is the time when libraries must keep pace with a technology dependent, technology expectant population that continues to grow. Because of the Library's marginal per capita funding, the City has reason to be concerned about the future viability of the Library.

Like good schools, good libraries attract residents and contribute to the economic development of communities. To be competitive, the Library needs to increase hours, improve its collections, improve online services, and improve the facilities. These improvements would need an infusion of ongoing funding.

CURRENT STAFFING MODEL

Library staffing per thousand Roseville residents is below average for the population comparator group; the Library's hours of service are above average. The Library has fewer staff per thousand (0.35) residents and per hour of operation than the average of its comparators (0.42). If the City matched this average, it would mean an additional 8.64 staff FTE.

There is no library industry standard for a correct balance of regular to temporary staff. However, there is a point of diminishing returns in efficiency when the Library has to hire, train, schedule, and supervise 79 individuals to do the work of 43 FTE. Every individual, no matter how few hours they are employed to work, must be hired, trained, and supervised. The personnel workload of the Library, of the Department, and of the City is more than doubled, to say nothing of turn-over and the effect on morale of long-time employees whose status indefinitely remains part time or temporary.

Recommendations

1. RESOURCE ADEQUACY

We recommend that the City take steps to raise Library funding per capita, with the intention to bring operating funds per capita to the average of its population comparator group. With the Library's comparatively low per capita funding and Roseville's growing population, the City has reason to be concerned about the future viability of the Library.

According to the last available comparative data (FY 2012/13), the average per capita income was \$47.38, compared to Roseville's \$25.70 per capita. Meeting the average of its comparator group would effectively raise the Library's operating income, now at \$3.5 million, by \$2.5 million, to \$6 million. This would enable the Library to increase hours and services, keep up with and invest in technology, improve physical and virtual collections, and improve and invest in Library facilities.

Library "champions" such as the Friends of the Library, the Library Advisory Board, and the Library Foundation express great concern that the extraordinary efforts of Library leadership and staff to "do more with less" will only reinforce the City's expectations of the Library for ever greater efficiency. They fear that the City intends to shift the balance of funding of the Library more and more away from general fund support to the private and non-profit sector. They are of the belief that the provision of public library services is essential to a democratic society and a fundamental responsibility of local government.

2. TECHNOLOGY REVIEW

To ensure the efficient and effective operation of the Library we recommend additional analysis focused on the City IT capacity to support Library operations.

We recommend a review that:

- Analyses City IT capacity to support Library operations.
- Analyzes and monitors staff and customer experience with the speed, efficiency, and effectiveness of the Library's website and its integrated library system (ILS).
- Analyzes the Library's website, particularly to identify obstacles and opportunities for improving the Library's website.
- Analyzes the role of City IT and the Library's host vendor, ByWater, with respect to the Library's 2-year old Koha open-source ILS.
- A plan of support for the Library that improves the customer experience and that supports the Library at the level necessary for the Library to function efficiently and effectively in the digital age.

3. LIBRARY FACILITIES MASTER PLAN

We recommend that the City develop a master plan for library facilities taking a system-wide approach. The plan should describe the optimum 21st century configuration for Roseville that:

- Evaluates the condition, functionality, and efficiency of the existing Library facilities;
- Analyzes the projected demographic, socio-economic, and market segments of the service population;
- Identifies emergent trends and best practices in public library service models (such as all-digital, mobile, express and so forth) suitable for the City of Roseville; and
- Recommends a Library facility master plan with operational and capital cost estimates

4. EXISTING BENCHMARKS AND COMPARATORS

Library management regularly reports attendance, circulation, reference questions, library computer use, program attendance, and number of registered borrowers in its “Library and Museum Monthly Snapshot”. We recommend that the Library add virtual visits to the Snapshot as these represent use of the “virtual library”. We recommend the inclusion of registered card holders as a percentage of the Roseville population.

We further recommend that the Library monitor its progress locally and in comparison to its population group in funding, output, and performance. We recommend this be done annually and tracked each year in relationship to previous years so that the City, Department, and Library can track its progress. We suggest the Library use the templates created for this audit for this purpose and we will provide our Library measures Excel file for the Library’s use.

Comparator Libraries: Local Government Operational Funding and Selected Public Service Transactions Compared: This data shows the relationship of operating expenditures to service volume for Roseville Public Library in comparison to 17 other California libraries serving populations of 100,000-150,000. Charts 1 and 2 compare the Library with its population group using the latest available annual database from the California State Library, FY 2012/13. Chart 1 is in dollars and service numbers while Chart 2 shows per capita.

Roseville Public Library Trends: Population, Operating Expenditures, Public Service Transactions per Capita and Staffing Levels. This data shows population, operational funding, service, and staffing trends over time. Charts 3 and 4 compare the service population, SPSTs, virtual visits¹¹, operating expenditures and staffing per thousand residents over time. Our template also shows hours of service and virtual visits. The California State Library has added a measure – wireless sessions per year – to be reported starting in FY 2013-14. This should be included in future trends charting.

11 - Virtual visits are Virtual visits to the library (website or catalog). Visits represent the number of individual sessions initiated by all visitors from outside the Library to the Library’s site. A visit/session ends when someone closes their browser or stops loading web pages on the website for a period of time (typically when more than 30 minutes elapses between page views, but this is arbitrary). Virtual visits include a user’s request of the library website or catalog from outside the library. A single visit to a website may involve loading of numerous web pages or elements (images, style sheets, etc.)

Collections Held Per Capita, Expenditures, and Circulation: Relates to the number of items in the Library’s collection, expenditures for collections, and the number of persons the Library serves. The Library’s collection size per capita is currently below average as is the percentage of the budget for collections. Meeting the diverse needs of the service community requires a collection of adequate size.

Library Card Holders as a Percent of the Population: Relates to the number of persons registered as borrowers to the number of Roseville residents. This measure is useful in gauging the percent of potential users who know the library exists and have indicated intent to use it.

Library Income by Funding Source: Tracks the level of funding from local, state, and federal government as well as from the category “other”. “Other” funding generally includes fines and fees, grants, gifts, and miscellaneous income. The Library leadership intends to “investigate additional funding sources to help supplement City funds” (Strategic Plan). It can be a tool for gauging the balance of local funding to other funding. It tracks over time the City’s funding commitment to library services: is important to demonstrate local government commitment sufficient to inspire the continuing support of Friends of the Library, the Library Foundation, grantors, and other potential funders.

Customer Satisfaction: Relates to the percent of respondents rating of Library services as “exceptional” per its mission. We recommend the Library adopt a systematic methodology for obtaining, analyzing, and reporting customer satisfaction on a regular basis. We recommend that the Library analyze written comments as well as multiple choice responses.

Conclusion

The Division has done a remarkable job of keeping the Library relevant, of meeting the increasing demand of a growing population, and of stretching and leveraging resources to keep pace in an increasingly digital age. Roseville Public Library has a higher level of output in relationship to its operating income than many libraries in the region and its population group.

Thanks to the resourceful leadership and dedication of staff, Roseville residents receive good value for the dollar at the Library. Library users expressed overall satisfaction with the Library in a 2012 survey but also asked for many improvements. They are the kind of improvements that cost money: more hours, better collections, improved online services, and improved facilities.

The Division has done virtually what can be done to stretch limited resources and deserves to be commended. The operational performance capacity of the Library is impacted for better or worse by the level of funding, for it is the funding that provides the four essential elements of service: staffing, collections, technology, and facilities. As these are limited, so is the Library’s performance capacity.

With an ever-increasing population and ever demanding digital environment, the City risks the viability of the Library in a community that increasingly expects a standard of technological performance that matches what they find in the rest of the world. The Library stands to lose the

confidence of the community unless the City addresses the underfunding of the Library. It risks the good will of funding supporters like the Library Foundation and the Friends of the Library. Improved funding of the Library will inspire the greater confidence of the Library’s advocacy and fund-raising organizations and be a platform for greater community engagement with the Library.

Charts

CHARTS 1 AND 2: FUNDING AND SERVICE MEASURES COMPARED

Chart 1 shows the relationship between operating dollars spent and selective services delivered. One can infer from this chart that Roseville Public Library has comparatively high service delivery for its expenditure level. The chart compares the total operating expenditures for these comparator libraries as well as “selected public service transactions” (SPSTs) in the same year, FY 2012-13. Certain service measures are reported to the California State Library annually by public libraries. We have combined these service measures and called them SPSTs: they include the number of visits, circulation of physical and digital items, use by the public of library computers, attendance at programs of the libraries, the number of reference questions, and the number of inter-library loan transactions. SPSTs do not capture all of the service measures of the libraries. The comparator libraries are similar in that they all serve populations of 100,000 to 150,000 and are city libraries; the exception is Yolo County Library which though not a city library is in the same population group and region.

Preliminary 2012-13 Total Expenditures & Selected Public Service Transaction

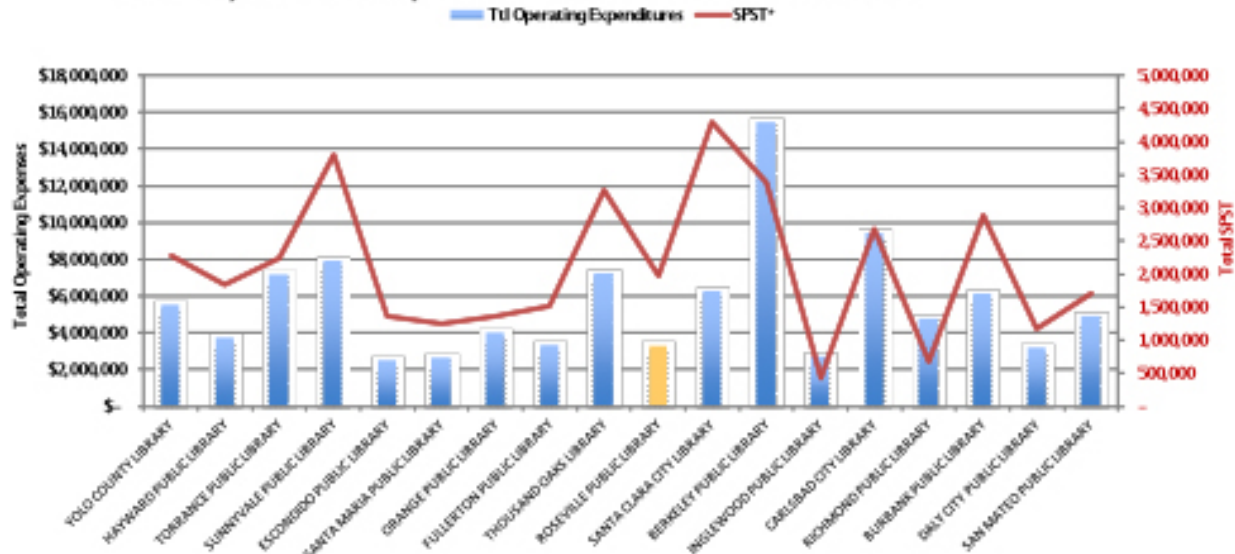
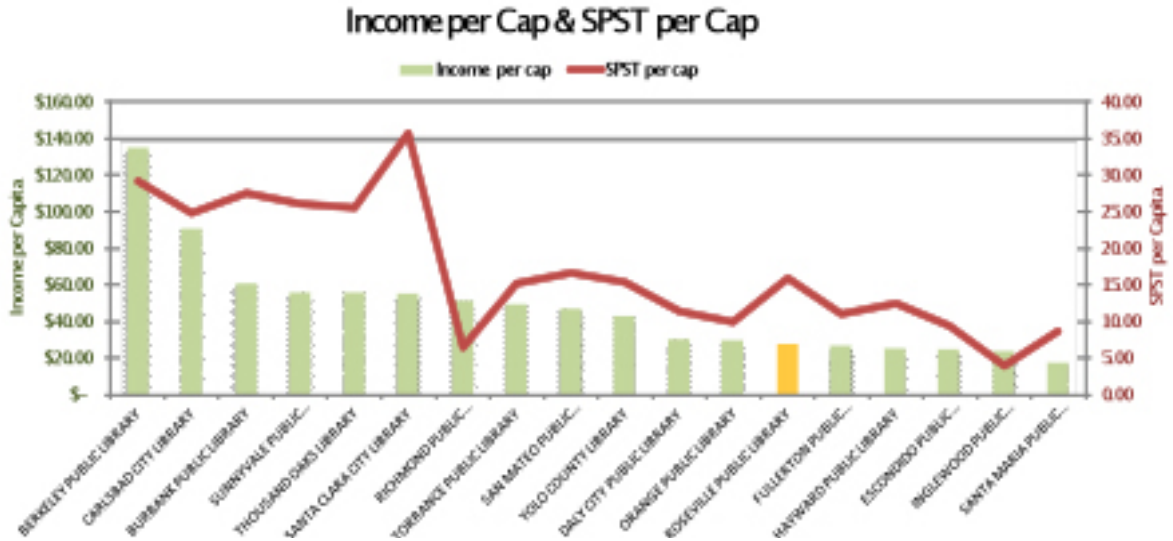


Chart 2 shows the operating income per capita for the comparator libraries and the SPSTs per capita. In this chart, the libraries are arranged from highest to lowest per capita income (left to right) along the horizontal axis while the red line shows SPSTs per capita.

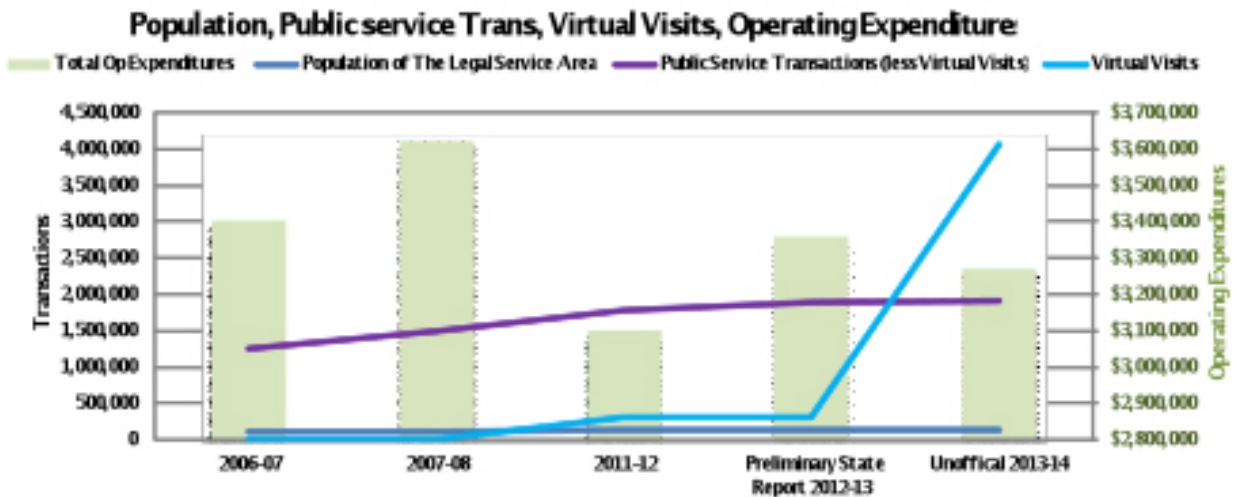
Chart 2



**CHARTS 3 AND 4:
ROSEVILLE PUBLIC LIBRARY OPERATIONAL TRENDS, FY 2006-07-FY 2013-14**

Service levels have steadily increased even with funding and staffing reductions. Chart 3 compares the service population, SPSTs, virtual visits¹², and operating expenditures of the Library over time. The Library’s funding (operating expenditures) exceeded \$4 million in FY 2007-08 and had dropped precipitously by FY 2011-12. Funding of the Library has improved since then but not to previous levels. The dramatic increase in virtual visits in FY 2013-14 has to do with new procedures for recording database usage and online public access computer (OPAC) usage, according to the Roseville City Librarian. The California State Library has added a measure, wireless sessions per year, starting in FY 2013-14.

Chart 3



**CHART 4:
ROSEVILLE PUBLIC LIBRARY FUNDING, SERVICE, AND STAFFING PER CAPITA, TRENDS**

Chart 4 compares the operating budget, service levels, and staffing levels per capita over time. Chart 4 shows that while the operational funding of the Library has decreased dramatically, and staffing per capita has decreased, the amount of service per capita has increased. This is an indication that the staff is productive and operations have become increasingly more efficient, even as the population has grown and resources have diminished.

Chart 4

Per Capita Operating, Per Capita Public Service Transactions, Staffing per 100

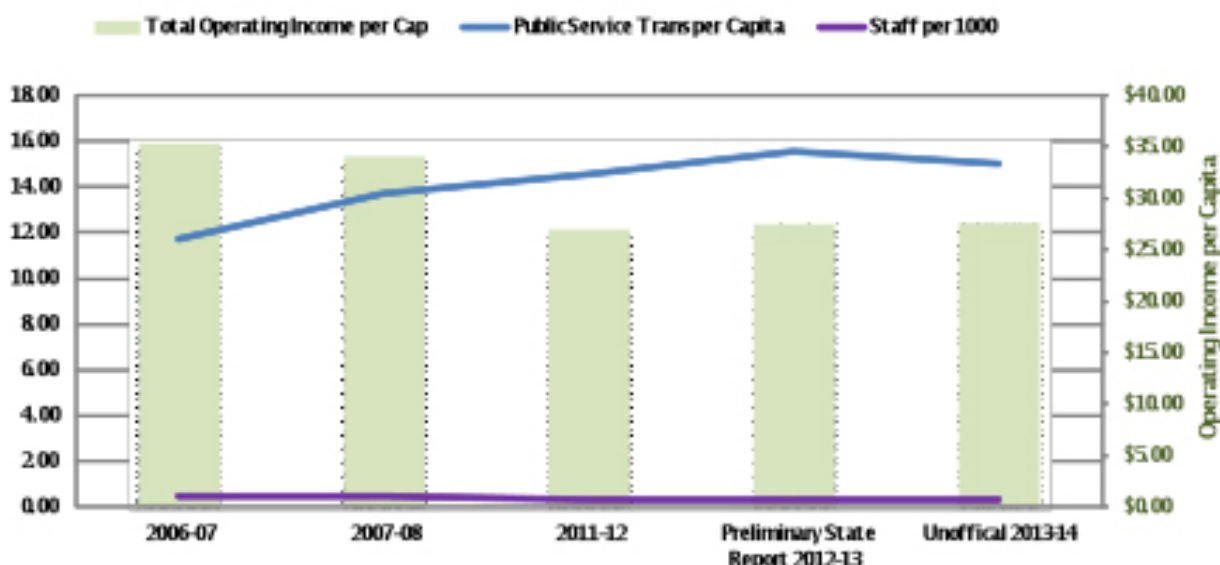


CHART 5-7: LIBRARY FUNDING TRENDS AND COMPARISONS

Chart 5 shows the trend in resources going to three budget categories over time: staffing, collections, and all other operations¹³. Operating expenditures are reported annually to the California State Library in these categories. The Chart shows the decline in real dollars in each of these categories. The Library’s operating budget has been reduced to such an extent that even with fewer full time equated (FTE) staff, personnel makes up 82% of the operating budget. This leaves little for collections and other operating costs which range from supplies to contracts and so forth.

12 - Virtual visits are Virtual visits to the library (website or catalog). Visits represent the number of individual sessions initiated by all visitors from outside the Library to the Library’s site. A visit/session ends when someone closes their browser or stops loading web pages on the website for a period of time (typically when more than 30 minutes elapses between page views, but this is arbitrary). Virtual visits include a user’s request of the library website or catalog from outside the library. A single visit to a website may involve loading of numerous web pages or elements (images, style sheets, etc.)

13 - Other operating costs include various accounts from supplies to contract and professional services, repairs and maintenance, utility charges from the City, telecommunications, training and professional development, insurance, mileage, and so forth.

Chart 5

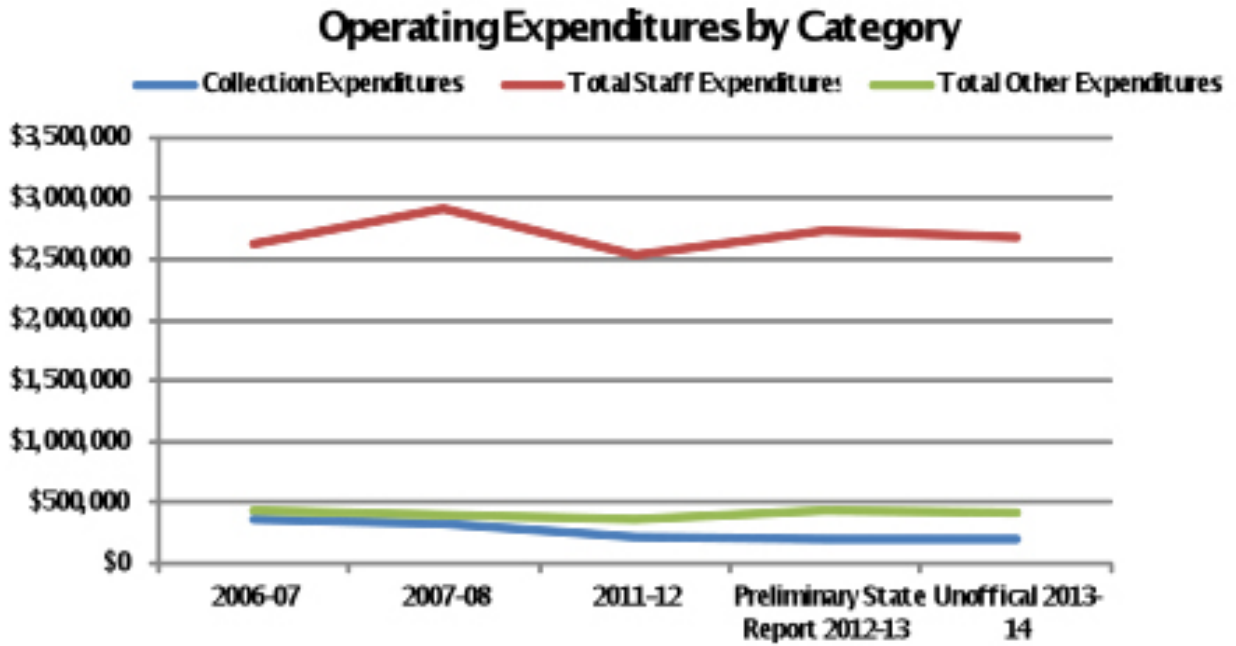


CHART 6: THE LIBRARY COLLECTION: EXPENDITURES, CIRCULATION PER CAPITA COMPARED

Chart 6 shows the number of items in the collection, per capita, and check-outs (circulation) and the amount expended per capita for the comparator group in FY 2012-13. At 1.44 items per capita, Roseville has one of the smallest collections; it spends \$1.62 per capita on new items for the collection; it had 9.67 circulations per capita, just above the average (9.67) of the comparator group.

Chart 6

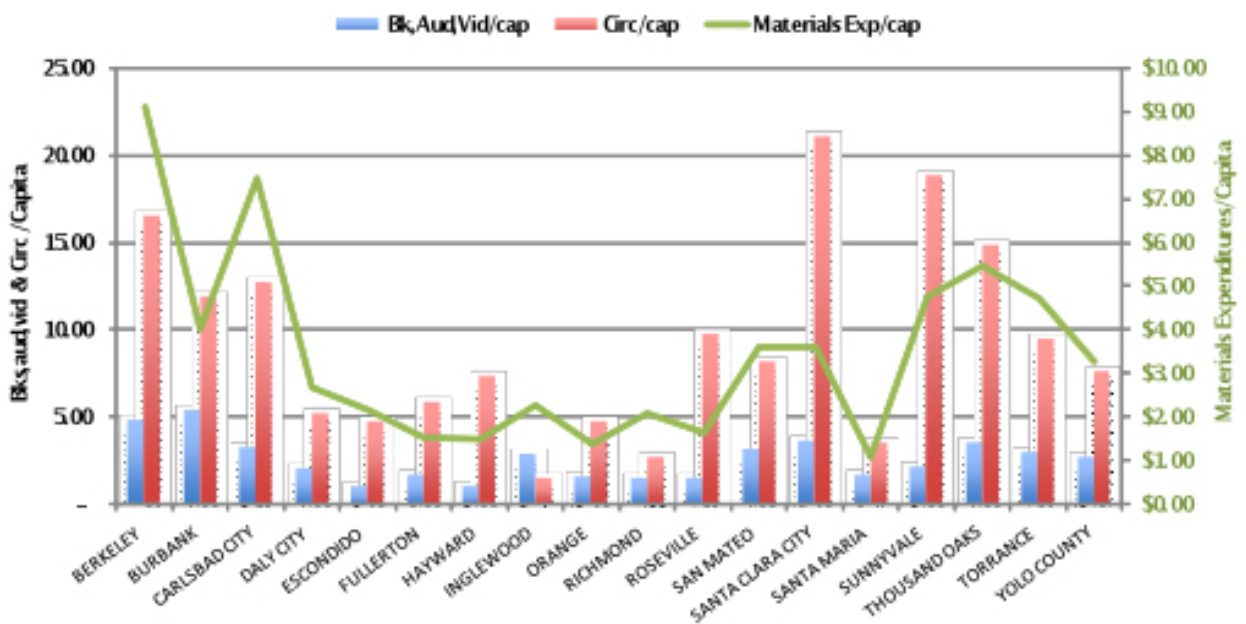
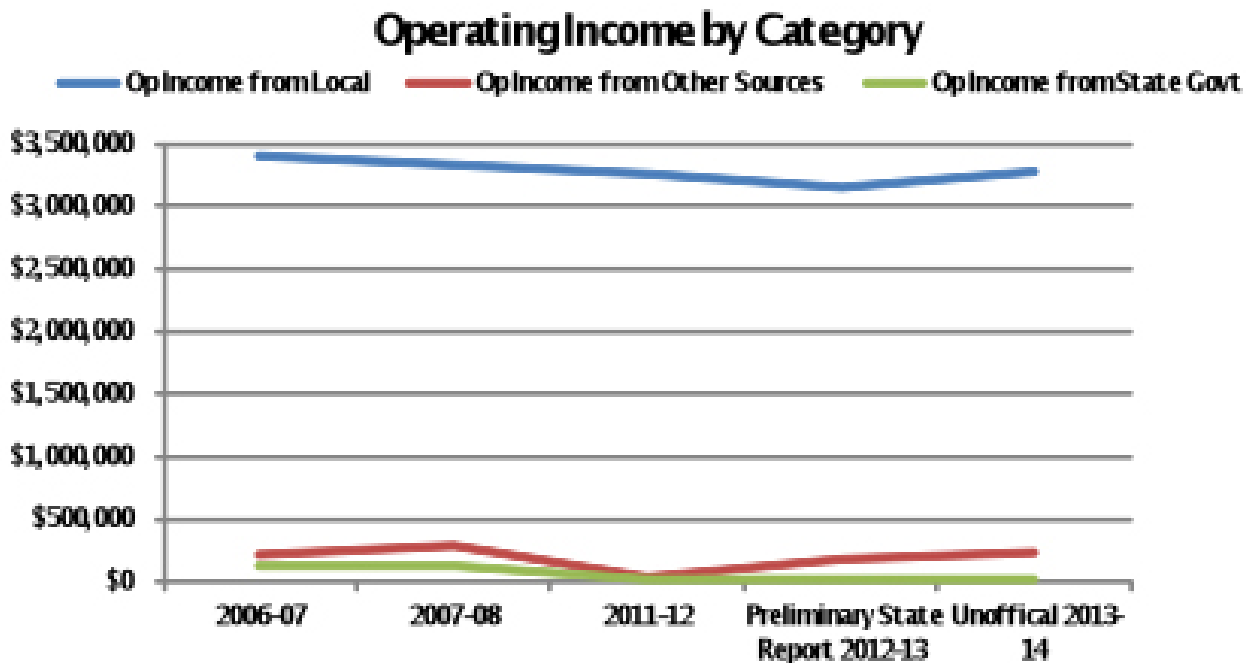


CHART 7: ROSEVILLE PUBLIC LIBRARY INCOME SOURCE HISTORY AND TRENDS

Chart 7 shows local government operating income for the Library, other sources, and from state government. Since the Library’s strategic plan calls for leveraging local resources to increase support for the Library, the Library’s management should monitoring funding trends by source.

California libraries annually report income by categories according to the instructions of the California State Library. Local Government Income includes all local government funds designated and available for expenditure by the public library. This may not include the value of any contributed or in-kind services. It may not include the value of any gifts and donations, library fines, fees, or grants; these are required to be reported separately. It does not include state, federal, and other funds passed through local government for library use; these are to be reported separately. It does not include capital funds which must be reported separately. Other sources include fines and fees, copying fees, program revenues, use fees, and concessions. The state government category includes the literacy grant and has included in the past state funding administered through the California State Library.

Chart 7



Appendix C: Public Golf Course Management Models

This section includes two areas of information: comparison of number of rounds of golf with other neighboring courses and a narrative outlining various management models of public golf course operations. The following information details information about the courses and their recent performance in number of rounds played. This is followed by a detailed narrative of various golf course management models, including:

- Self-operation
- Concessions
- Management contracts and leases

According to National Golf Foundation statistics, more and more public golf course operators have contracted golf course services. In 2011, 57% of public golf courses were self-managed. That number has changed significantly as 15% of additional public courses changed from self-operation to being operated by concessionaires of golf management companies.

BACKGROUND

Roseville owns two 18 hole courses, Diamond Oaks and Woodcreek. Currently two separate contracts exist for the courses, SRI Golf Inc. and Sports Restaurant for golf course, pro shop, and food and beverage operations, and Valley Crest Golf Course Maintenance for golf course maintenance. The term for the existing contracts ends December of 2015. The Valley Crest agreement includes payment of \$1,350,000 for maintenance operations. SRI's agreement includes paying the City greens fees and a percentage of carts and driving range revenue. Roseville Parks, Recreation & Libraries will soon be identifying the most optimal management model to suit their needs and will be issuing an RFP soon.

Designed by Robert Muir Graves in 1995, Woodcreek features 18 championship holes and includes amenities such as a lighted driving range, fully stocked golf shop, and banquet facilities. Diamond Oaks Golf Course is one of the greater Sacramento region's most popular facilities. Designed by Ted Robinson and opened in 1963, Diamond Oaks has a fully stocked Golf Shop, Legends & Heroes Grill and practice facility. The most recent history of rounds played includes:

	<i>2011</i>	<i>2012</i>	<i>2013</i>
Diamond Oaks Rounds	61,408	60,301	62,255
Diamond Oaks Green Fee Revenue	\$1,041,766	\$986,531	\$968,112
Woodcreek Rounds	44,643	49,807	49,250
Woodcreek Green Fee Revenue	\$740,049	\$798,691	\$793,891

The courses experienced much higher rounds in the years 2006-2009. Specifically, Diamond Oaks rounds during those four years all exceeded 70,000 rounds. Woodcreek rounds during 2006-2009 all exceeded 60,000 rounds. The years 2011 through 2013 show a significant drop from previous years, which is consistent with results of other courses in the region. Information from SRI for rounds for the first nine months in 2014 show the downward trends for number of rounds continue. The numbers below represent the first nine months' operation for 2014 from the previous year.

Bartley Cavanaugh	down 4,000
Empire Ranch	down 2,500
Bing Maloney	down 3,500
Lincoln Hills (2 courses)	down 3,000
Hagin Oaks McKenzie	down 2,000
Cherry Island	down 2,000
Woodcreek	down 1,900
Diamond Oaks	down 1,100

Golf course round comparisons are included in the following charts.

GOLF ROUNDS COMPARISON (January – October in 2013 and 2014)

	<i>2013</i>	<i>2014</i>	<i>Difference</i>
Cherry Island	34,427	33,222	-1,205
Empire Ranch	47,822	45,321	-2,501
Wildhawk	49,425	49,402	-23
Lincoln Hills (2 courses)	76,680	73,823	-2,855
Bing Maloney	39,309	36,317	-2,993
Mackenzie	48,133	46,232	-899
Diamond Oaks	54,318	52,239	-2,079
Woodcreek	43,456	40,797	-2,659

The following information outlines various management models for Roseville's consideration.

SELF-OPERATION

In this model, the municipality operates its golf course with all revenues, expenses, employees, etc. belonging to the municipality. This has been the dominant model in past years, but has changed significantly during the last five to seven years as the supply and demand for golf has changed. The number of courses proliferated while demand for golf has dropped. This management model includes two basic accounting methods, with two distinctly different set of results:

- General Fund Accounting – the golf course operates as any other line item in the municipality's budget. Losses are often masked by this method. If the course experiences financial success, the net surplus generally goes back to the City's general fund. The inability to reinvest into the course infrastructure is then negatively impacted. It's difficult to compete in the golf market when there are little or no dollars for reinvestment.
- Enterprise Fund Accounting – The municipality sets up a separate "enterprise fund" for the golf operation. In theory, excess revenue is returned to the enterprise for future improvements. Within enterprise fund accounting, depreciation is included as an operating expense. Of all the public courses in the United States, a slight majority of them operate as enterprise funds.

In a self-operation model, all golf course staff are paid by the City. This includes not only salaries, but benefits as well. As a result of higher labor costs, many cities have found that contracting courses can provide better financial results. If the City is able to reinvest in the course with net surplus dollars, there can be advantages to self-operation, despite higher labor costs.

Some advantages of self-operation include:

- Being able to directly control the quality of the course operations.
- Many local golfers appreciate their local course and their green fees and other revenue going to "their community's course".
- The profit motive may not be as significant as profit oriented operations, which may lead to lower fees for the golfer and decisions made to improve quality rather than turning a profit.
- Developing golf course maintenance and operations skill sets as an agency core competency provides opportunities to employees of the Department.
- When operated as an enterprise fund, the ability to reinvest into the course rather than profits going toward a management company or concessionaire is perceived positively by the community.
- There is no cost associated to overseeing contracts.
- The municipality does not have to pay taxes, as compared to private concessionaires or management companies.

Some disadvantages of self-operation include:

- Long-term liabilities including benefits and retirement costs.
- Payrolls are generally higher than courses operated by the private sector.
- Labor issues such as hiring and firing are much more cumbersome.
- Purchasing processes are typically very cumbersome.
- Labor union complexities.
- Pricing changes are not usually nimble; the approval process is usually done on an annual basis.
- There may be forces at play that significantly impacts the profitability such as giving steep discounts to seniors or high school golf teams.
- If the course has been previously contracted to a management company or concessionaire, the level of investment for self-operation is significant, and in many cases, not realistic, given current budget constraints.

CONCESSION AGREEMENT

The second management model is a Concession Agreement, which is the model Roseville currently uses. This form of agreement is similar to a lease agreement, although a concession agreement usually involves granting a license to operate a portion of a facility rather than the right to occupy the premises.

This model is very common in the golf industry, particularly in the food and beverage service area. This model exists in some form at many municipal golf courses around the country. The most typical arrangement includes a concessionaire operating food and beverage. The second most typical concession agreement relates to pro shop operations, and includes revenues from carts, merchandise, lessons, and driving range. The third most frequently used concession method is to contract maintenance services. These are outlined as follows:

- a) Self-Operate Maintenance and Contract for Pro Shop (may or may not include food and beverage). Operations involve direct municipal control of maintenance while contracting for management of pro shop and food / beverage operations.
- b) Self-Operate Pro Shop (may or may not include food and beverage) operations and Contract for Maintenance involves municipal management of a pro shop and food / beverage operations, while contracting for maintenance.
- c) Multiple Concessions involve creating multiple contract agreements for separate entities for each facet of the golf operation (pro shop, food / beverage and maintenance) and/or separate agreements for multiple courses.

Concession agreements are popular because they are usually easier to cancel than leases or full service management agreements, are frequently in duration for a shorter term, and contain more controls. Concession agreements are usually granted for properties in “as is” condition and seldom require the concessionaire to make major physical improvements to the facility. Payment to the municipality for a concession license is usually a flat fee plus a percentage of gross receipts.

ADVANTAGES OF CONCESSION AGREEMENTS

- The municipality is removed from the some or all elements of the day-to-day operation in exchange for green fees and a pre-determined percentage of other gross receipts.
- Concessionaires have more flexibility in management decisions related to human resources (hiring and terminations) and finance policies and procedures.
- Concession agreements can provide more direct control than an operating lease or a full-service management contract.
- The term of a concession agreement is typically shorter than an operating lease.

DISADVANTAGES OF CONCESSION AGREEMENTS

- Concession agreements do not provide guaranteed revenue to the municipality. Anything that negatively impacts revenue will still leave the municipality with a shortfall (operating risk remains with the municipality).
- The municipality would be responsible for all major capital improvements.
- The concessionaire's profit motive may conflict with public agency operational goals.
- There are likely to be fewer highly qualified management firms interested in a short-term concession agreement. Management firms frequently prefer to put their resources into projects that have longer terms and have the potential to be more financially rewarding.
- Administration time managing the contracts may be excessive.
- Multiple agreements require more staff time allocated toward contract administration.
- The agency gives up some level of control for service quality and must work through the contractor to make improvements, rather than having the ability to make improvements directly.

ADVANTAGES OF MAINTENANCE ONLY CONTRACTS

- Fixed-fee outsourced maintenance contracts with reputable companies will usually result in savings on labor expenses, especially when taking on public sector courses that were self-maintained.
- Maintenance contracts relieve the municipality from a number of accounting functions such as accounts payable for maintenance vendors, vendor sourcing, and other responsibilities.
- Golf courses typically use seasonal employees to supplement full-time staffing numbers. There is usually turnover associated with using seasonal staff, and this becomes the responsibility of the concessionaire.

DISADVANTAGES OF MAINTENANCE CONTRACTS

- Adherence to maintenance standards can be hard to enforce if the contract is not comprehensive, or if it does not address contingencies and extraordinary events.
- The private fixed-fee maintenance company has its profit margins built into the contract price, and has no revenue incentive. Also, higher profits result for the maintenance company if it spends less.
- These arrangements can lead to conflicts between the management of the golf course and the maintenance company if the two parties are at cross-purposes (over maintenance conditions, for example).

MANAGEMENT CONTRACT OR LEASE AGREEMENT

The trend in the public golf industry is to hire a management company to manage the course through a managing agreement, or a long term lease. Similar to concession agreements, there are two primary options of using a management company, either through a management agreement or through a lease. Some cities lease all courses to the same management company, such as the City of Chicago, Forest Preserve District of Cook County, Illinois, and Prince William County, Virginia. Others, such as Virginia Beach, lease their five courses to multiple companies. Waukegan, Illinois has a management agreement with one company to manage their two courses.

MANAGEMENT CONTRACT

The primary goal of a management contract or management agreement is to provide golf services by an experienced company whose core competency is golf operations, and is responsible for the daily operations. This model relieves the municipality of this task. In a typical management contract, the municipality hires a firm that is charged with all management responsibility. The municipality funds capital improvements, and the management firm hires employees. Because employees work for the management firm and not the municipality, payroll cost are usually less, which result in a reduction of operating expenses.

The management firm collects all revenue and provides accounting reports to the municipality. All revenues belong to the municipality, as well as the responsibility for all expenses. The municipality then reimburses the management firm for all payroll expenses and pays the firm a management fee. The management fee is often a fixed dollar amount, a predetermined percentage of operating revenues, or some combination of both. Sometimes, the management firm is paid an incentive that is predicated on percentages of gross receipts or net income, over and above the established minimum revenues. The operating expense budget must be maintained at the original projection for incentives to be earned.

Management fees vary depending on the size of the facility and the level of responsibility of the management firm. The length of the typical agreement is relatively short, generally three to five years, and may include option periods. Management fees paid as compensation in these agreements typically fall between two and four percent (2% – 4%) of total revenues, or at least \$30,000 per facility.* In the last several years, the previous benchmark for annual fees was \$200,000, this number has decreased to approximately \$75,000 because of the current economic climate and less demand for golf.**

An example of a management company operating courses is the Waukegan Park District, in Waukegan, Illinois. Waukegan has two courses and sent out RFPs for contracting out the entire

operation to one company. The park district desired to deal with one company for all parts of golf course operations. In Virginia Beach, operators of five golf courses, the management companies pays the city a set rental fee. There are multiple companies involved in the Virginia Beach operations. The City is responsible for all capital repairs over an agreed upon amount, usually \$10,000.

* Information from the National Golf Foundation

** Keegan, James. The Business of Golf. Golf Convergence, Inc. 2014.

ADVANTAGES OF MANAGEMENT CONTRACTS

- The city has less involvement with operations than with self-operation, which results in labor savings.
- Operating costs are likely to be reduced if the management firm hires all employees. There is also procurement and insurance savings through the buying power of a larger company.
- It is assumed that the company hired has experience and expertise in golf facility operations. Not only can this provide help in operations and maintenance but also in other areas such as marketing and merchandising. The agreement will provide municipalities with “one stop shopping” for golf courses and ready access to a network of professionals in all disciplines of the golf industry.
- The expertise often provided by experienced management companies will likely include tee time reservation and point of sale systems. There would also likely be cross marketing opportunities with other courses in the firm’s portfolio and operating systems that have been tested and proven successful. The municipality will also gain access to tried and true business plans and marketing programs that have also proven successful in other places.
- The municipality is removed from day-to-day operation in exchange for a payment of a pre-determined fee plus a percentage of gross revenues or some other formula, which is equitable to both parties. In addition, net revenues (if any) are retained by the municipality.

DISADVANTAGES OF MANAGEMENT CONTRACTS

- Unlike a lease, management contracts usually do not provide a guaranteed income for the owner (municipality), but rather a guaranteed income for the management entity. The major concern with a management contract is the risk the municipality would be taking relative to shortfalls. The management firm’s fee is guaranteed, as long as the contract provisions have been met (operating risk remains with the municipality).
- The municipality would still be responsible for capital improvements, which is a key element in failing golf courses.
- The municipality would still need some golf staff to oversee the golf operation and maintain contract compliance. Many times, the cost of contract administration is not factored into the cost of operation.
- Management companies may need to move managers around so as to staff positions that are most appropriate for the management company and its goals. Also, management entities may be tempted to ‘relax’ in the last year of an agreement, unless the entity is strongly motivated to want to renew the contract.

LEASE AGREEMENT

Some cities choose to lease their courses rather than operate with a management contract. Typically lease agreements have a much longer term than management contracts as a result of the company's capital investment in the course. Terms of 10 years or longer are typical and can run as long as 40 years or longer. With management contracts, the municipality typically continues to reinvest in the course; whereas, in a lease agreement, the municipality does not contribute toward capital investment. This type of arrangement is desirable when the city does not have the financial ability to provide resources for capital improvements.

The operating lease structure relieves the owner of all operating concerns, ensures a minimum rent payment to that owner, and dedicates capital to improve and protect the asset long-term. This type of management model results in the least amount of control by the municipality.

Typically, the greater the initial capital investment by the lessee, the longer the term. Also, the lessee is typically responsible for the majority, if not all, capital expenditures over the lease term. An example in Virginia Beach is Stumpy Lake Golf Course. The lease is 40 years based on the over \$850,000 investment made by the lessee and the fact that the management company operated the course at a loss while undergoing the improvements. Fresno, CA is in the third term of a 10 year lease. Initially the term included a flat fee of \$180,000 and \$1.00 per round played, but has changed to 14% for gross golf revenues, 3% for gross merchandise revenues, and 3% for gross food and beverage. Additionally, the lease includes the requirement that the company pay 3% of the annual golf revenue over \$1.9 million for capital improvements.

One big issue that must be dealt with in a lease agreement is determining who owns the marketing capital (contact information) of the players if a tee time system is utilized. Virginia Beach writes in their agreements that it will be shared equally between both parties.

Virginia Beach owns five 18-hole courses. Three of them are managed under a long-term lease agreement (10 year base with two 5 year extension options) where the city is guaranteed a percentage of gross which escalates at set gross revenue figures. The lease holder is totally obligated for all capital costs with the exception of major building life support systems.

Another 18-hole course is under a 30-year lease in which the city receives a guaranteed percentage of gross revenue which escalates at set gross revenue figures. The city remits 25% of revenue received into a reserve to assist with capital improvements. This lease runs 30 years because the lessee invested well over \$500,000 in updating the clubhouse, cart barn, cart paths and irrigation system.

DISCUSSION

This is an option that could produce results, as long as the selected management company is of good quality and is given full responsibility for the operation. Under most true management company scenarios, operating expenses will still flow through to the municipality; however, labor costs are likely to be sharply reduced through the use of efficient effective staffing models and seasonal employees. Large management companies also have the benefit of greater purchasing power through economy of scale.

The overall quality of these types of agreements rests with the municipality's ability to find a qualified company, negotiate a contract that is "win-win" for both sides, and then provide proper oversight to see to it that the contract is complied with. Municipalities are generally at a disadvantage in these negotiations as public managers may negotiate a golf course contract a couple of times during the manager's tenure; whereas, golf course management companies negotiate these contracts all the time, and can be much more savvy about negotiating to their advantage.

In all, the risk would still lie with the municipality, and if the new management company cannot improve revenue performance, the basic fiscal shortfalls that led to this option in the first place would continue with the addition of a new management fee.

REPURPOSING THE COURSE.

A final option many public golf course operators are considering is repurposing the course for another use. An example is the Waukegan Park District in Illinois in which they converted an 18 hole course into an outdoor athletic complex to address their deficit of soccer and baseball fields.

Other ideas include converting the course into an executive par three course and adding a golf academy for the purposes of providing teaching opportunities.

RECOMMENDATION

The preferred recommendation for Roseville is to contract the entire operation to one management company, responsible for all areas of operation. This will simplify contract administration and create consistency in the golf experience for the customer. However, a second alternative includes continuing the current method of operation as the Department has experienced general success with the two existing contractors.

Appendix D: Core Program Identification

A review of program offerings is an important component of the Product Quality attribute. The following section details information about core program offerings and age segment analysis. The ability to align program offerings according to community need is of vital importance to successfully delivering recreation services. At the same time, it is also important to deliver recreation programs with a consistent level of quality, which results in consistent customer experiences. Core programs are generally offered each year and form the foundation of recreation programs. In assessing the categorization of core programs, many criteria are considered. Heller and Heller Consulting has developed a list of 13 criteria for the determination of core programs. The criteria relate more closely to recreation programs than library programs as most library programs are free. The criteria include:

- The program has been provided for a long period of time
- Offered three to four sessions per year or two to three sessions for seasonal programs
- Wide demographic appeal
- Includes 5% or more of recreation budget (excludes library programs as they are free programs)
- Includes tiered level of skill development
- Requires full-time staff to manage the program area
- Has the ability to help solve a community issue
- High level of customer interface exists
- High partnering capability
- Facilities are designed to support the program
- Evolved as a trend and has resulted in a “must have” program area
- Dominant position in the market place
- Great brand and image of the program, based on the City’s experience of offering the program over a period of time

Core programs, by definition, meet at least the majority of these criteria. The establishment of core programs helps to provide a focus for program offerings. This focus, in turn, creates a sense of discipline for quality control of these program areas and helps to reduce variation of service for the program participants. It must be noted that the designation of non-core programs does not suggest they are unimportant. It just means there may be less focus and fewer programs compared to core programs.

As part of the Operational Performance Audit, staff reviewed the core programming criteria listed previously and brainstormed a list of possible core program areas. Using a scoring grid with guidelines for assigning a score, a total number of points were assigned by staff according to the criteria listed above:

<i>Core Programs</i>	<i>Accumulated Points</i>
Adult Sports	51
Adventure Club	61
Community Events/VSTS	55
Fitness (RSC, MCC & MSIP)	55
Intro Rec. Programs	49
Job Experience Training (JET)	43
Literacy	57
MMHS School Tours	52
Mother Goose on the Loose (MGOL)	55
Preschool	40
Safety Classes	37
Seniors	43
Subsidized Child Care Programs	61
Summer Day Camp (Camp Roseville)	41
Summer Reading Program	58
Swim Lessons	57
Youth at Risk (SPARKS)	43
Youth Enrichment	43

A score of 40 or above designates a program area as a core program. These are programs that should continue, with possible expansion in the future, provided programming space is available.

SPORTS AND LEISURE MARKET POTENTIAL

As part of the 2013 Needs Assessment, data from the Sports and Leisure Market Potential was created for the City with information from Environmental Services Research Institute. This report utilized data collected from a national household survey, and compares similar demographic profiles with Roseville's demographic composition to prepare a Market Potential Index that measures the relative likelihood for consumer behavior and purchasing patterns. Likelihood for increased preferences for Roseville residents are indicated with scores above the base average score of 100. Categories scoring above 100 were as follows:

Golf (1+ times/month)	150
Jogging/Running	137
Tennis	130
Weight Lifting	130
Bicycling (mountain)	133
Bicycling (road)	132
Bowling	126
Yoga	125
Aerobics	127
Pilates	123
Swimming	123
Soccer	119
Baseball	116
Softball	114

The values are significant. For example in the golf category; a typical Roseville resident is 50% more likely to participate than an average resident in a demographically comparable community. The categories listed above should align with the core programs.

Roseville program offerings show good alignment between core program offerings and the Sports and Market Leisure categories. One suggestion is to more highly emphasize biking activities as this scored high on the Sports and Leisure Market Potential.

AGE SEGMENTS

Park and recreation systems should strive for an equitable balance of offerings for various age segments, including:

- Youth age 5 and under
- Youth ages 6-12
- Youth ages 13-17
- Adults 18-54
- Adults 55-69 and seniors

The percentage of program offerings in each age category should closely match community demographics.

The following chart shows the age segment percentages of program offerings for Roseville. This information was calculated by reviewing the 2014 Summer Recreation Guide and counting the number of programs offered for each segment with some overlapping age categories. Programs and events offered for all ages, such as family special events, were not included in the list. The age distribution of programs is as follows:

<i>Age Segment</i>	<i>Number of Summer Programs</i>	<i>Percentage of Programs Offered</i>
Youth age 5 and under	76	15.2%
Youth ages 6-12	158	31.6%
Youth ages 13-17	133	26.6%
Adults 18-54	56	11.2%
Adults 55+	77	15.4%

The following chart shows the age segment percentages of program offerings by reviewing the 2014 Fall Recreation Guide. The age distribution of programs is as follows:

<i>Age Segment</i>	<i>Number of Fall Programs</i>	<i>Percentage of Programs Offered</i>
Youth age 5 and under	63	15.7%
Youth ages 6-12	77	19.1%
Youth ages 13-17	90	22.3%
Adults 18-54	58	14.4%
Adults 55+	115	28.5%

Based on a recreation assessments completed nationally, an average of 60-70% of programs are offered to youth 12 and under, leaving 30-40% for all other age groups. For Roseville, this percentage is 41%; therefore, the types of programs offered according to various age segments are much better distributed in Roseville. Twenty-five percent are geared towards teens, and 21% of programs are offered to older adults/seniors ages 55 and older. Census information from 2010 reports 26.3% of the Roseville population is under the age of 18. Persons 65 and over are represented by 13.4% of the population, as reported in 2010.

