Auditor of State
Betty Montgomery

CITY OF GREENVILLE
PERFORMANCE AUDIT

MAY 4, 2006

Auditor of State
Betty Montgomery

To the Residents of the City of Greenville:

In April 2005, the City of Greenville (City) engaged the Auditor of State's Office (AOS) to conduct a performance audit of City operations. Based on discussions with the City, the areas selected for assessment included strategic and capital planning; performance measurement; service coordination and centralization including technology, purchasing and human resource management; and community expectations and opportunities for involvement. In addition, the performance audit included assessments of staffing, reporting relationships, expenditures and service levels for all City departments and the Auditor's Office. Using a risk-based approach, the performance audit was designed to identify areas of strong performance and areas where efficiency could be improved.

The performance audit contains recommendations for operational changes which could lead to cost savings and efficiency improvements. In some cases, issues for further study recommend additional examination in key service areas. The performance audit also provides an independent assessment of the City's operations and a framework for strategic planning to help continue a high level of public service and safety. While the recommendations contained within the performance audit are resources intended to assist in improving City operations and performance, the City is also encouraged to assess overall operations and develop other alternatives independent of the performance audit.

An executive summary has been prepared which includes the project history; a City overview; the scope, objectives and methodology of the performance audit; and a summary of noteworthy accomplishments, recommendations, and issues for further study. This report has been provided to the Mayor and its contents discussed with appropriate City officials. The City has been encouraged to use the results of the performance audit as a resource in improving its overall operations and service delivery.

Additional copies of this report can be requested by calling the Clerk of the Bureau's office at (614) 466-2310 or toll free at (800) 282-0370. In addition, this performance audit can be accessed online through the Auditor of State of Ohio website at http://www.auditor.state.oh.us/ by choosing the "On-Line Audit Search" option.

Sincerely,

Betty Montgomery

BETTY MONTGOMERY
Auditor of State

May 4, 2006

Executive Summary

Project History

In April 2005, the City of Greenville (City) engaged the Auditor of State's Office (AOS) to conduct a performance audit of its administration and operations, including a review of its strategic and capital planning; performance measurement; service coordination and centralization including technology, purchasing and human resource management; and community expectations and opportunities for involvement. In addition, the performance audit included assessments of staffing, reporting relationships, expenditures and service levels for all City departments. The performance audit was designed to identify areas of strong performance and areas where efficiency could be improved. Recommendations were then developed to optimize operational and service levels, and to assist the City in its efforts to prepare for future financial needs. Assessments were based on best practices, industry standards, and comparisons to city operations in cities of similar size.

City of Greenville Overview

Greenville is a statutory city with a Council-Mayor form of government. The City of Greenville was incorporated in 1832 and is situated in west central Ohio, just northwest of Dayton. The City is located in Darke County and is the county seat. The City lies within Greenville Township and is located near I-75 and I-70 and State Routes 36, 49, and 571.

In 2000, the City's population was 13,294 and the estimated population in 2004 was 13,267, a decrease of 0.2 percent. The Ohio Department of Development has projected Darke County's population to decrease by 0.1 percent between 2002 and 2004 with an estimated 2004 population of 53,260. Darke County's population decreased by 0.6 percent from 1990 to 2000, while the State of Ohio's population increased 4.7 percent during this same time.

In November 2005, the unemployment rate for Greenville was 5.6 percent (based on the Dayton metropolitan area) which was higher than the unemployment rate for Darke County (4.9 percent) and the State of Ohio (5.4 percent) for the same time period. Greenville's median household income in 1999 was $31,791, which is lower than Darke County ($39,307) and the national average ($41,994). The majority of the industry base reported in the 2000 Census included manufacturing, professional, sales, service and construction occupations. In 2004, Greenville had a 1.0 percent municipal income tax which accounted for 54 percent of the City's General Fund revenue. In 2005, City residents approved an increase in the income tax rate to 1.5 percent.

Greenville reduced expenditures by approximately $1.6 million in 2004 following three years of declining revenues. The loss of a major employer was the significant cause of this loss of revenue. The data gathered in this audit shows that Greenville provides efficient services in most of its departments, delivering a range of services comparable to or exceeding the peers for similar costs. The breadth of services provided by the City is most evident in its Parks and Recreation Department. While the citizens' survey conducted by AOS for this performance audit found that the parks system was a source of pride and enjoyment for many residents, the funds expended by the City to provide these services surpassed the peer cities. In this area, City leaders and residents should work to set priorities for the parks and recreation services and the level of financial support that the citizens are willing to provide for these services. In addition, there may be an opportunity for the City to work more cooperatively with Greenville Township in providing the same level of fire and emergency medical services but in a more cost efficient manner. This audit also notes opportunities for further collaboration with Darke County and Greenville Township to provide greater efficiency for all entities.

Objectives

A performance audit is defined as a systematic and objective assessment of the performance of an organization, program, function or activity to develop findings, recommendations and conclusions. The overall objective of this performance audit was to review and analyze selected administrative and operational areas for the purpose of developing recommendations for additional study or improvement, where appropriate. The following assessments were conducted in this performance audit for the administrative and operational areas evaluated:

- **Administrative Issues,** including strategic and capital planning; performance measurement; service coordination and centralization including technology, purchasing and human resource management, and community expectations and opportunities for involvement.

- **Service Issues,** which included:
    - Police Department staffing, expenditures, grant revenues, reporting relationships, service levels;
    - Fire Department staffing, reporting relationships, service levels, expenditures, grant revenues, and Greenville Township fire and EMS coordination;
    - Engineering Department staffing, service levels, and operational costs;
    - Street Department staffing, operating costs, service levels, and snow and ice control functions;
    - Water Department staffing, service levels, expenditures, and software utilization;
    - Wastewater Department staffing, service levels, and operational costs;
    - Auditor's Office staffing, expenditures, responsibilities, and payroll processing;

- Income Tax Department staffing, expenditures, service levels; and
- Parks and Recreation Department staffing, expenditures, service levels, and grant revenues.

The performance audit was designed to develop benchmark data for the City to compare its performance to like-sized Ohio municipalities. Issues for further study were identified where statistical data indicated a potential for enhanced efficiency in selected areas. Also, recommendations were developed in some areas that could provide cost savings, revenue enhancements, and/or efficiency improvements. The issues for further study and recommendations comprise options that the City can consider in its continuing effort to provide services in a cost efficient and effective manner.

Scope and Methodology

The performance audit was conducted in accordance with Generally Accepted Government Auditing Standards.

Audit work was conducted between June 10, 2005 and December 22, 2005, and data was drawn from fiscal years 2004 and 2005. To complete this report, the auditors gathered a significant amount of data pertaining to the City; conducted interviews with numerous individuals associated internally and externally with the various departments, and reviewed and assessed available information. Furthermore, periodic status meetings were held throughout the engagement to inform the City of key issues impacting selected areas, and share proposed recommendations to improve or enhance operations. Finally, the City provided verbal and written comments in response to various recommendations, which were taken into consideration during the reporting process.

In addition, three cities were selected to provide benchmark comparisons for the areas assessed in the performance audit. The cities of Circleville (Pickaway County), Mount Vernon (Knox County) and Tallmadge (Summit County) were used in the performance audit. These cities were selected based upon demographic and operational data. Furthermore, external organizations and resources were used to provide comparative information and benchmarks, including the Government Accounting Standards Board, the Government Finance Officers Association, the Ohio Office of Criminal Justice Services, the American Public Works Association, the United States Department of Justice, the International City Managers Association the Ohio State Employment Relations Board, United States Department of Agriculture, Carl Vinson Institute of Government, National Advisory Council for State and Local Budgeting, National Institute of Governmental Purchasing, Ohio Auditor of State Best Practices, and the National Water and Wastewater Benchmarking Initiative.

The Auditor of State and staff express their appreciation to the cities of Greenville, Circleville, Mount Vernon, and Tallmadge for their cooperation and assistance throughout this audit.

Noteworthy Accomplishments

Several noteworthy accomplishments were identified during the audit. Key accomplishments are summarized below and all are detailed in their respective sections of the report:

- The Police Department purchased a hybrid vehicle for patrols to determine the advantages and disadvantages of a battery powered vehicle for future vehicle needs. In addition, the Department has been accredited by the Commission for Accreditation for Law Enforcement Agencies since 1992. Finally, the Department also collects and tracks crime information in a detailed manner which can be used for management decision-making.

- The Fire Department received grant funding for fire training and instruction, fire prevention, and department equipment during the course of 2004 that far exceeded the peer average. In addition, the Department's average response time is considerably lower than the peers.

- All Streets Department trucks are multi-purpose, and are used to salt, plow snow, haul leaves, conduct water/sewer activities, and for other tasks performed by the Streets and other City departments.

Assessments Not Yielding Recommendations

In addition to the analyses presented in this report, assessments were conducted on a number of areas that did not warrant recommendations because Greenville was performing at a level comparable to the peers or industry standards. Additional detail on these assessments is presented in each section of the report.

- In the area of strategic planning, assessments showed the City annually evaluates and prioritizes all capital improvement project (CIP) requests, and that the Fire Department's five-year strategic plan contains its mission statement and objectives.

- Several human resource management areas were examined that yielded no recommendations including department organization and health care costs.

- In City operations, assessments indicated Greenville is comparable to or more efficient than the peers in many functional areas. For example, Greenville had a lower total cost per resident for police operations, and the quickest fire response time. The Greenville Fire Department also covers a larger number of square miles per station area with lower fire staffing levels. In addition, operating costs per FTE are lower for the Engineering

Department, Water Department, and Income Tax Department. Other examples of efficiency include comparable staffing patterns in the Streets Department for snow removal, sweeping and street maintenance, Wastewater Department operations related to water treatment practices, and Parks and Recreation Department operations related to acres and facilities maintained.

- The Water Department uses stand-alone software to monitor tank levels, turn pumps on or off, and control chlorine feed. This software was developed in-house and is customized to Greenville's specific needs. In addition, maintenance software is used to track maintenance problems, and specialty software is used to submit electronic documentation of sample results to the State.

Conclusions and Key Recommendations

The performance audit found that overall Greenville's departments were operating in an efficient manner. Staffing levels citywide were found to be at or below the peers. Departmental operating ratios indicated that City departments were comparable to or more efficient than the peers. Key recommendations are presented below.

In the area of planning, the City should consider the following:

- **Develop an operational strategic plan that links activities of City departments and incorporates performance measurement and measurable objectives.**

- **Establish a formal and consistent financial planning process which includes a methodology to forecast revenues and expenditures. The forecast should be used as a management tool to guide the development of the annual budget with emphasis on analyzing variances between previous forecasted and actual amounts as well as identifying factors that influence revenue collections, expenditure levels, and forecast assumptions.**

- **Enhance financial reporting by developing a Comprehensive Annual Financial Report (CAFR). In addition, the City should consider the option of outsourcing the development of the CAFR.**

- **Explore and participate in additional partnerships with other economic development programs and use their services. In addition, Greenville should ensure key economic and community development functions are performed and evaluated regularly.**

In the area of performance measures, the City should consider the following:

- **Develop a performance measurement system that is integrated into the budgeting process; used in decision-making; and reported internally and externally.**

In the area of service coordination and centralization, the City should consider the following:

- **Develop a purchasing manual containing formal written procedures to guide the purchasing process.**

- **Hire a full-time staff person with purchasing experience, and consolidate purchasing responsibilities within that position. As part of a comprehensive analysis of the salary structure and job responsibilities, the City should determine appropriate purchasing responsibilities for the position. This position should report to the Mayor to ensure consistent use by all departments.**

- **Participate in additional purchasing programs, including the United States Communities Government Purchasing Alliance (U.S. Communities), and Southwest Ohio Purchasers for Government.**

- **Institute a purchasing card program that simplifies authorization, payment and review processes for purchasing small dollar items.**

- **Implement an electronic on-line bidding, on-line purchasing, electronic reverse auction and electronic document system for tracking contracts and bids (including requests for proposals (RFPs).**

- **Control and limit compensation increases in future contract negotiations. Hold cost of living adjustment increases to 1 percent in FY 2008 for both bargaining and non-bargaining unit employees. In addition, equitably administer any salary and cost of living adjustments determined to be affordable based on an annual review of financial conditions. Finally, complete a comprehensive analysis of the salary structure and job responsibilities.**

- **Reduce overtime and track use to identify potential areas of misuse.**

In the area of technology, the City should consider the following:

- **Designate a staff person to be its IT coordinator. Responsibilities of this position should include developing and implementing City technology initiatives, approving all hardware and software purchases, ensuring timely replacement of equipment, and ensuring that appropriate licenses exist for the software in use.**

- Develop written standards for hardware and software to ensure that hardware purchases of only one brand or architecture are made over an extended period.

- Develop a formal process to assess the technology-related needs of its employees' duties and ensure timely replacement of equipment.

- Establish formal procedures to minimize potential computer disruptions by improving its disaster recovery plan.

- Implement e-government solutions to improve access to information and improve customer service to citizens by developing a fully functional, user-friendly website that makes forms available to the public.

In the area of Community Expectations, the City should consider the following:

- Distribute a citizen survey to measure community expectations and use the survey results for long-term strategic planning and community forum discussions.

In City Services, Greenville should consider the following:

- Search and apply for grants to help support Police Department operations and equipment replacement.

- Combine Greenville Fire and EMS operations with Greenville Township and cross train fire fighters and EMS personnel to become more cost effective in providing fire and EMS services to all citizens.

- Evaluate the Streets Department's current method of purchasing salt in order to ensure the lowest available price is obtained.

- Track the amount of time it takes to respond to water main breaks and complaints, and assess Water Department performance to determine the variances in completion times for separate incidents.

- Separate the human resources and finance/auditing functions so that the primary responsibility of the Auditor's Office is the City's financial systems management. Similarly, the City should have a separate employee act as the Clerk of Council in place of the Auditor. The human resources function should report to the Safety Service Director and the Clerk of Council should report to Council. By separating these functions from the Auditor's Office, the Auditor will be able to focus on financial

functions such as maintaining the City's general ledger, department budgets, and financial reporting.

- **Implement direct deposit for employee payroll checks to eliminate the threat of lost or stolen checks and to increase the timeliness and efficiency of check processing.**

- **Examine the salaries and benefits, services, and capital expenditures for the Parks and Recreation Department and identify and reduce the high cost drivers in these categories. The City should either add or increase fees for the programs it provides, or possibly streamline its programs. If the City decides to reduce programs, it should survey the community to determine what programs are most frequently used by its residents.**

Issues for Further Study

Auditing Standards require the disclosure of significant issues identified during an audit that were not reviewed in depth. These issues may not be directly related to the audit objectives or may be issues that the auditors do not have the time or the resources to pursue. In the audit design, and in agreement with the City, this audit used a risk-based approach to examined key indicators at a high level   Areas where recommendations were evident have been included in this report.   Other areas requiring further substantial study, along with additional data and information, were brought to the City's attention and are shared here as issues for further study.

- **Overtime Accrual by Exempt Employees:** Greenville exempt employees (department heads) are permitted to accrue overtime.   Allowing department heads to accrue overtime increases personnel costs for the City and is not the standard practice when compared to the peer cities.   Circleville, Mount Vernon, and Tallmadge department heads do not receive overtime.   As part of a comprehensive analysis of the salary structure and job responsibilities (see **R2.11**), the City could review whether department heads and staff are salary or hourly employees, and determine which employees should receive overtime compensation.   The City should work with their legal counsel to review relevant employment laws to ensure any changes to policies on employee overtime are appropriate.

- **Police and Fire Dispatch Operations:** The City should continue to work with the County regarding the establishment of a stand-alone 911 system that will meet the City's expectations as combining dispatch operations would reduce the City's capital expenses required to update and maintain emergency communications equipment. Also, reviewing average response times may indicate a need to modify operations.

- **Engineering Function Deployment:** The Engineering Department appears to have higher staffing than the peers based on the performance measures employee per square mile, staff

per 1000 citizens and population per employee. Likewise, the Greenville staff generally reviews a smaller number of projects. However, the Department is performing more engineering-specific functions such as planning and design, while peers outsource most of this type of work. By regularly evaluating its staffing levels, the Department can ensure it employs the appropriate staffing level for the workload within the Department.

- **Permitting Process:** While outside of the scope of the audit, the Mayor and other interviewees indicated that the permitting process may be cumbersome to applicants because of the difficulty in applying for multiple permits in different agencies and departments. Greenville's City Engineer also indicated that the numbers of permits required have been increasing, and the public may not be aware that a permit is needed for certain types of work. Working with the County to coordinate the permitting process could lead to an electronic permitting process and the development of a permitting manual.

- **Debris Collection and Street Sweeping:** Monitoring the amount of debris collected and the number of sweeper days performed over the course of the year may provide Greenville Streets Department (GSD) with additional data to improve operations. Although the Department collects more debris and operates its sweepers more days than the peers and peer average, it could be beneficial for the City to reduce this level of service and still be providing adequate service based on peer performance. The City and GSD should evaluate its operations, assess impact on storm water management, and determine the most cost effective amounts of debris to collect and number of sweeper days that could be performed without hindering the service outcomes to the City's residents.

- **Salt Usage during Snow and Ice Events:** Although Greenville's salt usage is in line with the *Snow Fighters Handbook*, monitoring the amount of salt the City uses per snowfall and per lane mile would be a good component to include in the performance measures recommended in the **administrative issues** section. In addition, Greenville used 18.8 tons more salt per snowfall than the peer average and was considerably higher than two of the peer cities. Greenville was lower than the peer average in tons of salt per average lane miles per route, but was considerably higher than two of the peer cities.

- **Water Department Staffing Levels:** The Water Department should evaluate its staffing levels in relation to workload and staffing used in other Ohio small cities. The staffing levels, when compared to Tallmadge and Mount Vernon, appear to be slightly high. However, as Tallmadge does not provide water treatment for the city and purchases it through Akron, it is able to provide its services using a much lower number of employees as it does not need to employee a chemist and other personnel. In addition, 536 meters are serviced per FTE, which is similar to the peer average. However, the number of meters per FTE with similar cities should be evaluated and the cost effectiveness of using technology to increase the efficiency of meter reading should be explored.

- **Income Tax Department Staffing Levels:** Monitoring the Income Tax Department staffing level regularly will help to determine the appropriate number of staff to conduct its operations. If the current workload does not increase significantly, the 2006 level (3 FTEs) may be appropriate. In addition, examination of the Department's costs and expenditures for purchased services and supplies may lead to ways to decrease these costs.

Summary of Financial Implications

The following table summarizes the performance audit recommendations that contain financial implications. These recommendations provide a series of ideas or suggestions that Greenville should consider. Detailed information concerning the financial implications, including assumptions, is contained within the individual sections of the performance audit.

Summary of Financial Implications

Recommendation	Estimated Annual Cost Savings	Estimated Implementation Costs (One-Time)	Estimated Implementation Costs (Annual)
R2.2 Forecasting Training		$750	
R2.3 Develop CAFR			$15,000
R2.5 Performance Measurement Training		$750	
R2.7 Hire Buyer			$52,000
R2.12 Reduce Overtime Usage	$50,000		
Total Recommendations Not Subject to Negotiations	**$50,000**	**$1,500**	**$67,000**
R2.11 Reduce COLA increase to 1%	$103,000		
Total Recommendations Subject to Negotiations	**$103,000**		
Total Recommendations	**$153,000**	**$1,500**	**$67,000**

Source: AOS recommendations

This page intentionally left blank.

Administrative Issues

Background

This section of the performance audit focuses on the City of Greenville's (the City) administrative issues and includes performance reviews of the following areas:

- Strategic Planning;
- Performance Measurements;
- Service Coordination and Centralization;
- Technology; and
- Community Expectations.

Peer cities used for comparisons include Circleville, Mt. Vernon and Tallmadge. Additional comparisons using other benchmarks and best practices are identified throughout the report.

Strategic Planning

The City of Greenville's administration has identified strategic planning as a tool needed to provide for the City's future. The City has started to develop a Capital Improvement Plan (CIP) by issuing a policy statement that the City will identify capital needs, prioritize these needs, and establish a timeline for their completion. Greenville anticipates that this will save taxpayer dollars through the efficient use of planning. The City also develops a two-year financial forecast to estimate future revenues and expenditures. In addition, the City contracted with a consultant to update the 1992 comprehensive strategic plan. The updated plan was issued in 2004 and contains goals for land use, economic and industrial development, transportation and transit services, and community image and infrastructure. The goals were prioritized by the comprehensive plan committees based on importance.

Performance Measurements

The City administration also identified the development of performance measures as an integral part of decision-making and has begun the process of developing appropriate measures. Some performance data is collected for the City's annual report (i.e. number of calls responded to by the police department, number of fire runs by the fire department, number of service lines repaired by the water department), but most of this data shows service levels (outputs) and does not measure outcomes or the effectiveness of departments. See the **services section** for examples of performance data currently collected by departments.

Service Coordination and Centralization

Purchasing and human resources (HR), essential services that support all City operations, are under the direction of the Auditor.

*   *Purchasing:* According to the City Auditor, the City follows Ohio Revised Code (ORC) purchasing guidelines. Supplier selection is decentralized, but City departments use the purchasing module of the financial system software to process requisitions and purchase orders. The City participates in the Ohio Department of Administrative Services (ODAS) purchasing programs on a limited basis and only uses bulk purchasing for paper products.

*   *Human Resources:* Major human resource responsibilities include administering health benefits through a third party administrator, maintaining personnel files, and processing workers compensation claims. A consultant prepares/updates job descriptions and negotiates labor contracts. The Auditor's HR responsibilities do not include coordinating seasonal hiring or Citywide training programs, approving job postings and directing recruiting efforts, ensuring compliance with equal employment opportunity laws and regulations, working with HR legal issues, or administering the grievance/disciplinary process. These responsibilities fall to the department heads. The results of the grievance/disciplinary process are placed in personnel files maintained in the Auditor's office. The City does not require direct deposit for employee payroll.

Technology

The City's information technology function is also centralized in the Auditor's Office. Greenville does not have full time staff responsible for technology applications; however, it is in the process of hiring a full time information technology (IT) coordinator. Specialists are hired on an hourly basis to address problems as they occur. The City's software applications, provided by a third party, are used for finance, payroll, police dispatch, utility billing, income tax, and other applications. Greenville has also developed an internet website.

Community Expectations and Opportunities for Involvement

Performance Audit staff developed and administered a citizen survey for Greenville. The purpose of the survey was to evaluate community expectations for City services. See **Appendix B** for the survey and a summary of the survey results. Full survey response information has been provided to the City.

Assessments Not Yielding Recommendations

During the course of this audit, several areas were reviewed that yielded no recommendations. These are highlighted below:

- **Capital Allocation Committee** (CAC): The committee evaluates all CIP requests submitted by departments annually, and prioritizes and schedules them for completion. Since the City has implemented a system to evaluate and schedule CIP requests, no recommendation is necessary.

- **Health Care:** Greenville is self-insured. The City uses an insurance broker for consultation on its insurance coverage. The broker developed a request for quotes that the City used to select a new third party benefits administrator in January 2004. The City also has an insurance task force, which includes representation from each department. The task force makes recommendations regarding health care benefit levels to the City. **Table 2-1** compares health care premiums, including the State Employment Relations Board (SERB) average for the Dayton region.

Table 2-1: Comparison of 2005[1] Health Care Premiums

City	Monthly Premium for Single	Full-time Employee Share	Percent of Employee Share	Monthly Premium for Family	Full-time Employee Share	Percent of Employee share
Greenville Fire/ Street/ Parks & Recreation	$337.73	$33.76	10.0%	$810.54	$162.10	20.0%
All others	$337.73	$22.88	6.8%	$810.54	$161.78	20.0%
Circleville[2]	$332.97	$0.00	0.0%	$932.32	$139.84	15.0%
Mt. Vernon	$486.20	$48.62	10.0%	$1,137.71	$113.77	10.0%
Tallmadge[3]	$500.00	$0.00	0.0%	$1,250.00	$0.00	0.0%
Peer Average	$439.72	$16.21	3.3%	$1,106.68	$84.54	8.3%
SERB Average, city < 25,000 [4]	$363.62	$18.96	5.2%	$983.26	$53.03	5.4%
SERB Average, Dayton Region [4]	$386.25	$43.18	11.2%	$1,025.21	$120.90	11.8%

Source: City of Greenville and peer city reports. SERB's *2004 Report on the Costs of Health Care Insurance in Ohio's Public Sector.*

[1] Greenville and Tallmadge premiums run on a calendar year, Circleville runs on a fiscal year, and Mt. Vernon goes from June 1 to May 30.

[2] Circleville offers different premiums to exempt employees, non-exempt employees and fire department/police department/non-supervisory exempt/non-uniform employee organization. Specifically, no employees, contribute for single coverage. However, for family coverage, exempt employees contribute $139.84 (15 percent) a month, non-exempt employees contribute $93.24 (10 percent) and all others contribute $186.46 (20 percent) a month. For the purpose of this chart, an average of the three premiums was used.

[3] Tallmadge is self insured to $50,000. While employees do not pay any part of a premium, they do pay a $500 single, $1,000 couple and $1,500 co-pay out of pocket. For this chart, the annual city cost per employee was divided by 12. In addition, Tallmadge offers "couple" coverage for a $850.31montly premium and a $1,500 Opt-Out option.

[4] SERB premiums are based the 2004 report and have been increased by 6.8% for single coverage and 8.7% for family coverage (assuming similar rate of growth from 2003 to 2004) to represent 2005 rates.

Table 2-1 indicates that Greenville employees are responsible for a larger percentage of total premium costs when compared to the peers, as two of the three peers do not have employees contribute towards health care premiums. SERB produces the *Annual Report on the Cost of Health Insurance in Ohio's Public Sector.* The 2004 report shows that in cities with less than 25,000 in population, average medical premiums are $363.62 for single coverage and $983.26 for family coverage. Employee contribution rates for cities with a population of less than 25,000 residents are 5.2 percent for single coverage and 5.4 percent for family coverage. For the Dayton region, SERB reports average medical premiums of $386.25 for single coverage and $1,025.21 for family coverage. Employee contribution rates are 11.2 percent for single and 11.8 percent for family for the same area. This indicates Greenville's medical premiums are lower than the region averages for single and family coverage. This is consistent with the SERB report, which found that self-funded plans tend to be less expensive than other plans.

Issues for Further Study

Auditing Standards require the disclosure of significant issues identified during an audit that were not reviewed in depth. These issues may not be directly related to the audit objectives or may be issues that the auditor does not review within the scope of the audit. AOS has identified the following issue as one requiring further study:

- **Department Head Overtime:** The City of Greenville permits non-exempt employees (department heads - with the exception of the Parks and Recreation Superintendent who is an exempt employee) to accrue overtime. In 2004, Greenville department heads (particularly in the Police, Streets and Fire departments) accrued 481 hours of overtime at a cost of approximately $16,800. Allowing department heads to accrue overtime increases personnel costs for the City and is not the standard practice when compared to the peer cities. Circleville, Mount Vernon, and Tallmadge department heads do not receive overtime. As part of a comprehensive analysis of the salary structure and job responsibilities (see **R2.11**), the City should review whether department heads and staff are salary or hourly (exempt or non-exempt) employees, and determine which employees should receive overtime compensation. The City should work with its legal counsel to review relevant employment laws to ensure any changes to policies on employee overtime is appropriate.

Recommendations

Strategic Planning

R2.1   **Greenville should develop an operational strategic plan that links the activities of City Departments and incorporates performance measurement and measurable objectives. An operational strategic plan will help the City anticipate and respond to future changes. The Mayor should work with City Council and other elected officials to develop this plan.**

The City released an updated Comprehensive Strategic Plan (Plan) in July 2004. The previous Plan was developed in 1992. The development process for the 2004 Plan involved two phases: gathering data and identifying issues, and obtaining citizen input through public forums, committee meetings, and interviews. It contains goals for land use, economic and industrial development, transportation and transit services, and community image and infrastructure. Projects are prioritized based on importance. The Safety Service Director uses elements of the Plan as decision-making criteria when faced with requests for zoning or development at Planning Commission meetings. In addition, the City has used the Plan to identify future development needs related to the recommendation to expand private-public partnerships to improve aesthetics and gateways. It is also used as an information source to support grant requests.

Although the Plan is beneficial in helping the City plan future development, it is not an operational strategic plan that links department activities to City goals or uses performance measures for decision-making. The City's planning process is budget driven with input from departments and focuses on immediate needs, not long-range planning. Interviews with administrators and department personnel indicated that the City lacks a formalized strategic planning process. Although the City has started a capital improvement plan (CIP) to accompany the Plan, its planning initiatives do not fully incorporate necessary elements of strategic planning such as developing an action plan and measurable objectives, incorporating performance measures, regularly monitoring progress and reassessing the strategic plan. Council approved the CIP policy statement in November 2005.

The Government Finance Officers Association (GFOA) and the United States Department of Agriculture (USDA) provide best practice recommendations on strategic planning. The GFOA's elements of strategic planning include identifying critical issues, creating an action plan, developing measurable objectives, incorporating performance measures, monitoring progress and reassessing the strategic plan. The GFOA also states that an important complement to the strategic planning process is the preparation of a long-term financial plan that is prepared concurrently with the strategic plan. When

implementing a strategic plan, USDA recommends an entity continue public involvement, issue progress reports, hold strategic plan reviews, make amendments, and ensure ongoing evaluation.

The Carl Vinson Institute of Government (*State and Local Government Review,* "Management Innovation in Smaller Governments", Fall 2003)" concludes that strategic planning is common in smaller governments, and performance measurement and benchmarking are less developed but still used. According to the article, 61 percent of the respondents in the study engaged in strategic planning, 37 percent engaged in some type of performance measurement and 35 percent engaged in benchmarking.

Strategic planning helps organizations assess the current service environment, anticipate and respond appropriately to change, envision the future, increase effectiveness, develop commitment to the organization's mission, and achieve consensus on strategies and objectives for achieving that mission. The City of Greenville would benefit from an ongoing, operational strategic planning process as it would help the City continue progress toward its process and business improvement goals.

R2.2 **The City should establish a formal and consistent financial planning process which includes a methodology for forecasting its revenues and expenditures. Elected City officials and key administrators should use the forecast as a management tool to guide the development of the annual budget. Moreover, to improve its financial planning, the City should carefully analyze variances between previous forecasted and actual amounts. The variance analysis should identify factors that influence revenue collections, expenditure levels, and forecast assumptions.**

Greenville has not developed a formal financial planning process, although the Auditors Office develops two-year financial projections. Interviews with City Council indicated that planning is budget-driven, with input from departments, and does not include information from forecasts. Without long-term forecasts, the City is unable to determine future operational costs, opportunities, problems, and the long term financial implications of budgetary decisions.

GFOA and the Auditor of State (AOS) identify several benefits to forecasting including:

- Providing an understanding of available funding;
- Evaluating financial risk;
- Assessing the likelihood that services can be sustained;
- Assessing the level at which capital investment can be made;
- Identifying future commitments and resource demands; and
- Identifying the key variables that cause change in the level of revenue.

Preparing revenue projections enhances a government's understanding of revenue sensitivity to changes in assumptions and to controllable factors such as changes to tax rates or fees. Major revenue sources should be a priority. Trend analysis, econometric modeling, and other methods should be used, as appropriate, depending on the type of revenue, the availability of data, and the period covered by the projections. The National Advisory Council for State and Local Budgeting, in *A Framework for Improved State and Local Government Budgeting and Recommended Budget Practices* (1998), states that expenditure forecasting provides critical information to decision-makers about whether projected expenditure levels can be sustained, whether new programs are affordable, and whether a program's current and future costs are acceptable compared to program benefits. Projections should be available to participants in the budget process before budgetary decisions are made. One or more updated projections should be available during the budget period to avoid unintended deviation from balanced-budget requirements.

GFOA recommends that forecasts extend from three to five years beyond the budget period and be regularly monitored and updated periodically.   Any underlying assumptions and methodology should be clearly stated and made available to participants in the budget process.   To improve future forecasts, the variance between projected and actual amounts should be analyzed.

By using long-term financial forecasts, Greenville will be better able to anticipate the effect of decisions made in the current budget year. Likewise, it will help the City determine revenue needs and the impact of planned capital and special projects. Lastly, if the City identifies future deficits, a long-range forecast will allow officials to make incremental changes well in advance of the deficit year, thereby reducing the magnitude or impact of service reductions

Financial Implication: If the City identifies the need to send Council members or administrative staff for training in forecasting, GFOA provides seminars on this topic area. GFOA training occurs throughout the year across the country and registration costs would be approximately $750 per person for GFOA non-members.

R2.3   **The City should enhance financial reporting by developing a Comprehensive Annual Financial Report (CAFR). In addition, the City should consider the option of outsourcing development of the CAFR. By developing a CAFR, the City will meet best practices as defined by the GFOA and will be better able to provide a high level of financial reporting to citizens and other interested parties. This, in turn, should improve the financial credibility of the City and result in better planning and management of its finances.**

The City has filed required reports, however it has yet to develop and publish a CAFR to enhance financial reporting. During this audit, the City's prior financial report was examined. While there were concerns noted in the management letter, the City was compliant with filing statements according to Generally Accepted Accounting Principals as required per OAC 117-2-03(B). GFOA's publication *Governmental, Accounting, Auditing and Financial Reporting (GAAFR) or "Blue Book"* provides accounting procedures for developing a CAFR. The additional information contained in a CAFR (introductory and statistical) would be useful in a number of ways such as assisting rating agencies in assessing the long-tem financial condition of the City.

The City of Tallmadge and the City of Mount Vernon received Certificates of Achievement for Excellence in financial reporting by the Government Finance Officers Association (GFOA) in 2003. The award recognizes and encourages excellence in financial reporting by state and local governments, and was established in 1945. To be eligible for a Certificate of Achievement, a government's financial report must be the published CAFR and be easily readable and understandable, while covering all funds and financial transactions of the government unit during the fiscal year.

Financial Implication: Based on peer cost data, the cost to have a CAFR done by an outside firm would be approximately $15,000 annually.

R2.4 **The City of Greenville's Economic Development Committee should continue to explore and participate in partnerships with other economic development programs and use their services. In addition, Greenville should ensure key economic and community development functions are performed and evaluated regularly. By ensuring economic development functions are performed, the City should improve its capacity to retain and attract businesses and jobs. Economic development efforts should focus on the following:**

- **Visiting and surveying major local businesses each year;**
- **Continuing partnerships with local, regional and state organizations including the Chamber of Commerce to promote development;**
- **Working with the County to maintain up-to-date businesses and community information; and**
- **Annually reviewing and updating the City economic development plan.**

In recent years, two major employers have left the area, which undermined the local economy and eliminated a number of jobs. The citizen's survey conducted by AOS revealed that economic vitality and sustainability are a major concern to Greenville residents. Many residents feel that because of the current economic uncertainty, there is little incentive for younger workers to stay in the area (see **R2.16** and **Appendix B**).

The City of Greenville Comprehensive Strategic Plan covers issues related to business retention and expansion (see **R2.1**). The Plan contains economic development goals including:

- Attract an ethanol facility to the City;
- Attract medium-sized employers of 200-500 people;
- Market existing business sites, such as Greenville Industrial Park; and
- Leverage current economic strengths, which include low water rates, low income taxes, historic character, and agriculture.

The City is also working with the Ohio Department of Development (ODOD) to attract additional business to the area. The ODOD has given Greenville a Clean Ohio Revitalization Grant, which provides money for brownfield development to make properties viable for new development.

The Greenville Community Improvement Corporation (CIC) initiates local economic activities such as tax abatements, and infrastructure and site improvements. A key component of the Greenville CIC is the Greenville Industrial Park. The City also has an economic development committee comprised of the Mayor, Auditor, Council President and Law Director that works on economic development issues.

Besides the partnerships already in place, there are several other programs that Greenville should consider or make available to local/prospective businesses on a state, regional, and local level. Greenville's Mayor indicated that the City has participated in state, regional and local economic development initiatives, including the majority of those listed below, and plans to participate in additional partnerships in the future. In addition, the City has become involved with the Dayton Development Coalition, an organization that hosts regional forums focused on job growth and economic development.

- **Small Business Development Center (SBDC):** services a nine-county region in southwest Ohio through a vast network of small business service providers. These providers call upon the resources and assistance of both the public and private sectors. The SBDC and its affiliated partners focus on providing the training, counseling and technical assistance needed by start-up, pro-venture, and existing small businesses.

- **Ohio Investment in Training Program:** This program provides financial assistance and technical resources for customized training involving employees of new and expanding Ohio businesses. Up to 50 percent reimbursement is provided

for manufacturing and selected business sectors. A company must make a significant capital and training investment related to creating and retaining jobs.

- **Other Regional Resources:** These include the National Composite Center (NCC); Edison Materials Technology Center (EMTEC); University of Dayton Research Institute Resource Center (UDRI); Global Trade Relations (Wright State University); Miami Valley Venture Association (MVVA); and George Washington University's Electronic Commerce Resource Center (ECRC); The Advanced Integrated Manufacturing (AIM) Center; Miami Valley Manufacturing Extension Center (MVMEC); National Center for Industrial Competitiveness (NCIC); Wright Technology Network (WTN).

The City economic development committee's ability to participate in and take advantage of the numerous opportunities mentioned above would be key to successful implementation of its comprehensive strategic plan. Greenville should seek to ensure that participation efforts are maintained and evaluated regularly.

Performance Measures

R2.5   Greenville should develop a performance measurement system that is integrated into the budgeting process; used in decision-making; and reported internally and externally. Performance measures should focus on the service outputs and program outcomes of each department and should be related to the City's mission, goals, and objectives. The City should establish a working group to oversee the development of a performance measurement process.

The City has not implemented a performance measurement process that is linked to budgeting and planning, and reported internally and externally. As a result, the City does not use performance measures in decision-making. The Mayor has indicated that planning and performance measurement is a potential weakness in the City's management of operations. The City does not have a central repository to track performance measures for various departments. City staff has not received training on performance measurement. However during the course of the performance audit, the Mayor indicated that he and the City Auditor will be attending a performance measurement training session at a GFOA conference in 2006.

The Carl Vinson Institute of Government indicates that smaller governments may have a more difficult time building capacity for performance measurement than larger municipalities. Capacity for performance measurement includes stakeholder support, training, and leadership. The article indicated that smaller municipalities might have fewer resources for training than larger municipalities. External change agents may be

needed, which may include GFOA or the American Society for Public Administration (ASPA).

GASB best practices state that performance measures should:

- Be relevant measures of results;
- Note resources used and efficiency;
- Include citizen and customer perceptions;
- Be compared for assessing performance;
- Include factors affecting results;
- Be aggregated and disaggregated depending on the needs and interests of the users; and
- Be consistent from period to period.

In addition, performance measures should be monitored and used in the decision-making process. Formalizing a tracking system or creating a central database would enable city officials to monitor progress. Further, performance information should be communicated so that it is easy to access and understand, and reported on a regular basis (usually annually). Examples of performance measures are provided throughout the **services** section of this report.

Training staff on performance measurement and then implementing a working group will help the City to develop and implement performance measures for all departments. Most programs require a minimum of three years from the start of the performance measurement process to the production of the first set of comprehensive performance data.

Financial Implications: GFOA training on performance measurement occurs throughout the year across the country. The cost would be approximately $750 per person for GFOA non-members. If two people attended, the total cost would be $1,500.

Service Coordination and Centralization

R2.6 The City should develop a purchasing manual containing formal written procedures to guide the purchasing process. All departments should have input in this process. The manual should be updated regularly to reflect current practices and technology. In addition, City departments should be provided copies of the manual and personnel should be trained periodically on the consistent application of purchasing practices. Lastly, the purchasing manual should be available electronically for department staff.

The City does not have formal written procedures to guide the purchasing process. Information on the purchasing process, collaborative purchasing, blanket purchase orders, and other purchasing practices are not contained in a purchasing manual. As of the most recent financial audit, Greenville did not have a City credit card policy or purchasing policies.

A written purchasing manual should clearly outline the complete purchasing process, and identify who is authorized to make purchasing decisions. The purchasing manual should specify purchasing thresholds and approval paths, statutory requirements for competitive bidding, and additional procedures for emergency and blanket purchases. A purchasing manual should also include the following information:

- Description of inventory procedures for reporting departments;
- Guidelines for conducting a lease versus buy analysis;
- Volume and annual bulk purchases;
- Guidelines for monitoring supplier performance;
- Use of collaborative purchasing programs/consortiums;
- Purchasing card procedures;
- Use of procurement practices (i.e. electronic supplier databases); and
- Code of ethics.

The lack of a purchasing manual increases the chance that departments will not fully understand the purchasing function, resulting in increased time to process purchase orders and invoices, as well as variances in the process. Departments may also not receive the best price or quality goods because they do not follow a standard, competitive buying process.

Following standard purchasing policies and procedures ensures consistency in the purchasing process. The manual would help staff do their jobs more quickly, efficiently, and accurately. This recommendation could be implemented at no additional cost to the City if the manual is developed in-house.

R2.7 **The City should consider hiring a full-time staff person with purchasing experience, and consolidating purchasing responsibilities within that position. As part of a comprehensive analysis of the salary structure and job responsibilities (see R2.11), the City should determine appropriate purchasing responsibilities for the position. This position should be housed in the Mayor's Office to ensure consistent use by all departments. The City should also consider joining the National Institute of Government Purchasing (NIGP) or another similar organization to participate in and stay abreast of current purchasing practices.**

The City currently has a decentralized purchasing process with departments responsible for purchasing goods and services for their respective departments. This organizational approach does not take advantage of the City's purchasing power. The City does not have a centralized function responsible for overseeing all facets of the purchasing function. However, the Safety Service Director's job description states that the position is responsible for executing and delivering all contracts and authorizing all purchases of the City. In addition to purchasing responsibilities, the Safety Service Director has extensive non-purchasing duties related to management of City operations. The Auditor's responsibilities related to purchasing include tracking purchase orders, paying invoices, and certifying that funds are available.

When a purchase is about to be made, purchase requisitions are entered into a computer and the Auditor's Office prints purchase orders and sends the printed documents to departments for formal approval. Once the department director formally approves the purchase order, the Auditor's Office conducts a final review and certifies funds are available for the purchase. The purchase order is sent to the supplier, the goods are received, and the invoice is paid by the City.

Centralized oversight of the purchasing function is necessary to ensure that departments follow appropriate procedures and obtain competitive prices. Also, as mentioned in the 2004 financial audit management letter, centralization would enhance the Engineering Department's prevailing wage rate coordinator's ability to track prevailing wage information to ensure compliance.

Both Circleville and Tallmadge have a variety of written forms and policies available to employees. For example, Tallmadge has a purchasing card policy available on its intranet. Circleville's Auditor and two finance staff handle purchasing duties, while Tallmadge's Finance Department coordinates the purchasing function. Both cities use either state or regional government purchasing programs. Tallmadge also uses the University of Akron purchasing program for items such as office supplies.

The responsibilities given to the person overseeing purchasing should include the following:

- Negotiating volume discounts for items purchased annually;
- Consolidating orders for annual bulk purchases;
- Establishing term contracts and just-in-time purchasing agreements;
- Performing lease versus buy analyses;
- Monitoring supplier performance;
- Compiling a list of recommended or preferred suppliers;
- Disseminating information about purchasing programs used;

- Maintaining supplier catalogs, containing item numbers, descriptions and prices; and
- Conducting auctions of surplus furniture and equipment.

According to the National Institute of Governmental Procurement (NIGP) in *Centralization of the Procurement Function*, the three major benefits listed for centralization are: effective control, cost saving, and the use of a professional purchasing staff. The International City/County Management Association (ICMA) lists the following as areas that should be considered in purchasing policies and practices:

- Purchasing cards;
- Special supplier relationships (i.e., blanket purchase orders);
- On-line purchasing (i.e., office supplies);
- On-line submission of requisitions;
- Long-term contracts to reduce the number of bids;
- Highly qualified purchasing staff;
- On-line bidding system;
- Electronic reverse auction;
- Electronic document system for tracking contracts and bids; and
- Annual customer surveys.

Performing key purchasing oversight functions ensures departments follow standard procedures and the City obtains competitive prices. Without centralization of this function, Greenville may overpay for goods and not obtain the best prices based on volume discounts or competitive bids.

Financial Implication: Based on NIGP's 2005 compensation survey, the annual compensation for a buyer would be approximately $52,000 including the cost of fringe benefits. However, because of the rural location of Greenville, actual compensation may be lower.

R2.8   The City should consider the cost-savings and benefits of participating in additional purchasing programs including the United States Communities Government Purchasing Alliance (U.S. Communities), and Southwest Ohio Purchasers for Government (SWOP4G). Using U.S. Communities Government Purchasing Alliance and SWOP4G would potentially result in cost-savings for departmental and Citywide purchases.

The City does not take advantage of all available purchasing programs to obtain discounts and improve purchasing. Examples of additional items the City can purchase through organizations such as U.S. Communities and SWPO4G include:

- Road Salt,
- Chemicals,
- Gasoline,
- Office supplies,
- Janitorial supplies,
- Paper towels and toilet paper,
- Tires and tubes,
- Traffic paint,
- Furniture,
- Technology products,
- Office machines,
- Carpeting and flooring; and
- Other items (plastic bags, film).

Additional program information is available from the program websites: www.uscommunities.org, and www.swop4g.org. By accessing such programs, Greenville can further lower its costs for supplies and materials and ensure that it receives the best value on its purchases.

R2.9 **The City should consider instituting a purchasing card program. A purchasing card program simplifies authorization, payment and review processes for purchasing small dollar items. In addition, it significantly reduces purchase order paperwork. Formal policies and procedures should be established for the purchasing card program to ensure proper selection of a card provider and the implementation of appropriate purchasing approvals and reviews.**

According to the Auditor, the City uses a credit card for gasoline purchases. There were concerns that expanding the program would create additional work for the Auditor's Office. The Greenville Water Department Superintendent indicated a purchasing card program could be beneficial to the City by making it easier to process and track invoices.

According to the AOS Winter 2004 *Best Practices*, a purchasing card program is one way governments can acquire small dollar items without the delays associated with the traditional purchasing process. Purchasing cards are designed to streamline the acquisition process by issuing one check to the credit card company instead of multiple checks to a supplier.

A purchasing program also enhances a city's ability to establish and enforce purchasing limits and improves reporting capabilities via management information systems. All cardholders should have limits that are defined by their department within city guidelines and require approval from appropriate supervisors. For example, limits should be

enforced at the point of purchase by transaction, include types of suppliers from who purchases can be made, and number of transactions that can be made per day. Procurement card (p-card) programs are in use in Ohio governments including the City of Troy, the State of Ohio, and the Maumee Watershed Conservancy District.

Greenville could work with its current credit card company to create a purchasing card program. Likewise, it can examine other providers to institute a purchasing card program. With appropriate controls and oversight, a purchasing card program would help Greenville access and track small dollar purchases more efficiently.

R2.10 **The City should consider implementing an electronic on-line bidding, on-line purchasing, electronic reverse auction and electronic document system for tracking contracts and bids (including requests for proposals (RFPs). On-line bidding and electronic reverse auctions increase bid competition, reduce advertising and mailing costs, and enhance web presence. On-line purchasing helps to streamline the purchasing process, and allows for the use of document templates to create RFPs, invitations to bid and contracts.**

The City of Greenville has not taken advantage of several technological capabilities for purchasing, including on-line RFPs, on-line purchasing, electronic requisitioning, electronic reverse auctions, and electronic document storage for tracking contracts and bids. The City has discussed selling equipment on an internet auction site to obtain better pricing.

According to the City's current software provider there is a purchasing module within the City's current financial systems package that includes five key purchasing capabilities:

- Regular: Orders supplies in bulk (i.e. office supplies), but can distinguish between departments;
- Blanket: Sets a limit on how much is to be spent on a certain good or at a certain supplier location each time period;
- Multi-supplier: Allows just the supplier information to be changed so a purchase order does not have to be created for each individual supplier (i.e. tax refunds for vendors);
- Contract: Used for larger, more specific expenses (i.e. street repaving); and
- Encumbrance: Allows money to be earmarked for activities that will happen in the future but which have not been granted to a specific supplier for a specific amount of money.

ICMA included the following purchasing practices related to technology in *What Works* (2002):

- **On-line purchasing:** To facilitate procurement of office supplies specifically, the City of Bellevue, Washington has established an on-line procurement system with a local supplier. Using the online system, specially trained people in each department may order office supplies from a pre-approved list of approximately 350 commonly used items. The items are provided at special prices negotiated by the city and are delivered on demand. Now, employees are able to order supplies when needed, and the City of Bellevue makes a single payment to the supplier each month.

- **Electronic reverse auction:** Local governments invite suppliers to participate in live, online reverse auctions in which they bid against each other in real time for the City's business. The lowest bidder at the end of the auction is the "winner." Hamilton County also uses traditional electronic auctions (similar to eBay) to dispose of its obsolete equipment.

- **Electronic document system for tracking contracts and bids:** This system will help staff to create properly worded contracts and invitations to bid. Once the documents are completed, the system routes them for approval and tracks their progress through the approval process.

Current purchasing practices reduce bid competition, increase administrative costs and paper work, and increase the time it takes for the purchasing cycle to be completed. By using electronic or technology-enhanced functions, Greenville would be able to reduce costs for purchasing and potentially increase the revenues generated by auctions.

Financial Implication: The City would likely experience a moderate to substantial implementation cost for this recommendation, as it would need to upgrade its technology in many areas. According to a sales representative from the current software provider, a minimum of $36,000 would be required to upgrade technology to use current versions of the existing software.

R2.11 **Based on current salaries, Greenville should seek to control and limit compensation increases in future contract negotiations. The City should seek to hold cost of living adjustments (COLAs) to 1 percent in FY 2008 for both bargaining and non-bargaining unit employees based on an annual review of financial conditions. The City should seek agreement from all bargaining units regarding wage increase decisions based on fiscal stability. In addition, Greenville should continue to benchmark its salary structure against other similar sized cities and an area-specific wage analysis. Finally, the City should complete a comprehensive analysis of the salary structure and job responsibilities.**

The City of Greenville has separate collective bargaining agreements for the Parks and Recreation Department, Police Department, Water/Wastewater Departments, Street

Department, and Fire Department. COLA increases were authorized for the Police Department in its bargaining agreement. These averaged 3.5 percent per year for the duration of the contract.

Step increases average 5 percent for the Parks and Recreation Department, Police Department, Water/Wastewater Departments and Street Department. The step increases for the Fire Department averaged 9 percent.

Table 2-2 shows average salaries by department for Greenville and the peers.

Table 2-2: Average Salaries by Department

Department	Greenville	Circleville	Mount Vernon	Tallmadge	Peer Average	Two Peer Average
Elected Officials	$31,250	$27,823	$45,329	$54,994	$42,715	$36,588
Council	$4,500	$5,198	$6,880	$7,562	$6,547	$6,039
Street	$36,099	$33,150	$37,561	$45,633	$38,781	$35,355
Parks	$39,322	$39,364	$36,496	$44,583	$40,148	$37,930
Police	$42,068	$37,975	$41,300	$57,358	$45,544	$39,637
Dispatch	$29,675	$28,995	N/A [1]	$41,451	$35,223	N/A
Fire	$42,091	$33,889	$45,648	$51,883	$43,807	$39,768
Engineering	$44,993	$38,656	$36,982	$60,302	$45,313	$37,819
Water	$42,262	$34,091	$47,446	$47,443	$42,993	$40,768
Wastewater	$43,300	$40,652	$48,465	$42,942	$44,020	$44,558

Source: Appendix A-Table A1
[1] Mount Vernon does not have dispatch

As noted in **Table 2-2,** the peer average column shows the average of the three peers: Circleville, Mount Vernon, and Tallmadge. The two-peer average column shows the average salaries for Circleville and Mount Vernon and excludes Tallmadge because its average salaries are significantly higher than Greenville and the other peers. Although Greenville is at or below the average salaries for all departments using the three-peer average, the City has higher average salaries for the majority of departments using the two-peer average. Maintaining higher average salaries may have a negative impact on the City's financial condition over the long-term. The City should monitor increases in salaries to ensure comparability with similar-sized cities.

In a review and update of the City's salary structure, Greenville administrators should conduct a review of current job responsibilities. This will allow the salary structure to be tailored to current job responsibilities and help determine if there are redundant job duties that could be consolidated. In addition, a review of job responsibilities would help determine if existing positions should upgraded or if additional staff may be needed.

Financial Implication: Based on 2004-05 Greenville departmental salaries, a 3.5 percent COLA increase to all department employees would cost the City approximately $144,000. In future years, if the City is successful in limiting this increase to 1.0 percent through negotiations; it would save $103,000 annually.

R2.12 Greenville should strive to reduce overtime use. Although overtime use requires pre-approval by the appropriate department head, it should be tracked to identify potential areas of misuse. As the City's total overtime expense is slightly higher than the peer average, it should be monitored for indications of any change to current trends.

Table 2-3 compares Greenville's overtime use by department with the peers.

Table 2-3: Overtime Use Comparison - 2004

	Greenville	Circleville	Tallmadge	Peer Average
Fire Department - Total Overtime	$79,079	$61,552	$85,177	$73,365
Overtime Per Full time Employee	$2,551	$3,240	$7,098	$5,169
Depart. Overtime/ City's Total Overtime	**30.8%**	**26.7%**	**31.1%**	**28.9%**
Total Department Salary	$1,072,414	$792,146	$738,695	$765,421
Total Overtime as Percent of Salary	7.4%	7.8%	11.5%	9.7%
Police Department - Total Overtime	$95,114	$122,813	$143,051	$132,932
Overtime Per Full time Employee	$4,135	$4,724	$5,298	$5,011
Depart. Overtime/ City's Total Overtime	**37.1%**	**53.2%**	**52.3%**	**52.8%**
Total Department Salary	$1,116,733	$1,471,742	$1,466,848	$1,469,295
Total Overtime as Percent of Salary	8.5%	8.3%	9.8%	9.1%
Police Dispatcher Total Overtime	$5,327	$10,995	$9,659	$10,327
Overtime Per Full time Employee	$666	$2,749	$1,073	$1,911
Depart. Overtime/ City's Total Overtime	**2.1%**	**4.8%**	**3.5%**	**4.2%**
Total Department Salary	$229,035	$129,617	$341,921	$235,769
Total Overtime as Percent of Salary	2.3%	8.5%	2.8%	5.7%
Parks and Recreation Total Overtime	$13,102	N/A[1]	$1,258[2]	N/A
Overtime Per Full time Employee	$1,638	N/A	$419	N/A
Depart. Overtime/ City's Total Overtime	**5.11**	N/A	**0.46**	N/A
Total Department Salary	$310,209	N/A	$133,750	N/A
Total Overtime as Percent of Salary	4.2%	N/A	0.9%	N/A
Water Department Total Overtime	$21,439	$15,570[3]	$10,333[4]	$12,9512
Overtime Per Full time Employee	$1,787	$1,946	$2,952	$2,449
Depart. Overtime/ City's Total Overtime	**8.4%**	**6.7%**	**3.8%**	**5.3%**
Total Department Salary	$521,084	$494,020	$161,418	$327,719
Total Overtime as Percent of Salary	4.1%	3.2%	6.4%	5.0%
Waste Water Department Total Overtime	$9,535	$19,927	$6,469	$13,198
Overtime Per Full time Employee	$1,907	$1,533	$1,437	$1,485
Depart. Overtime/ City's Total Overtime	**3.7%**	**8.6%**	**2.4%**	**5.5%**
Total Department Salary	$292,669	$640,228	$186,485	$413,357
Total Overtime as Percent of Salary	3.3%	3.1%	3.5%	3.3%
Streets Department Total Overtime	$32,931	$13,295	$17,707	$15,501
Overtime Per Full time Employee	$1,733	$1,330	$932	$1,131
Depart. Overtime/ City's Total Overtime	**12.8%**	**5.8%**	**6.5%**	**6.2%**
Total Department Salary	$559,785	$367,284	$682,878	$525,081
Total Overtime as Percent of Salary	5.9%	3.6%	2.6%	3.1%
Total Overtime	**$256,527**	**$244,152**	**$273,654**	**$252,256**
Total Overtime Per Employee	**$2,420**	**$2,886**	**$3,508**	**$3,197**
Total Salary	**$4,101,929**	**$3,895,037**	**$3,711,995**	**$3,803,516**
Total Overtime as Percent of Salary	**6.3%**	**6.3%**	**7.4%**	**6.7%**

Source: City of Greenville and peer cities.
[1] There are no full time employees in the Circleville parks and recreation department.
[2] Tallmadge's Parks and Recreation department consists of only the recreation center.
[3] Circleville water and waste water departments consists of six maintenance workers and their overtime time was split in half for each department.
[4] Tallmadge, water and sewer, the superintendent, clerk, and billing manager overtime and salary are split between water and sewer equally.

Table 2-3 shows that while Greenville's total overtime expenditure is slightly higher than the peer average, total overtime per employee and total overtime as a percent of salary are lower than the peer average. However, specific departments noted in **Table 2-3** have overtime that is much higher than the peers. For example, the Fire Department's overtime expenses are approximately 8 percent higher than the peer average, and the Parks and Recreation Department's overtime expenditure is over 10 times higher than Tallmadge's overtime expenditure. Greenville's overtime expenditures for the Water and Streets Departments are also higher than the peer average. According to the Mayor, the use of overtime is related to staffing issues, especially in departments with authorized positions that are vacant. In addition, Greenville's non-exempt employees (department heads - with the exception of the Parks and Recreation Superintendent) are permitted to accrue overtime and worked 481 overtime hours in 2004. This is not a common practice among the peers (**see issues for further study**).

Financial Implication: If Greenville reduced the amount of overtime used to no more than 5 percent of its total salary, it would save the City approximately $50,000 annually based on the 2004 salary expenditures.

Technology

R2.13 The City should consider designating a staff person to be its IT coordinator. Responsibilities of this position should include developing and implementing City technology initiatives, approving all hardware and software purchases, ensuring timely replacement of equipment, and ensuring appropriate licenses exist for the software in use. Having a designated IT coordinator will result in faster trouble-shooting response times for technology problems, improve strategic planning for technology initiatives, improve the evaluation of IT purchases, and reduce security risks.

For the past several years, the City contracted with an outside data processing administrator who was responsible for supporting City technology and acquiring software licensing. However, this position has been vacant for many months. During the course of this performance audit, City Council approved Ordinance 05-106 establishing a full-time IT coordinator position with an annual salary and benefit cost between $33,900 and $53,580, depending on experience. In addition, the City's software provider submitted a proposal offering on-site consulting and remote hardware services. The proposal provided for a specified number of on-site and consulting days and listed other services such as remote support (help desk) and emergency after hours support. The City elected not to pursue this proposal due to the cost, however the City has a contract for hardware and software services if a need arises.

The State of Minnesota's Office of the Legislative Auditor conducted a technology best practices review of local governments. The review indicated that local governments should look for management options with properly trained staff that bring a high level of expertise to operating the computer system. Local governments should look for computer system managers who understand and can control security risks. In assessing their options, local governments should seek computer managers who conduct risk assessments of system security and base security policies on the identified risks. Computer managers should limit users' access to certain computers and data and actively manage users' password accounts. They need to install and monitor firewalls and antivirus software, have procedures in place to back up data, and develop a disaster-recovery plan. Because security risks change over time as new vulnerabilities arise, computer system managers should monitor and periodically audit their security procedures. Whoever manages the computer system must be appropriately trained to protect it. Nearly all of Minnesota's local governments use their own staff to manage some part of their computer systems, but most also rely on computer suppliers or intergovernmental computer collaborations to maintain parts of their hardware or to support software applications.

Without dedicated technology staff, technology purchasing may be inefficient, support levels may be reduced, the cost for support may be increased, and security risks increased. Greenville's recent initiative to hire a full time IT coordinator will help the City better manage its information technology.

R2.14 The City should develop written standards for hardware and software. Standards should be developed to ensure that hardware purchases of only one brand or architecture are made over an extended period. In addition, the City should develop a written software standard and list of appropriate software programs to ensure software meets current operational needs.

The City has not developed written technology standards for hardware and software. The City has restricted ink jet printers to a single brand, although it has a small number of dot-matrix printers, all-in-one color printers, and laser printers of various brands and models. City departments maintain approximately 60 computers from two major suppliers, as well a small number of other brands and custom-built computers. The City has two servers: a Windows NT server used for productivity applications and a UNIX server used for financial software and related applications. The City also has multiple versions of software for office applications from different suppliers.

The International Society for Technology in Education, although focused on education, has developed recommendations for equipment standards that are applicable to a broad range of clients and include the following:

- Equipment is replaced on a fixed cycle;
- A specific brand is selected for computers and all purchases are made within that brand over an extended period of time;
- Model selection is limited to one or two, with few variations; and
- Software standards are established and only those applications on the list are permitted on computers.

By formally standardizing the types of hardware and software used on City computers, Greenville can ensure that its departments are able to communicate seamlessly. Also, repair and support costs are reduced when a select set of hardware is maintained. Formal standards could be developed at no additional cost to the City, although future replacements to meet the standards will require on-going capital spending.

R2.15 The City should have formal processes for assessing the technology-related needs of its employees' duties and replacing equipment. A formalized technology-needs assessment process will help the City's decision-making process while effectively and efficiently addressing the City's long-term technology needs. A formal replacement cycle will help ensure that outmoded equipment is not maintained and that City departments can communicate and maintain data in a seamless fashion. The City should link strategic planning for technology with equipment replacement cycles.

In Greenville, each department submits budget requests to replace technology on an as-needed basis, and decisions are based on available funding. City administrators and department heads have indicated that technology is outdated. Department heads also indicated that there are sometimes difficulties transferring documents electronically because different software with varying formatting compatibilities is used.

GFOA suggests that formal needs assessments are especially valuable in building employee consensus about how and when to proceed with technology-related purchases. Consensus is built by obtaining input from an agency's employees and identifying costs, risks, and benefits of varying courses of action. GFOA offers the following four-step methodology for assessing technology needs:

- **Define the problem:** Obtain direction from management regarding the long-term technology-related goals the agency wants to pursue (e.g., strategic plan), gather ideas from staff about immediate needs, and evaluate the current system to identify gaps.

- **Identify research alternatives:** Assess the availability and operational feasibility of technology to address identified gaps between the strategic plan and current system. Assess any costs and identify suppliers associated with the implementation of the hardware and software.

- **Establish options and develop recommendations:** Evaluate and refine the alternatives and develop a draft of all recommendations based upon costs, timeframes, advantages and disadvantages.

- **Finalize the decision and take action:** Develop an action-plan that includes timeframes for assigning staff responsible for the project, developing a RFP if necessary, obtaining funds, and implementing the project.

Once a needs assessment has been conducted, the City should ensure that a formal replacement plan is developed so that outdated equipment is not maintained. Although the replacement cycle may be based on any number of factors, it should be integrated into a comprehensive IT plan, such as that used by Whatcom County, Washington. Assumed life cycles from the 1990's projected 3 to 5 year replacement cycles, although current products may have a longer lifespan if they retain their functionality (see repair versus replacement criteria below). If the City does not make plans to replace new equipment, it will end up with aging, if not obsolete, equipment that may require substantial investment to replace. A rotating replacement plan that evaluates the status of assets and replaces a portion on an annual basis allows IT costs to be allocated over several fiscal years. Another thing to consider in the plan is when to repair equipment instead of replacing it. PC World (January 2005) recommends developing a rationale for repair versus replacement of computers and laser printers based on age and repair cost. Simple criteria, such as the following:

- What is the expected useful life of the product if it is repaired?
- Can the City afford to replace it?
- Does the cost to repair amount to more than about three-quarters of a new model's price?
- Will the replacement give the City significant features that the old one did not have?"

The Government Accountability Office (GAO) states that to make good IT investment decisions, an organization must know where its IT assets (i.e., personnel, systems, applications, hardware, software licenses, etc.) are located and how funds are being expended toward acquiring, maintaining, and deploying these assets (May 2000). The GAO asserts that this critical process helps an organization identify its IT assets and create a comprehensive inventory. The inventory is then used to track resources and develop IT cost trends and management drivers. According to the CERT Coordination Center at Carnegie Mellon University (March 2000) an inventory should have the following components:

- Information on the manufacturer, model, and serial number (or some other unique identification number)

- Equipment description (possibly with a menu of predefined choices to preserve consistency) by category, such as desktop computer, laptop computer, or printer
- Comment field (may include a history of who has had the equipment or, in the case of lost or stolen equipment, details of what occurred and pointers for police reports)
- Information on the purchase date and purchase order number to establish time period for the warranty
- Configuration information, including disk size and amount of memory, based on the device machine name, if any
- Internet protocol (IP) name and IP address
- Location code and physical location, such as room number
- User name and ID (does not apply for network and multi-user components)
- Organizational affiliation, such as the department or unit
- Owner history, if applicable
- Usability code or condition (e.g., in current use, ready to reassign, ready to dispose of, scrapped for parts, retired, lost, stolen)

The inventory is also a valuable tool in developing, updating and monitoring replacement plans. Having a formal replacement plan, a repair versus replace methodology, and a complete inventory of IT assets will ensure that equipment is replaced on a regular schedule and will minimize the impact of obsolete equipment on the technology needs of the City.

R2.16 The City should establish formal procedures for minimizing potential computer disruptions by improving its disaster recovery plan. Disaster recovery procedures should be updated regularly and tested annually to ensure employee awareness of the process. The City's disaster recovery plan should provide for the availability of critical computer and communications systems in the event of a major crisis. Standard procedures for developing, maintaining and updating the recovery plan should be documented and distributed to all personnel.

The City does not have an updated and complete disaster recovery plan that describes methods and procedures to safeguard and restore City operations in the event of a disaster. The Auditor provided a copy of the September 1995 disaster recovery plan, but it does not include detailed disaster recovery procedures. Although the 1995 plan provides some key steps for disaster recovery, such as contacting hardware and software suppliers, and identifying alternate computing locations, the plan is not detailed enough to give clear directions in the case of a disaster. According to the Auditor, employees in the Auditor's Office are responsible for performing back-ups and off-site storage of back-ups. Two tapes are backed up each night, switched out in the morning, then stored at another location.

State and local governments have a duty to ensure that there are minimal disruptions in the provision of essential services following a disaster. Effective disaster recovery planning must specifically and formally address those policies and procedures that minimize the disruption of government operations should computers fail. According to GFOA, the body of the plan should include the following elements:

- Formally assign disaster recovery coordinators for each agency or department to form a disaster recovery team.

- Require the creation and preservation of back-up data.

- Make provisions for the alternative processing of data, alternative processing site, and processing priorities should it be necessary to move to an alternative processing site following a disaster.

- Provide detailed instructions for restoring disk files.

- Establish guidelines for the immediate aftermath of a disaster.

- A copy of the government's formal disaster recovery policies and procedures should be kept off-site to ensure its availability in the event of a disaster.

- Every government should periodically test its disaster recovery plan and take immediate action to remedy deficiencies identified in testing.

- A government also should satisfy itself concerning the adequacy of disaster recovery plans for outsourced services.

Without a formal plan, timely service to clients could be adversely affected following a crisis. If there are no formal policies and procedures that assign responsibilities to specific individuals, the City's employees may become confused in an emergency, resulting in further disruption of services to clients.

R2.17 The City should consider implementing e-government solutions to improve access to information and improve customer service to citizens. The City should begin the process for implementing e-government by developing a fully functional, user-friendly website that makes forms available to the public. As the City's finances improve, it should consider implementing phase two of e-government, which would allow citizens to conduct transactions on-line with the City.

The City has not extensively implemented e-government solutions to enhance customer service to citizens. Although the City does not have formal plans to implement this technology, City Council and staff have been receptive to the idea.

Greenville's web site includes Council minutes, codified ordinances, and basic program and service information online, but does not have downloadable forms available, and transactions, such as paying parking tickets, cannot be performed. The Safety Service Director indicated paying utility bills, applying for permits and paying income tax are e-government options the City would like to consider. Approximately 39 percent of survey respondents indicated that they would use the Internet to pay utility bills, and about a third indicated that they would use the Internet to register for parks/recreation programs. Barriers to implementation for the City include cost and in-house expertise to develop and maintain the technology.

E-government refers to the electronic means (i.e., Internet, e-mail, etc.) of providing information and delivering services 24 hours a day, seven days per week. The article "Tech Check: Is it Worth It" in *Making E-Government Purchasing Decisions*, published by the Vermont League of Cities, gives governments a starting point to determine its individual e-government needs:

- Define why the technology is needed;
- Analyze all costs related to the investment; and
- Analyze all benefits related to the investment.

"Electronic Government at the Local Level (June 2003)" from *Public Performance Management Review* indicates an analysis of 1,506 websites in the 70 largest US cities found that only 13 percent provide services that are fully executable on-line. The most frequently provided on-line services include paying parking and traffic tickets, complaint filing, and service requests. However, a summary of local e-government literature suggests governments are increasingly adopting e-government.

"Electronic Government at the Local Level" continues by stating that the four phases of e-government include the following:

- **Catalogue** – Maintaining a Web-Site and placing downloadable forms on-line;
- **Transaction** – Making services and forms available on-line; working database supporting on-line transactions;
- **Vertical Integration** – Linking local systems to higher level systems within similar functionalities; and
- **Horizontal Integration** – Integrating systems across different functions; real one-stop shop for citizens.

Having forms available on-line allows citizens to access government 24 hours a day. Peers have placed various downloadable forms on their websites, including the following:

- Employment applications;
- Permit applications;
- Event applications;
- Tax forms; and
- Utility payment forms.

Other useful information peers placed on their websites included park and recreation rates and the city budget.

Examples of phase two of e-government services include the following:

- Placement of forms on-line;
- Payment of taxes;
- Payment of utility bills;
- Payment of licenses;
- Payments of tickets/fines;
- Requests for service (e.g., streetlight repair);
- Requests for records;
- Interactive maps;
- Registration for programs (e.g., parks and recreation);
- Permit application or renewal;
- Business license application or renewal;
- Voter registration; and
- Property registration (e.g., animal, bike, etc.).

ICMA conducted an e-government survey, which yielded the following results:

- Nearly 70 percent of local governments report improved communication with the public because of their e-government initiatives.

- About 56 percent cited improved customer service.

- More than 99 percent of local governments have Internet connectivity.

- All reporting jurisdictions with a population of 250,000 or more had a website.

- Close to 60 percent provided downloadable forms, online communication with elected and appointed officials, employment information and applications, and codes and ordinances on the local government website.

- Nearly 76 percent posted council agendas and minutes.

- Fewer than 30 percent of respondents accepted online requests for local government records or services (such as pothole repairs), provided GIS/mapping data, or sent electronic newsletters to residents and businesses, but 50 percent to 62 percent of these respondents planned to provide these services in the future.

- The most frequently cited barriers to e-government initiatives were the lack of financial resources (64 percent) and insufficient technology/Web staff (63 percent).

Although Greenville citizens have not overwhelmingly requested heightened implementation of e-government, the City should consider implementing additional phases as resources become available and integrating e-government goals into its strategic plan.

Community Expectations

R2.18 The City of Greenville should regularly use and distribute a citizen survey to measure community expectations. The City should use the survey for long-term strategic planning and conduct community forums to discuss survey results. Community forums can also be used to develop annual goals and benchmarks for improvements to specific services. Citizen surveys can be used to measure performance of services, identify improvements needed in City operations, and identify priorities for the City.

According to a citizen survey conducted during this performance audit (see **Exhibit B**), approximately 57 percent of the respondents rated highly the quality of life in Greenville in areas such as safety, appearance, and historic character. Although most services were rated as good, they were not overwhelmingly rated excellent, leaving room for improvement. Greenville survey respondents also rated safety in the community very highly, especially in the daytime in neighborhoods, downtown and at parks.

Seventy percent of the respondents rated City services as good, including police, fire, and street cleaning. The respondents rated enforcement of City codes and ordinances, services to seniors, services to youth, and City communication to the public as fair.

Greenville survey respondents are either somewhat satisfied or neutral regarding City efforts at communications outreach that include public involvement and availability of

information about City programs and services. Survey responses rated their interaction with City employees as good, specifically dealing with knowledge, responsiveness, courtesy and overall impression. The top three sources of information about City issues, services and events are the local newspaper (93 percent), friends/neighbors (69 percent), and the City cable channel (54 percent).

Approximately 90 percent of survey respondents never use the City's transit system. Although most of the survey respondents indicated that they use computers daily, they did not appear overly receptive to using the Internet to pay for City services. Approximately 50 percent of respondents indicated that they would not use the Internet to pay for any City services, 39 percent indicated that they would use the Internet to make utility payments and 32 percent indicated that they would use the Internet to register for parks/recreation programs. In addition, 79 percent of respondents indicated that they would not be willing to pay a fee to cover the cost of processing transactions over the Internet.

Results of the survey showed that the primary issues facing Greenville are economic development and lack of job growth. Economic development was the only area of the survey rated as poor (see **R2.4**). There also appears to be some concern in survey responses about the overall direction of the City, its willingness to listen to citizens, and how it allocates fiscal resources.

Citizens who filled out the survey generally were employed, owned their own home, did not have children 12 or under or between 13 and 17 years of age, made between $50,000 and $99,000 a year, and were Caucasian. Seventy-six percent of respondents were between 35 and 74 years old. Only 18 percent of respondents had household members over 65 years of age. A fairly even distribution of men and women responded to the survey.

At the end of the survey, respondents had the opportunity to answer several open-ended questions that are summarized below.

- What do you like most about living in Greenville?

    Most liked the small town feeling and all that is associated with it: friendly people, peace and quiet, slower pace, the convenience of having all needed services nearby, and the lower cost of living. They also said that it was a great place to raise children and that it is safer than nearby Dayton. A few mentioned that they enjoyed the environment, such as the parks, the cleanliness, and events concerning the cultural history of the area.

- What do you think is the most important problem facing Greenville?

  Most people responded with their concern for the economic vitality and sustainability of Greenville. References to the lack of employment opportunities, industry and growth were frequent (see **R2.4**). Also mentioned were the weak infrastructure, taxes, the increasing cost of living, and the need to maintain a small town feel in light of recent growth.

- During the past three years, has the quality of City services gotten better, stayed the same or gotten worse?

  According to most responses, services have stayed the same, with little or no noticeable change over the years. A few noted however, that maintenance in the park and on streets and sidewalks has declined.

- If you could change one thing about Greenville, what would it be?

  If given the chance to change something about their City, an overwhelming majority would make Greenville more business friendly to encourage economic and job growth. A place for City youth to "hang out" was mentioned, and various maintenance/beautification projects were included in the responses.

- Is there anything else that you would like to tell us about the city of Greenville?

  Most respondents indicated that Greenville is a great place to live.

  According to ICMA, the best way to encourage good performance is to measure it, and the best indicator of government performance is citizen satisfaction. Two out of three local governments that monitor their contracts use citizen satisfaction as a guide. One of the tools to measure citizen satisfaction is the use of a survey. Surveying is how progress is measured and is not considered a one-time event. The first survey provides a baseline for comparison to future years. In following years, declining scores tell the government where to focus improvements; rising scores acknowledge departments that are improving.

Surveying is always performed in the context of planning for the future—balancing priorities, setting new objectives, preparing the next budget, and improving services. Steps include creating, measuring; refining, and reassessing the survey. Surveys performed by outside professionals usually come with analysis and explanation that put local scores in perspective. They are free of bias and establish a neutral benchmark that all parties can accept. The cost of surveying is repaid with interest in terms of citizen satisfaction with government, staff commitment to change, and conservation of resources.

Financial Implications Summary

The following table summarizes estimated annual savings and one-time and annual costs from the recommendations discussed in this section.

Summary of Financial Implications Subject to Negotiations

Recommendation	Estimated Annual Cost Savings	Estimated Implementation Costs (One-Time)	Estimated Implementation Costs (Annual)
R2.11 Reduce COLA increase to 1%	$103,000	N/A	N/A
Total	**$103,000**	**N/A**	**N/A**

Summary of Financial Implications Not Subject to Negotiations

Recommendation	Estimated Annual Cost Savings	Estimated Implementation Costs (One-Time)	Estimated Implementation Costs (Annual)
R2,2 Forecasting Training		$750	
R2.3 Develop CAFR			$15,000
R2.5 Performance Measurement Training		$1500	
R2.7 Hire Buyer			$52,000
R2.10 Upgrade Technology to accommodate additional on-line functions		$36,000	
R2.12 Reduce Overtime Usage	$50,000		
Total	**$50,000**	**$38,250**	**$67,000**

Appendix A

Table A-1 shows that Greenville has maintained salary levels comparable to peer cities.

Table A-1: Salary Comparison - 2004

Department	Position	Greenville	Circleville	Mt. Vernon[1]	Tallmadge	Peer Average	Two Peer Average
Elected Officials	Mayor	$38,000	$28,515	$51,474	$67,096	$49,028	$39,995
	Law Director	$31,500	$37,070	$75,028	$65,615	$59,238	$56,049
	Treasurer	$6,000	$3,300	$6,847	$24,430	$11,526	$5,074
	Auditor	$49,500	$42,407	$47,965	$62,836[2]	$51,069	$45,186
Council	President	$5,000	$5,445	$6,880	$7,562	$6,629	$6,163
	Member	$4,000	$4,950	$6,880	$7,562	$6,464	$5,915
Street	Street Superintendent	$45,934	$46,842	$43,136	$68,822	$52,933	$44,989
	Maintenance	$34,460	$31,194	$31,985	$42,734	$35,304	$31,589
Parks and Recreation	Parks and Recreation Superintendent	$54,791	N/A	$43,136	$52,613	$47,875	N/A
	Recreation Director	$38,453	$39,364	N/A[3]	$43,574	$41,469	N/A
	Parks and Recreation Secretary	$26,291	N/A	N/A[4]	$37,563	N/A	N/A
	Park Maintenance Worker	$37,752	N/A[5]	$29,856	N/A[6]	N/A	N/A
Police	Police Chief	$52,182	$50,121	$50,240[7]	$77,473	$59,278	$50,181
	Lieutenant	$48,532	$47,195	$42,203[8]	$70,121	$53,173	$44,699
	Sergeant/Captain	$46,765	$42,723	$44,845	$69,188	$52,252	$43,784
	Patrol Officer	$40,546	$36,599	$40,522	$53,898	$43,673	$38,560
	PD Secretary	$27,768	$28,517	$28,688	$33,587[9]	$30,264	$28,603
Dispatchers	Emerg Comm. Operator	$29,675	28,995	N/A[10]	$41,451	$35,223	N/A
Fire	Fire Chief	$57,531	$47,156	$52,250	$84,975	$61,460	$49,703
	Assistant Fire Chief	$52,182	N/A	$49,600	$72,697	$61,149	N/A
	Fire Captain	$48,241	$37,248	$45,228	$14,955[11]	N/A	$41,238
	Firefighter	$40,238	$31,767	$52,475	$51,419	$45,220	$42,121
	Fire Secretary	$29,619	N/A	$28,688	$34,746	$31,717	N/A
Engineering	City Engineer	$57,710	$44,365	N/A[12]	$89,992	$67,179	N/A
	Engineering Secretary	$32,156	$36,982	$29,077	$30,611	$32,223	$33,030
Water	Water Superintendent	$57,531	$49,254	$51,370[13]	$58,845[14]	$53,156	$50,312
	Water Plant Operator	$39,718	$30,300	$43,521	$43,643	$39,155	$36,911
Wastewater	WW Superintendent	$57,531	$53,269	$51,370[13]	$58,845[14]	$54,495	$52,320
	WW Plant Operator	$38,556	$37,497	$45,560	$30,644	$37,900	$41,529

Source: City of Greenville and peer cities. Greenville data is as of September 2005 while Circleville and Tallmadge data is from December 2004.

[1] At the time of this audit, Mt. Vernon was unable to provide a complete 2004 salary report. The city provided 2004 annual wages for a sample (selected by the city) of employees within the position category for the following positions: water and wastewater operators, streets and parks maintenance workers, policy officer, firefighter, and

engineering secretary. Mount Vernon provided 2004 hourly salaries for most other positions, which were used to calculate an annual salary. The city provided 2005 annual salaries only for the following positions: building, grounds and parks superintendent, treatment and distribution administrator, street superintendent, fire chief, assistant fire chief, and police chief.

[2] Tallmadge has a director of finance instead of an auditor.

[3] Mt. Vernon's recreation department is through a private contract.

[4] Mt Vernon Parks and Recreation secretary is a part time position.

[5] Circleville park maintenance workers are seasonal workers.

[6]Tallmadge Parks and Recreation maintenance workers are part-time employees.

[7] At the time of this audit, the police chief position in Mount Vernon was vacant.

[8] Mt. Vernon does not have police lieutenants. Police corporal salary was used instead.

[9] Circleville has a single typist for the police department and the fire department. At the time of this audit, both positions were vacant.

[10] Mt. Vernon does not do its own police dispatching.

[11] Tallmadge fire captain is a part-time position. Since all of the peers did not have full-time fire captains, no three peer average is provided.

[12] Mt. Vernon's city engineer is outsourced.

[13] Mt. Vernon has a treatment and distribution administrator in charge of both water and wastewater who gets paid half from water fund, and half from the waste water fund

[14] Tallmadge has a utilities superintendent responsible for water and wastewater departments.

Note: Greenville also has a full-time safety service position. However, this position was not included in the **Table A-1** because the peers either did not provide salary information for a similar position or do not currently have full-time safety service directors. Mount Vernon did not provide salary information for the safety service director; Tallmadge has that position but it is vacant and the Mayor is performing those responsibilities; and Circleville has a part-time safety service director with a salary of approximately $15,000.

Appendix B

The Auditor of State (AOS) conducted a survey of City of Greenville citizens. The goal of the survey was to measure resident opinions related to community expectations, and identify any concerns or recommendations they might have to improve operations and better serve the residents. This survey provides a benchmark measure of respondent demographics such as household income, employment, number of children per household, and residence ownership/rental statistics. Other benchmark measures include ratings of City safety; City services and their quality and effectiveness; communication about City issues, programs and activities; and personal use of computers as well as their use to pay for city services. In addition, respondents were asked to document what single change they would make if they could and what they liked most about Greenville. **Responses to this survey were collected in a manner that allowed respondents to remain anonymous.** Only final aggregate results are summarized and included in the report.

Table B-1

1. Please Circle the number that comes closest to your opinion for each of the following questions:				
	Excellent	**Good**	**Fair**	**Poor**
How do you rate Greenville as a place to live?	16%	**59%**	21%	4%
How do you rate your neighborhood?	27%	**49%**	18%	4%
How do you rate Greenville as a place to raise children?	17%	**54%**	21%	5%
How do you rate Greenville as a place to retire?	14%	**44%**	23%	13%
How do you rate the overall quality of life in the City?	9%	**57%**	28%	5%
Total Respondents	**444**			
(skipped this question)	2			

Table B-2

2. Please rate each of the following characteristics as they relate to Greenville as a whole:				
	Excellent	Good	Fair	Poor
Sense of community	6%	**43%**	36%	14%
Overall appearance of Greenville	9%	**55%**	31%	4%
Opportunities to attend cultural events	7%	31%	**42%**	20%
Shopping opportunities	3%	21%	**47%**	29%
Recreational opportunities	4%	25%	**46%**	23%
Job opportunities	0%	4%	27%	**66%**
Ease of car travel in Greenville	13%	**56%**	25%	5%
Ease of bus travel in Greenville	2%	16%	**24%**	23%
Ease of bicycle travel in Greenville	7%	**35%**	32%	12%
Ease of walking in Greenville	12%	**55%**	26%	5%
Historic preservation	18%	**55%**	23%	3%
Total Respondents	441			
(skipped this question)	5			

Table B-3

3. Please rate the speed of growth in the following categories in Greenville over the past 2 years:					
	Much Too Slow	Somewhat Too Slow	Right Amount	Somewhat Too Fast	Don't Know
Population Growth	21%	**30%**	**30%**	7%	10%
Retail Stores (i.e. shopping restaurants)	27%	**41%**	27%	3%	1%
Job Growth	**68%**	26%	2%	0%	3%
Housing Development	9%	19%	**47%**	15%	5%
Tourism	14%	35%	**41%**	1%	9%
Historic Downtown	12%	27%	**56%**	1%	4%
Total Respondents	437				
(skipped this question)	9				

Table B-4

4. Please rate how safe you feel:					
	Very Safe	Somewhat Safe	Neither Safe Nor Unsafe	Somewhat Unsafe	Don't Know
Neighborhood - Daytime	**70%**	23%	5%	1%	0%
Neighborhood -After Dark	38%	**42%**	9%	7%	1%
Downtown – Daytime	**71%**	23%	4%	1%	0%
Downtown – After Dark	17%	**41%**	16%	16%	5%
Parks – Daytime	**62%**	30%	5%	2%	1%
Parks – After Dark	12%	**34%**	14%	22%	12%
Total Respondents	440				
(skipped this question)	6				

Table B-5

5. Please rate the following statements by circling the number that most clearly represents your opinion:					
	Strongly Agree	Somewhat Agree	Neither Agree Nor Disagree	Somewhat Disagree	Don't Know
I receive good value for the City taxes I pay.	10%	**32%**	20%	23%	3%
I am pleased with the overall direction of the City.	3%	28%	17%	**31%**	1%
The City government welcomes citizen involvement.	8%	**25%**	19%	23%	5%
The City government listens to citizens.	5%	20%	17%	**31%**	5%
The City allocates fiscal resources appropriately.	3%	21%	24%	**25%**	9%
I am pleased with overall City leadership of elected officials.	5%	**26%**	21%	26%	3%
Total Respondents	429				
(skipped this question)	17				

Table B-6

6. In the last 12 months, about how many times have you or your family members participated in the following activities in Greenville?				
	Never	Once or Twice	3 to 12 Times	13 to 26 Times
Visited Public Library	20%	27%	**30%**	14%
Visited Recreation Centers	29%	**30%**	25%	8%
Participated in Recreation Program or Activity	**44%**	29%	18%	5%
Visited Neighborhood or City Park	2%	14%	**36%**	22%
Used Greenville Transit System	**90%**	4%	3%	0%
Attended Public Meeting	**45%**	30%	19%	3%
Volunteered in Other Group/Activity	**34%**	24%	21%	7%
Watched Greenville Public Access T.V.	21%	14%	**26%**	21%
Total Respondents	428			
(skipped this question)	18			

Table B-7

7. How do you rate the quality and/or effectiveness of each of the following services in Greenville?					
	Excellent	Good	Fair	Poor	Don't Know
A) Police Services	14%	**49%**	22%	8%	4%
B) Fire services	34%	**52%**	10%	0%	3%
C) Garbage collection	19%	**50%**	19%	7%	4%
D) Yard waste pick-up	20%	**43%**	21%	7%	8%
E) Street repair	7%	**47%**	32%	12%	2%
F) Street cleaning	15%	**53%**	24%	6%	1%
G) Sidewalk Maintenance	4%	**35%**	35%	22%	4%
H) Snow Removal	19%	**49%**	24%	6%	1%
I) Public Parking	9%	**51%**	29%	8%	1%
J) Bus/Transit	4%	**23%**	16%	7%	47%
K) Storm Drainage	7%	**45%**	29%	6%	11%
L) Drinking Water	13%	**52%**	22%	10%	3%
M) City Parks	38%	**43%**	13%	4%	1%
N) Recreation Programs/Classes	10%	**43%**	20%	3%	22%
O) Economic Development	1%	12%	30%	**50%**	6%
P) Enforcement of City Codes and Ordinances	3%	28%	**37%**	22%	9%
Q) Services to Seniors	5%	24%	**27%**	15%	27%
R) Services to Youth	3%	21%	**34%**	26%	14%
S) Public Library	29%	**50%**	12%	1%	7%
T) City Communication to the Public	4%	28%	**40%**	22%	4%
Total Respondents	430				
(skipped this question)	16				

Table B-8

8. How satisfied are you with (?)					
	Satisfied	Somewhat Satisfied	Neutral	Somewhat Dissatisfied	Don't Know
The availability of information about City programs and Services?	13%	**35%**	32%	12%	3%
City efforts to keep the public informed about local issues?	11%	**32%**	25%	21%	3%
City openness to public involvement and input from residents?	9%	**26%**	20%	25%	3%
The quality of programming on Greenville Public Access?	12%	28%	**30%**	8%	16%
The quality of the City's Web page?	13%	24%	**33%**	6%	18%
Total Respondents	**416**				
(skipped this question)	**30**				

Table B-9

11. What was your impression of employees of the City of Greenville in your most recent contact? Rate each characteristic below.					
	Excellent	Good	Fair	Poor	Don't Know
Knowledge	24%	**47%**	16%	4%	9%
Responsiveness	25%	**39%**	20%	7%	9%
Courtesy	31%	**37%**	14%	9%	9%
Overall Impression	23%	**43%**	16%	10%	8%
Total Respondents	**402**				
(skipped this question)	**44**				

Table B-10

10. Which of the following are your primary sources of information about City issues services and events? [check all that apply]		Response Total	Percentage
Local newspaper		385	93%
Television News		129	31%
Radio		96	23%
City cable channel		225	54%
City website		63	15%
Email		41	10%
Friends/neighbors		285	69%
Public Meetings		107	26%
Other (please specify)		21	5%
Total Respondents	416		
(skipped this question)	30		

Table B-11

11. Do you have a computer with Internet access? [Circle one letter]		Response Total	Percentage
Yes	at home	203	49%
Yes	at work	38	9%
Yes	at home and work	166	40%
No		28	7%
Total Respondents	417		
(skipped this question)	29		

Table B-12

12. How often do you personally use a computer? [Circle one letter]	Response Total	Percentage
Daily	354	86%
Weekly	25	6%
Once in a while	19	5%
I do not use the computer	17	4%
Total Respondents	411	
(skipped this question)	35	

Table B-13

13. If the City of Greenville developed a system that allows residents to register and pay for city services over the Internet, which of the following items would you be likely to use the Internet to do? [Check all that apply]	Response Total	Percentage
Make City utility payment	159	39%
Register for parks/recreation programs	129	32%
Pay fees and traffic violations	91	22%
Purchase bus tickets	27	7%
None of these - I would not use the Internet for any of these city services	204	50%
Other (please specify)	24	6%
Total Respondents	**406**	
(skipped this question)	**40**	

Table B-14

14. Would you be willing to have a convenience fee added to your bill to help cover the cost of providing the service? [Answer only if you selected at least one of the services listed in Question #14]	Response Total	Percentage
Yes	31	9%
No	264	79%
Don't Know	336	81%
Total Respondents	**336**	
(skipped this question)	**110**	

Table B-15

15. Do you live within the City limits of the City of Greenville?	Response Total	Percentage
Yes	336	81%
No	77	19%
Total Respondents	**413**	
(skipped this question)	**33**	

Table B-16

16. In which Ward do you currently reside?	Response Total	Percentage
Ward 1	42	19%
Ward 2	65	30%
Ward 3	66	30%
Ward 4	48	22%
Total Respondents	**220**	
(skipped this question)	**226**	

Table B-17

17. Are you currently employed?		
	Response Total	**Percentage**
Yes	312	76%
No	100	24%
Total Respondents	**412**	
(skipped this question)	**34**	

Table B-18

18. How many years have you lived in Greenville?		
	Response Total	**Percentage**
Less than 2 years	12	3%
2-5 years	36	9%
6-10 years	26	7%
11-20 years	75	19%
More than 20 years	250	63%
Total Respondents	**399**	
(skipped this question)	**47**	

Table B-19

19. Do you own or rent your current residence?		
	Response Total	**Percentage**
Own	367	90%
Rent	40	10%
Total Respondents	**406**	
(skipped this question)	**40**	

Table B-20

20. In which category is your age?		
	Response Total	**Percentage**
18-24 years	24	6%
25-34 years	57	14%
35-44 years	76	18%
45-54 years	98	24%
55-64 years	82	20%
65-74 years	61	15%
75 years or older	17	4%
Total Respondents	**415**	
(skipped this question)	**31**	

Table B-21

21. Do any children 12 or under live in your household?	Response Total	Percentage
Yes	101	25%
No	309	75%
Total Respondents	410	
(skipped this question)	36	

Table B-22

22. Do any teenagers aged between 13 and 17 live in your household?	Response Total	Percentage
Yes	78	19%
No	331	81%
Total Respondents	409	
(skipped this question)	37	

Table B-23

23. Are any other members of your household aged 65 or older?	Response Total	Percentage
Yes	75	18%
No	336	82%
Total Respondents	411	
(skipped this question)	35	

Table B-24

24. How much do you anticipate your household's total income before taxes will be for the current year? [Please include in your total income money from all sources for all persons living in your household]	Response Total	Percentage
Less than $24,999	43	11%
25,000 to $49,999	121	32%
$50,000 to $99,999	166	44%
$100,000 or more	48	13%
Total Respondents	378	
(skipped this question)	68	

Table B-25

25. What is your race? [Mark one or more races to indicate what race you consider yourself to be]		
	Response Total	Percentage
American Indian or Alaskan native	4	1%
Asian or Pacific Islander	1	0%
Black	4	1%
White/Caucasian	406	99%
Spanish/Hispanic/Latino	1	0%
Other	34	1%
Total Respondents	412	
(skipped this question)	34	

Table B-26

26. What is your sex?		
	Response Total	Percentage
Female	216	52%
Male	200	48%
Total Respondents	414	
(skipped this question)	32	

Table B-27

27. What do you like most about living in Greenville? [Write your response below]	
Total Respondents	323
(skipped this question)	123

Table B-28

28. What do you think is the most important problem facing Greenville? [Write your response below]	
Total Respondents	356
(skipped this question)	90

Table B-29

29. During the past three years has the quality of City services gotten better, stayed the same, or gotten worse? Explain. [If you have not lived in Greenville in the past 3 years please leave the item blank]	
Total Respondents	317
(skipped this question)	129

Table B-30

30. If you could make one change to Greenville, what would it be? [Write your response below]	
Total Respondents	319
(skipped this question)	127

Table B-31

31. Is there anything else you would like tell us about the City of Greenville?	
Total Respondents	238
(skipped this question)	208

Services

This section of the performance audit focuses on the City of Greenville's services and operations and includes reviews of the following departments:

- (A) Police Department;
- (B) Fire Department;
- (C) Engineering Department;
- (D) Streets Department;
- (E) Water Department;
- (F) Wastewater Department;
- (G) Auditors Office;
- (H) Income Tax Department; and
- (I) Parks and Recreation Department.

This section provides recommendations to enhance service levels and maximize efficiencies related to the different City of Greenville departments. The analysis includes comparisons with the departments in the following cities: Circleville, Tallmadge, and Mount Vernon. Analyses of staffing, operating expenditures, and operational indicators were conducted in this section.

A. Police Department

Background

The City of Greenville's Police Department (GPD or Department) protects Greenville citizens by enforcing federal, state, and local laws. The Department serves a population of about 13,300 in an area covering 6.5 square miles.

Organizational Chart and Staffing

Chart 3-1 provides an overview of the GPD organizational structure.

Chart 3-1: Greenville Police Department Organizational Chart
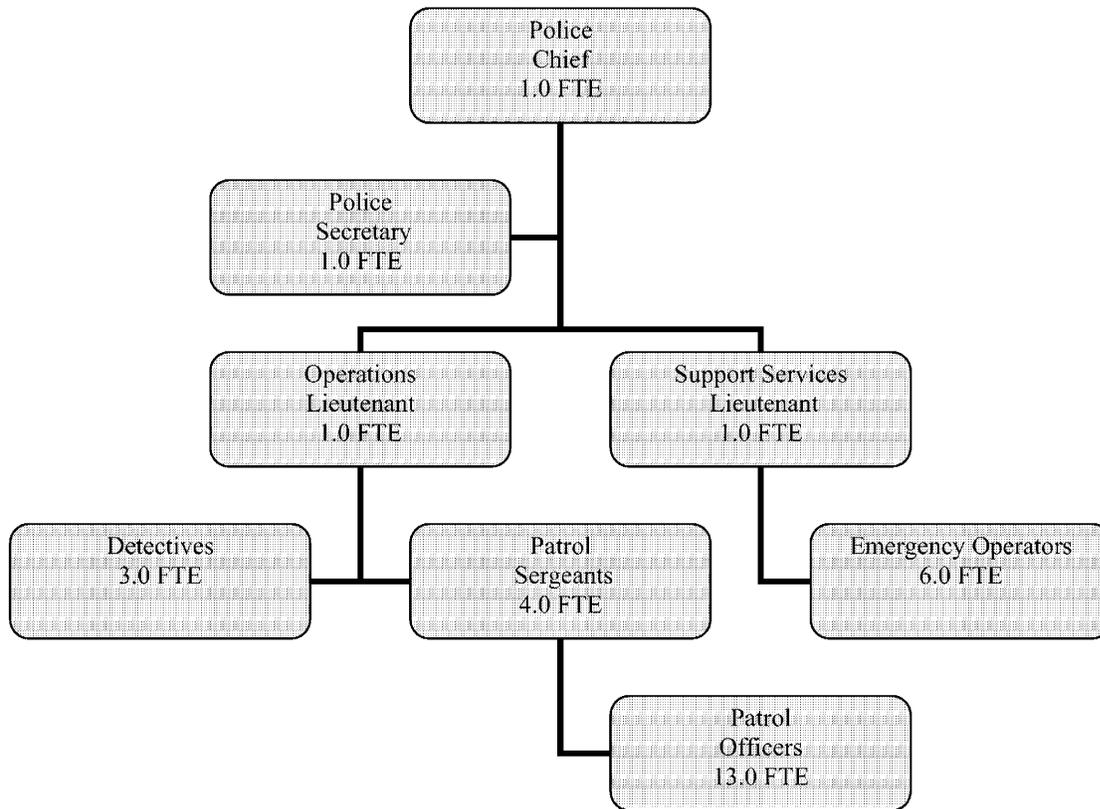
Source: Greenville Police Department

As depicted by **Chart 3-1**, GPD's organization structure is designed to meet its operational requirements with requisite support services.

Table 3-1 shows GPD full time equivalent (FTE) employee staffing compared to the peers.

Table 3-1: Police FTE Staffing

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Number of Residents	13,294	13,485	16,390	14,375	14,750
City Square Miles	6.5	6.6	14.0	8.4	9.7
Sworn Personnel	23.0	26.0	26.0	26.0	26
Non-Sworn Personnel	7.0	17.3	14.4	16.0	10.9
Total Personnel	30.0	43.3	40.4	42.0	41.9
Number of Patrol Officers/Patrol Sergeants	17.0	24.0	23.0	22.0	23.0
Total Sworn Personnel per 1,000 Residents	1.7	1.9	1.6	1.8	1.8
Total Personnel per 1,000 Residents	2.3	3.2	2.5	2.9	2.8
Patrol Officers/Sergeants per 1,000 Residents	1.3	1.8	1.4	1.5	1.6
Patrol officers/Sergeants per square mile	2.6	3.6	1.6	2.6	2.4

Source: Greenville and peer police departments

Table 3-1 shows GPD has fewer patrol officers/sergeants per 1,000 residents than the peer average. The number of patrol officers/sergeants per square mile is greater than the peer average. GPD has approximately the same number of sworn personnel per 1,000 residents as the peers, but is approximately 18 percent below the peer average for total personnel per 1,000 residents. However, low staffing for total personnel per 1,000 residents can be attributed to operational differences between GPD and peer police departments such as jail and dispatch operations.

Furthermore, GPD is high in the number of crimes per FTE (see **Table 3-5**); possibly indicating lower staffing compared to the peers, but is approximately the same in sworn personnel per 1,000 residents. Although GPD is approximately the same in sworn personnel per 1,000 residents as the peers, the City should continue to monitor crime rates along with sworn personnel staffing to ensure appropriate staffing levels.

Organization Function

Sworn GPD personnel are organized into patrol and detective sections. The uniformed patrol section is responsible for patrolling City streets in order to prevent crime and apprehend

violators. The detective section is the investigative arm of GPD which conducts investigations at crime scenes and prepares evidence. Detectives are also responsible for preparing cases and submitting reports to the prosecutor's office.

Support services are performed by non-sworn personnel. The dispatchers are responsible for receiving and transmitting radio communications and dispatching police, fire, and life squads to the geographic location of the complaint. The police secretary performs administrative duties including Department accreditation.

GPD responsibilities are contained in the Greenville Incident Command System (ICS) Manual, the Greenville Dispatch Manual, and the Greenville General Order Policy Manual. The manuals describe the policies and procedures that communicate departmental procedures to GPD staff.

Financial Data

Table 3-2 shows GPD historical expenditures broken down by category.

Table 3-2: Greenville Police Historical Expenses Broken Down by Category

	2003 Expenses	Percent of Total Expenses	2004 Expenses	Percent of Total Expenses	Percent Change from 2003 to 2004
Salaries/Benefits	$1,780,405	88.4%	$ 1,729,864	88.6%	(2.8%)
Services [1]	$117,210	5.8%	$ 118,427	6.1%	1.0%
Supply	$70,947	3.5%	$56,086	2.9%	(21.0%)
Capital	$46,177	2.3%	$48,617	2.5%	5.3%
Total Expenditures	**$2,014,739**	**100.0%**	**$1,952,994**	**100.0%**	**(3.1%)**

Source: Greenville expense report
[1] Prisoner meals are not included.

Table 3-2 shows decreases or limited annual increases in expenses for the Department and indicates that GPD has taken steps to control costs, with total expenditures declining from 2003-2004.

Table 3-3 shows GPD operating costs compared to the peers.

Table 3-3: Police Department Operating Cost Comparison

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Number of Residents	**13,294**	**13,485**	**16,390**	**14,375**	**14,750**
Total FTEs	30.0	43.3	40.4	42.0	41.9
Operating Cost [1]	$1,952,994	$2,384,346	$3,104,170	$1,692,694	$2,393,737
Operating Cost per FTE	$65,100	$55,066	$76,833	$40,302	$57,141
Total Cost per Resident	**$147**	**$177**	**$189**	**$118**	**$162**

Source: Greenville and peer police departments
[1] Prisoner meals are not included.

Table 3-3 shows that GPD's operating costs per FTE are approximately 14 percent higher than the peer average. GPD's operating costs per FTE are higher than the peers due to personnel costs (see **R2.11 and issues for further study related to overtime in the administrative issues section**). However, the Department's total cost per resident is low in comparison to the peer average.

Statistical Data

Table 3-4 shows the GPD operational indicators and ratios in comparison to the peer police departments and the peer average.

Table 3-4: Police Department Operational Indicators

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Number of Citizens	**13,294**	**13,485**	**16,390**	**14,375**	**14,750**
Operating Cost	$1,952,994	$2,384,346	$3,104,170	$1,692,694	$2,393,737
Number of Patrol Officers/Patrol Sergeants	17	24	23	22	23
Number of Calls Received [1]	11,321	14,949	18,685	17,730	17,121
Number of Calls per Patrol Officers/Patrol Sergeants	666	623	812	806	744
Calls per 1,000 Citizens	852	1,109	1,140	1,233	1,161
Average Cost per Call	$173	$159	$166	$95	$140
Total Number of Traffic Citations	956	917	1,304	1,881	1,367
Traffic Citations per Patrol Officer/Patrol Sergeants	56	38	57	86	59
Total Number of Arrests	936	N/A	540	1072	806
Arrests per Officer	55	N/A	23	49	36

Source: Greenville and peer police departments
Note: N/A represents information that was unable to be provided.
[1] Number of calls received refers to the total number of calls to the department, regardless of whether or not a crime was committed.

As shown in **Table 3-4**, GPD receives fewer calls per 1,000 citizens and has a higher average cost per call due to the lower number of calls received by the Department. GPD makes more arrests per officer but issues slightly fewer traffic citations per patrol officer than the peer average.

Table 3-5 compares Greenville crime data with the peers. Data for 2003 was used as 2004 data was not available at the time of the performance audit.

Table 3-5: 2003 Police Crime Data

	Greenville	Circleville	Tallmadge	Peer Average
Total Number of Violent Crimes	89	39	26	32.5
Property Crime Total	543	798	382	590
Total Property/Violent Crimes	632	837	408	623
Patrol Officers/Patrol Sergeants Number of FTE's	17	24	23	23.5
Violent Crimes per FTE	5.2	1.6	1.1	1.4
Property Crimes per FTE	31.9	33.3	16.6	24.9
Property/Violent Crimes per FTE	37.2	34.9	17.7	26.5
Violent Crime Rate	676.1	288.1	152.5	220.3
Violent Crime Rate per FTE	39.8	12.0	6.6	9.3

Source: Crime Data from the Department of Justice

As shown in **Table 3-5**, the City of Greenville appears to be high in violent crimes and violent crime rate per FTE as well as property crimes per FTE. The data shows that Greenville experiences a higher rate of crime in each of the categories noted. There were 37.2 violent and property crimes per FTE in the City of Greenville during 2003. This is 40.4 percent higher than the peer average.

Table 3-6 shows the Greenville police historical crime data.

Table 3-6: Greenville Police Historical Crimes

Greenville Historical Crimes	Violent Crime Total	Property Crime Total	Total Violent and Property Crimes	% Change
1999	37	456	493	
2000	54	485	539	9.33%
2001	26	467	493	(8.53%)
2002	41	377	418	(15.21%)
2003	89	543	632	51.20%
2004	N/A	N/A	565 [1]	(10.60%)

Source: Department of Justice and the Greenville police department
[1] 1999-2003 crimes broken out into violent and property crimes by the U.S. Department of Justice. 2004 total crime data provided by the GPD was not broken out by violent and property crimes.

Table 3-6 shows that the 2003 total crime activity was higher than normal for the City. For 2004, GPD is 8 percent higher in total property and violent crimes than the six-year (1999-2004) total violent and property crime average.

Noteworthy Accomplishments

During the course of the audit, several best and recommended practices were identified within the Department. These include the following:

- **Police Cruiser Types:** GPD is using its recently purchased hybrid vehicle for patrols. It is anticipated that this will reduce GPD's fuel costs $2,500-$3,000 annually. The Department purchased the hybrid vehicle to determine the advantages and disadvantages of a battery powered vehicle in order to assist management decision-making on future purchases.

- **CALEA Accreditation:** GPD has been accredited by the Commission for Accreditation for Law Enforcement Agencies since 1992. The overall purpose of the Commission's accreditation program is to improve delivery of law enforcement service by offering a body of standards, developed by law enforcement practitioners, covering a wide range of up-to-date law enforcement topics. Because of the level of work involved in attaining and maintaining accreditation, Greenville's participation in this program is an exceptional effort on the part of the Department.

- **Data Collection:** GPD collects and tracks various crime information. Examples include the number of incidents and average response time. This allows the Department to better develop performance standards and monitor services to the community. Within a community of Greenville's size, these efforts are reflective of a high level of performance.

Assessments not Yielding Recommendations

During the course of this audit, several areas were reviewed that yielded no recommendations. These are highlighted below:

- **Organizational Chart, Department Structure, and Performance Evaluations:** GPD's organizational chart shows a clear line of supervision within the Department. GPD responsibilities are outlined in its general order policy manual and its employees are held accountable for their performance by annual performance evaluations conducted by the Department.

- **Operational Strategic Plan:** GPD has a five-year strategic plan which was approved on November 30, 2001. The five-year strategic plan describes the Department's mission statement and objectives. After each objective, the plan details the performance indicators for planning and expectations, target dates by which goals are to be met, and strategies for attaining the goals and objectives.

- **Total Cost per Resident:** GPD's total cost per resident is $147, which is approximately $15 less per resident than the peer average of $162.

Issues for Further Study

Additional areas were identified during the audit that may warrant examination but were outside the scope of the present engagement. These are shown below:

- **Dispatchers:** The City of Greenville and GPD evaluated police and fire dispatch operations and the potential benefits and disadvantages of joining the Darke County dispatch operation. According to the City, the costs of joining the County 911 system could not be identified and, as a result, the City could not determine if it was advantageous to make this change. However, the City remains interested in pursuing a stand alone 911 system. The City should continue to work with the County regarding the establishment of a stand alone system as it would impact the capital expenses required to update and maintain emergency communications equipment and taxpayers would likely benefit from a more efficient, less duplicative system.

- **Response Times:** Reviewing GPD's average response time may indicate a need to modify operations. However, a peer analysis could not be conducted because two of the peers do not track their average response times. GPD's average response time is approximately 6 minutes. According to the publication, *Municipal Benchmarks, Assessing Local Performance and Community Standards (2001 Second Edition)*, a police department should have an average response time of 5 minutes, and a study conducted among 11 cities showed a median response time of 5 minutes and 37 seconds.

Recommendations

R3.1   GPD should actively search and apply for grants which assist police departments throughout the United States. Additional grant funding will help support operations and equipment replacement.

GPD received $4,714 in grants during 2004. This is $9,621 less than the peer average of $14,335. GPD's grant funding derives from three sources: the Department of Justice (bulletproof vests), the New Hope Initiative (DNA analysis), and the Ohio Department of Public Safety (seat belt program). Currently there is no grant researching or writing being conducted on a regular basis. Over the last four months, the Department has researched some grant funding, but many of the grants require matching funds, which the City may not be able to afford.

Circleville receives $20,372 in grant funding from the Ohio Office of Criminal Justice Services. Tallmadge receives $22,634 in grant funding, $17,634 from a Drug Abuse Resistance Education (D.A.R.E.) grant and $5,000 from a Bridge-builders grant. Mount Vernon does not receive any grant funding for its police department.

The Department should continue to increase its involvement in grant seeking and writing. The Greenville Police Chief should be involved in the grant writing and purchasing process to ensure that grant funding is being spent on relevant, needed equipment. Due to various demands on the Police Chief's time, it may not be feasible to completely assume all grant-seeking duties. However, continually increasing the amount of time searching and applying for additional grant funding for the Department should be a priority.

Some resources for finding grants are:

- Catalog of Federal Domestic Assistance (www.cfda.gov);
- The Foundation Directory On-Line (www.fconline.fdncenter.org);
- Police-One (http://www.policeone.com/grants); and
- Chief (http://www.chiefsupply.com/grants).

B. Fire Department

Background

The Greenville Fire Department's (GFD or Department) primary role is fire preventation and suppression, fire investigation, and fire education.

Organizational Chart

Chart 3-2 illustrates the GFD organizational structure.

Chart 3-2: Greenville Fire Department Organizational Chart

```
                        Fire Chief
                         1.0 FTE
                            |
        Secretary ─────────┤
         1.0 FTE           |
                            |
                      Assistant Chief
                         1.0 FTE
        ┌──────────────────┼──────────────────┐
     Captain            Captain            Captain
     1.0 FTE            1.0 FTE            1.0 FTE
        │                  │                  │
    Firefighters      Firefighters      Firefighters
      6.0 FTE           6.0 FTE           5.0 FTE
```
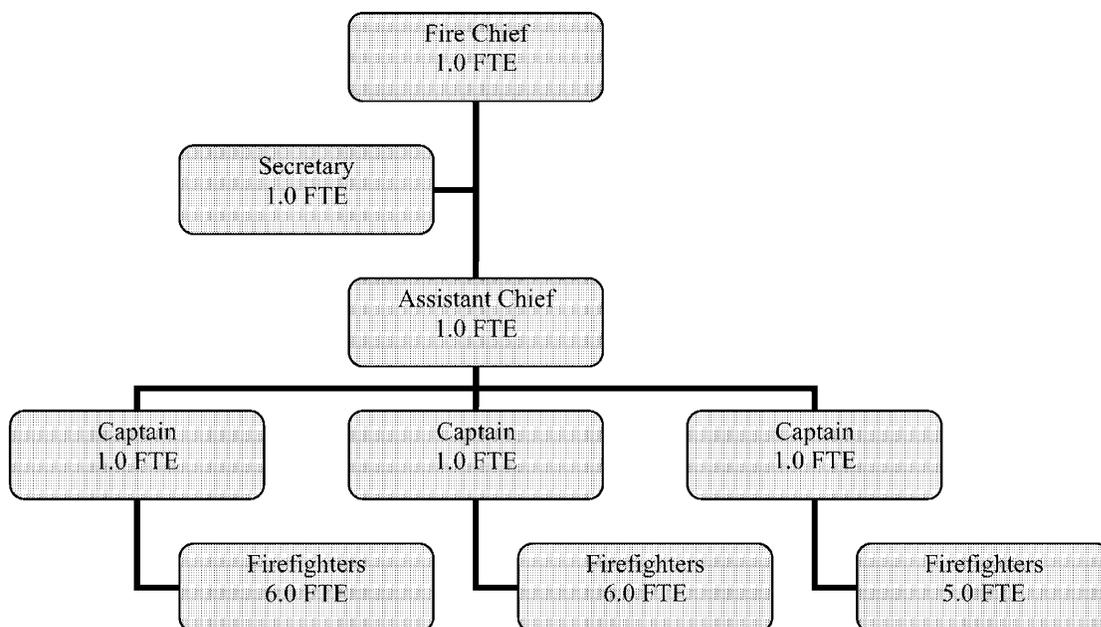
Source: Greenville Fire Department

The Department's organizational structure consists of the chief, assistant chief, three captains, 17 firefighters and a secretary. The Department has defined responsibilities which are illustrated in its standard operating guide.

Organizational Function

Peer city fire departments conduct combined fire and emergency medical services (EMS). GFD conducts only fire operations and is under contract with Greenville Township to cover its residents. Greenville Township operates a separate EMS department and provides EMS services to City residents as the City lies within the Township. In order to make an appropriate analysis about staffing, expenditures, and operational indicators with the peer departments, GFD data has been combined with Greenville Township EMS.

Financial Data

Table 3-7 illustrates GFD operating cost and ratios in comparison to the peers.

Table 3-7: Fire Department Operating Cost Comparison

	Greenville Fire /Township EMS	Circleville	Tallmadge	Mount Vernon	Peer Average
Number of Residents	18,125	13,485	16,390	14,375	14,750
City Square Miles Covered	56.6	6.6	16.5	50.5	24.5
Total Number of Calls	3,228	2,755	2,073	4,003	2,944
Total Operating Cost	$2,682,283	$1,955,154	$1,929,940	$3,121,148	$2,335,414
Total Cost per Resident	$148	$145	$118	$217	$160
Total Cost per Call	$831	$710	$931	$675	$746
Total Cost per Square Mile Covered	$47,390	$296,235	$116,966	$53,488	$89,487
Total FTEs	41.90	23.50	23.00	32.00	26.17
Total Operating Cost per FTE	$64,016	$83,198	$83,910	$84,411	$83,901

Source: City of Greenville Fire Department, Greenville Township EMS, and peer fire departments

The combined GFD and Township EMS departments are comparable to the peer departments in cost per resident, but are high in comparison to the peer average in cost per call. The combined departments are below the peer average in total cost per square mile covered due to the high number of miles covered. Greenville is also below the peers in operating costs per FTE which is attributable to the fact that Greenville's average salary for firefighters is less than peers (see **R2.11**). This indicator is also impacted by the Township's salary schedule which was not reviewed as part of this performance audit.

Statistical Data

Fire department operating statistics are compared in **Table 3-8.**

Table 3-8: Fire Department Operational Statistics

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Population	18,125	13,485	16,390	14,375	14,750
Square Mile Covered	56.6	6.6	16.5	50.5	24.5
Number of Fire Stations	1	1	2	2	1.67
Minimum Staffing Level	5	5	5	8 (6/2)	6
Average Square Miles per Station	56.6	6.6	8.25	25.25	13.37
Total Number Fire Calls	608	919	687	1,019	875
Average Response Time to Fire	4:02	11:12	5:42	4:29	7:15
Number of Fires (structure and non-structure)	104	42	47	114	68
Number of Inspections	813	N/A	594	200	397
Fire Related Deaths	0	1	0	1	0.67
Fire Related Injuries	4	N/A	2	2	2
Number of False Alarms	103	206	96	92	131

Source: Greenville, Greenville Township EMS, and peer fire departments

Table 3-8 indicates GFD receives fewer fire calls and has fewer structure and non-structure fires than the peer average, although it serves a larger population and geographical area than the peers. When compared to the peer cities, GFD's response time is the lowest. Similarly, it conducts the highest number of inspections. Greenville had no fire related deaths in 2004 but experienced four fire related injuries. GFD also fields the second highest number of false alarm calls when compared to the peers

Noteworthy Accomplishments

During the course of the audit, several best and recommended practices were identified within the department. These include the following:

- **Grant Funding:** GFD received $112,176 in grant funding during the course of 2004, which is approximately $96,804 above the peer average of $15,372. These grants were obtained for fire training and instruction, fire prevention, and Department equipment.

- **Average Response Time:** GFD average response time is considerably lower than the peer districts. GFD has an average response time of 4:02 minutes, which is 3:06 minutes under the peer average of 7:08 minutes.

Assessments not Yielding Recommendations

During the course of this audit, several areas were reviewed that yielded no recommendations. These are highlighted below:

- **Organizational Chart and Department Structure:** GFD has an organizational chart showing clear lines of supervision. The Department responsibilities and operating procedures are outlined in the Department standard operating guidelines.

- **Service and False Alarm Fees:** Effective November 1, 2005, the City of Greenville's Fire and Police Departments began charging user fees for the delivery of services, personnel, supplies and equipment to the scene of motor vehicle accidents; motor vehicle fires and mutual aid structure fires. GFD also charges a fee for excessive false alarms occurring from a single residence.

- **Average Square Miles per Station:** GFD covers a significantly larger area per station than the peer average. GFD covers 56.6 square miles per station, which is 43.23 miles above the peer average of 13.37 square miles per station. Despite the larger geographic area covered by the station, GFD had the lowest response time of the peers.

- **Minimum Staffing Levels:** GFD minimum staffing levels are comparable to the peer departments and the peer average.

Recommendations

R3.2   GFD should consider combining fire and EMS operations with Greenville Township. Currently, the City of Greenville's EMS operations are conducted by the Township, since the City lies within the Township limits. By combining fire and EMS operations, fire fighters and EMS personnel could be cross trained and become more cost effective in providing fire and EMS services to all citizens.

GFD is currently under contract to provide fire operations for Greenville Township while Greenville Township EMS provides EMS services to City residents, since the City lies within the Township and the Township receives tax revenue dollars from all residents to cover EMS operations. Township EMS operations consist of full-time employees, part time employees, and volunteers. It operates out of one station and all dispatching is done by Darke County.

Table 3-9 shows Greenville staffing levels and key ratios compared to the peers.

Table 3-9: Greenville Fire/Township EMS and Peer Staffing Levels and Key Ratios

	Greenville Fire/ Township EMS	Circleville[1]	Tallmadge[1]	Mount Vernon[2]	Peer Average
Population	18,125[3]	13,485	16,390	14,375	14,750
Chief and Assistant Chief	2.0	1.0	1.0	1.0	1.0
Captains	3.0	3.0	0.0	3.0	2.0
Lieutenants	0.0	3.0	0.0	3.0	2.0
Firefighters	17.0	16.2	20.0	18.0	18.07
Clerical	1.0	0.3	1.0	1.0	0.75
Investigation and Prevention	0.0	0.0	1.0	0.0	0.33
EMS Operations	18.9	0.0	0.0	6.0	2.0
Total Staff	41.9[4]	23.5	23.0	32.0	26.2
Number of Calls (non-EMS)	470	919	687	1,019	875
Number of EMS Calls	2,753	1,836	1,386	2,984	2,069
Total Number of Calls	3,223	2,755	2,073	4,003	2,944
Total Calls (non-EMS) per Fire Captain, Lieutenant, and Firefighter	*23.5*	*41.4*	*34.4*	*34.0*	*39.7*
Total EMS Calls per EMS Staff	*145.7*	*82.7*	*69.3*	*99.5*	*86.0*
Staff per 1,000 Citizens[5]	*2.31*	*1.74*	*1.40*	*2.23*	*1.77*
Total Number of Calls per Total Staff	*76.9*	*117.5*	*90.1*	*125.1*	*112.6*

Source: City of Greenville Fire Department, Greenville Township EMS, and peer fire departments
[1] Circleville and Tallmadge firefighters are cross trained in both fire and EMS.
[2] Mount Vernon firefighters are cross trained in both fire and EMS, but the department also has 6 medics which do not take part in fire-fighting.
[3] Greenville population includes the City of Greenville population and the Township population.
[4] Greenville EMS operations staff are Township EMS; all other positions are Greenville Fire Department.
[5] The ratio of staff per 1,000 citizens is calculated by taking total staff and dividing it by the city's population (population divided by 1,000).

Greenville's total staffing is higher than the peer average. Greenville also has fewer total calls per staff and a lower population per FTE than the peers. This can be attributed to the peers having fire and EMS operations combined and staffed with cross-trained personnel. Having separate fire and EMS operations is less efficient for both the City of Greenville and Greenville Township. Combining operations would result in a more cost effective way to conduct fire and EMS operations so both entities benefit.
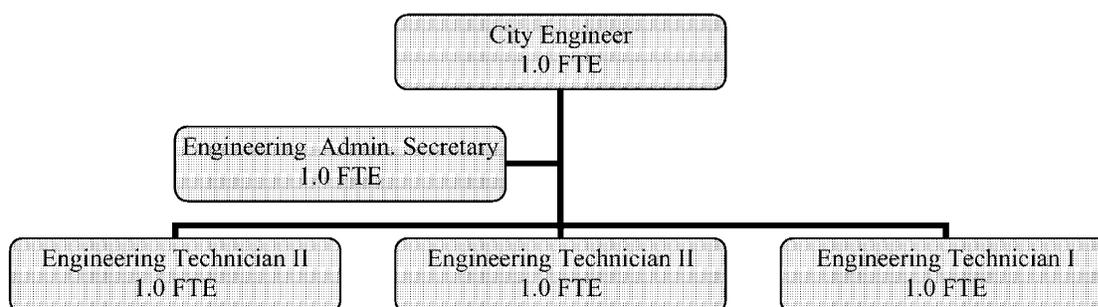
C. Engineering Department

Background

The Greenville Engineering Department (GED or Department) operations consist of the design, design assistance, administration, and inspection of a variety of capital improvement projects for the City of Greenville. Additionally the Department coordinates, reviews, oversees and inspects capitol improvements, new streets, infrastructure additions undertaken in part by private developers of new subdivisions, and site improvements to be accepted and maintained by the City.

Two of the peer cities, Tallmadge and Circleville, have in-house engineering, building and zoning functions. Tallmadge and Circleville's involvement in engineering functions (i.e., planning and design) is limited, and both cities outsource most aspects of engineering projects. Building and zoning tasks for the two cities include, but are not limited to, implementing zoning code ordinances, issuing building permits and performing building inspections for construction projects. Mount Vernon outsources all of its engineering, building and zoning functions.

Organizational Chart and Staffing

Chart 3-3: shows the GED organizational chart which provides an overview of the GED organizational structure and staffing levels. All positions are full-time employees.

Chart 3-3: Greenville Engineering Department Organizational Chart

Source: Greenville Engineering Department

GED position responsibilities listed in job descriptions include:

- The City Engineer is responsible for supervision and participation in the design and specification of a variety of public and private construction and maintenance projects. Other responsibilities include supervising departmental personnel; enforcing zoning, subdivision, and other regulations; administering City capital improvement contracts; and preparing annual operating budgets and controlling expenditures.

- The Engineer Tech II prepares technical specifications; makes changes to drawings to reflect City specifications; and inspects job sites to ensure compliance with City specifications.

- The Engineer Tech I prepares estimates, designs, and specifications for public works projects; reviews related engineering field surveys and research; prepares and maintains related records and documents; and responds to inquiries from the general public.

- The Engineering Administrative Secretary performs clerical and secretarial activities to assist in the operation of the Engineering Department; maintains and updates records and documentation; types, copies, and distributes Departmental documents; responds to routine inquiries from the general public and other City personnel.

Table 3-10 illustrates the GED staffing levels and ratios for engineering, building, and zoning functions in comparison to the peers.

Table 3-10: Engineering Staffing Comparison

	Greenville	Circleville	Tallmadge	Mount Vernon [1]	Peer Average
City Engineer	1.0	1.0	1.0	0.0	1.0
Designers	2.0	0.0	0.0	0.0	0.0
Inspectors	1.0	0.9	3.4	0.0	2.2
Administrative	1.0	0.0	0.0	2.0	2.0
Engineering Technicians	0.0	0.0	0.0	2.0	2.0
Engineering Aids	0.0	0.0	0.0	1.0	1.0
Assistant to the City Engineer	0.0	0.5	0.0	1.0	0.8
Total Number of Employees	5.0	2.4	4.4	6.0	4.3
City Population	13,294	13,485	16,390	14,375	14,750
City Square Miles	6.0	6.6	14.0	8.4	9.7
Lane Miles Covered	141.0	76.2	187.0	164.2	142.5
Employees per Square Mile	0.83	0.36	0.31	0.71	0.46
Staff Per 1000 Citizens	0.38	0.18	0.27	0.42	0.29
Population Per Employee	2,658.80	5,618.75	3,725.00	2,395.83	3,913.19
Lane Miles per Employee (Non-Administrative)	35.25	31.75	42.50	41.05	38.43

Source: Greenville and peer cities

[1] Note that since Mount Vernon out-sources all engineering, building and zoning functions, the more comparable cities to Greenville would be Circleville and Tallmadge. Mount Vernon was included in **Table 3-10** because its outsourced staff performs functions similar to Greenville, Circleville and Tallmadge.

The City of Greenville has a higher number of employees per square mile and staff per 1,000 citizens than the peers, and has a lower population per employee than the peers. Greenville is closer to Mount Vernon in staffing ratios than Circleville and Tallmadge. Greenville performs more engineering functions in-house, while Circleville and Tallmadge outsource most engineering functions such as planning and design.

Statistical Data

Table 3-11 shows the GED operating costs and ratios in comparison to the other cities' engineering departments.

Table 3-11: Engineering Operating Costs, Ratios and Indicators

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Operating Cost [1]	$221,376	$259,235	$383,853	$317,392	$320,160
Total FTEs	5.0	2.4	4.4	6.0	4.3
Cost per FTE	$44,275	$108,015	$87,239	$52,899	$75,037
Number of Project Proposals and Plans	10	50	N/A[2]	18	34
Number of Denials in Planning and Zoning Cases	4	6	N/A[2]	8	7

Source: Greenville and peer engineering departments
[1] Peer cities operating cost include having the department handled through a consultant or outsourcing the engineering functions.
[2] Tallmadge did not provide data on these indicators.

As shown in **Table 3-11**, GED's $44,275 cost per FTE is 41 percent lower than the peer cities and the peer average. Although the total FTE count is higher than the peers, the completion of design and planning functions in-house allows Greenville to maintain an overall lower cost of operation. Also, as noted in **Table 3-11**, Greenville has fewer project proposals and plans than the peer average.

Assessment Not Yielding Recommendations

During the course of this audit, one area was reviewed that yielded no recommendations. This is highlighted below:

- **Cost per FTE:** GED's cost per FTE is lower than the peer cities and the peer average. The cost per FTE for Greenville is $44,275, which is $30,762 less than the peer average of $75,037. This is attributed to the costs associated with outsourcing key functions in the peer cities and reflects more cost effective operations in Greenville by performing these tasks in-house.

Issue for Further Study

Additional areas were identified during the audit that may warrant examination but were outside the scope of the audit. These are shown below:

- **Department Staffing:** GED appears to have a higher level of staffing than the peers based on the performance measures of employees per square mile, staff per 1,000 citizens and population per employee. Likewise, the Greenville staff generally reviews a smaller number of projects. However, the Department is performing more engineering-specific functions such as planning and design, while peers outsource most of this work. Although Mount Vernon outsourced all engineering, building and zoning functions, this did not appear to

reduce its costs. GED also stated that outsourcing its engineering functions would be difficult due to the limited amount of engineering firms within the City. Evaluating Department staffing levels regularly will help to ensure appropriate staffing levels required by the workload within the Department.

- **Permitting Process:** While outside of the scope of this audit, the Mayor and other interviewees indicated that the permitting process may be cumbersome to applicants due to the difficulty in applying for multiple permits in different agencies and departments. For example, an applicant may have to go to different buildings to apply for these permits and accounts. Greenville's City Engineer has also indicated that the number of permits required has been increasing, and the public may not be aware that a permit is needed for certain types of work. Working with the County to coordinate the permitting process could lead to an electronic permitting process and the development of a permitting manual.

Recommendations

Based on a review of the City's operational indicators for GED, no recommendations are made in this area.
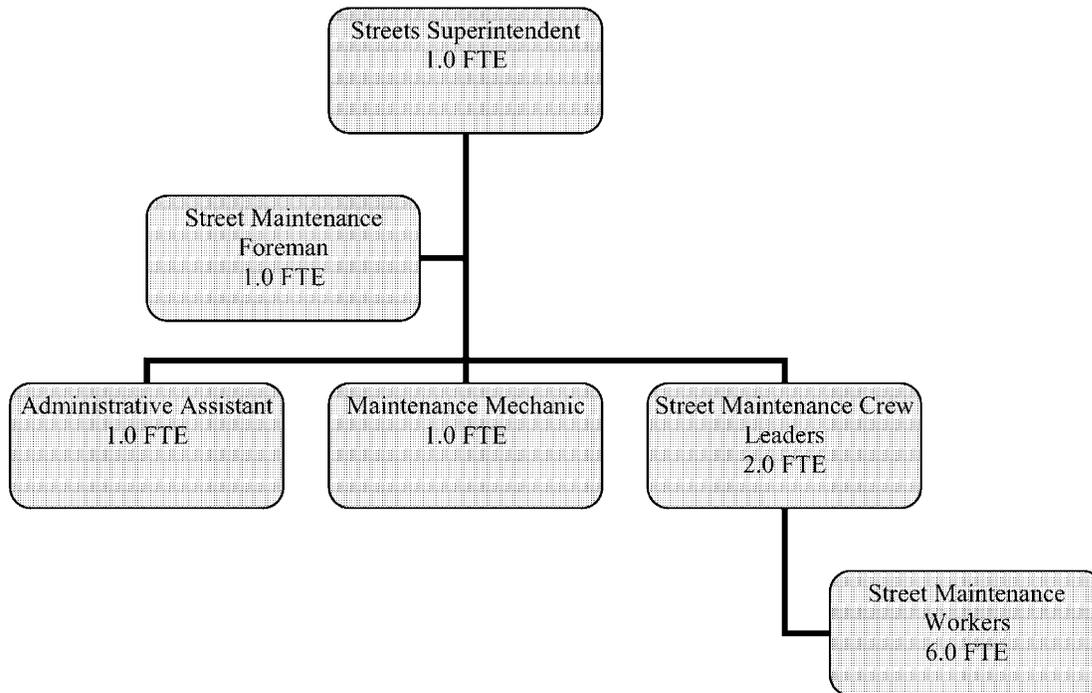
D. Streets Department

Background

The Greenville Streets Department (GSD or Department) is responsible for ice and snow removal, leaf and brush pick-up, traffic signals, pavement marking, guard rail maintenance, street sweeping, storm-water control, street and landfill maintenance, mowing, and storm emergency events.

Organizational Chart and Staffing

Chart 3-4 shows the Department organizational structure.

Chart 3-4: Greenville Streets Department Organizational Chart

```
                    ┌─────────────────────┐
                    │ Streets Superintendent│
                    │       1.0 FTE        │
                    └──────────┬──────────┘
                               │
       ┌──────────────────┐    │
       │ Street Maintenance│───┤
       │     Foreman       │   │
       │     1.0 FTE       │   │
       └──────────────────┘   │
           │                  │
  ┌────────┴────────┐ ┌───────┴──────┐ ┌────────────────────┐
  │ Administrative  │ │  Maintenance │ │ Street Maintenance │
  │   Assistant     │ │   Mechanic   │ │   Crew Leaders     │
  │    1.0 FTE      │ │   1.0 FTE    │ │     2.0 FTE        │
  └─────────────────┘ └──────────────┘ └──────────┬─────────┘
                                                   │
                                        ┌──────────┴─────────┐
                                        │ Street Maintenance │
                                        │      Workers       │
                                        │      6.0 FTE       │
                                        └────────────────────┘
```

Source: Greenville Streets Department

The responsibilities for the positions outlined in **Chart 3-4** are described in the Department's job descriptions and reiterated in, and supported by, performance evaluations. **Table 3-12** illustrates the GSD staffing levels and ratios in comparison to the peer city streets departments.

Table 3-12: Streets Department Staffing Levels and Ratios

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Full Time Staff	11 [1]	9	18	20	15.67
Part Time Staff	0	0.40	4.17	1.06	1.88
Total Staff	11	9.40	22.17	21.06	17.54
Number of Lane Miles Maintained	175	N/A [2]	187	168.2	177.6
City Population	13,294	13,485	16,390	14,375	14,750
City Square Miles	6.0	6.6	14.0	8.4	9.67
Lane Miles per Staff	15.91	N/A	8.43	7.99	8.22
Staff per 1,000 Citizens	0.83	0.70	1.35	1.47	1.17
Staff per City Square Mile	1.83	1.42	1.58	2.51	1.84

Source: Greenville and peer streets departments
[1] GSD currently had 12 full time staff members, but one member retired the week of September 3, 2005 and will not be replaced.
[2] Circleville did not provide data on the number of lane miles maintained.

Table 3-12 indicates that on a staff per 1,000 citizens and staff per city square mile basis, GSD is below the peer average. Likewise, Greenville maintains a much higher number of lane miles per staff member than the peers.

Financial and Statistical Data

Table 3-13 compares the GSD operational costs, ratios, and statistics with the peer cities.

Table 3-13: Streets Department Operational Comparison

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Operational Cost	$923,796	$537,329	$2,029,929	$725,283	$1377,606
Curb/Lane Mile Covered	170	N/A	187	168	178
Number of Sweep Days Performed per Year	195	164	36	80	93
Cost per Curb/Lane Mile	$5,434	N/A	$10,855	$4,317	$7,757
General Workload Indicators					
City Square Miles	6	6.6	14	8.4	9.67
Curb/Lane Miles	170	N/A	187	168	178
Cubic Yards of Debris Collected	4,000	2102	432	3,690	2,075
Sweeper Days Worked per Year	195	164	36	80	93
Number of Sweepers	1	2	1	1	1.3
Patching Methods					
Size of the Crew	2	6	4.5 [1]	4	4.8
Vehicles Used	1	2	2.5 [1]	2	2.2
Snow and Ice Control					
Number of Trucks	11	5	15	7	9
Number of Routes	8	4	28	5	12.33
Average Lane Miles per Route	21.0	14.5	22.5	16.82	17.94
Average Snowfall	27.3	27.7	47.5	36.7	37.30
Tons of Salt Used Last Year	1,642	450	4,086	800	1,779
Tons of Salt Used per Average Snowfall	60.15	16.25	86.02	21.80	41.35
Tons of Salt per Avg. Lane Mile per route	78.19	31.03	181.60	47.56	86.73

Source: Greenville and peer streets departments
[1] Tallmadge size of crew is between 3-6 and they use between 2-3 vehicles.

GSD is below the peer average in cost per curb/lane mile maintained. Greenville collects more debris and performs more sweeper days over the course of the year than the peers and peer average. Greenville uses, on average, fewer vehicles and a smaller crew size for patching. In the area of snow and ice control, Greenville uses a slightly higher number of trucks than the peer average and uses the second highest amount of salt on a per lane mile and per snowfall basis. Tallmadge represents an outlier in snow and ice control because its geographical location in the State places it in an area that receives much more snow than Greenville, Circleville or Mount Vernon.

Noteworthy Accomplishments

During the course of the audit, best and recommended practices were identified within the Department. These include the following:

- **Multipurpose Trucks:** All of GSD trucks are multi-purpose, and are used to salt, plow snow, haul leaves, conduct water/sewer activities, and to perform various tasks for other City departments. Using multi-purpose trucks increases the flexibility of the City's fleet and reduces its long-term costs for vehicles.

Assessments Not Yielding Recommendations

During the course of this audit, several areas were reviewed that yielded no recommendations. These are highlighted below:

- **Staffing:** The GSD staffing appears to be appropriate in comparison to the peers and peer average. Greenville has less staff per 1,000 citizens and less staff per square mile than the peer average. The Department has 0.83 staff per 1,000 citizens and 1.83 staff per square mile in comparison to the peer average of 1.17 staff per 1,000 citizens and 1.84 staff per square mile.

- **Lane Miles Maintained:** GSD maintains 175 lane miles, which is similar to the peer average of 177.6 lane miles maintained. The City of Greenville maintains more lane miles per staff member than the peer cities. The Department maintains 15.91 lane miles per staff member, which is 7.69 more lane miles per staff member than the peer average of 8.22 lane miles maintained per staff member.

- **Cost per Curb/Lane Mile:** GSD maintains 170 lane miles and its cost is $5,434 per curb/lane mile, which is $2,323 less than the peer average of $7,757.

- **Salt Usage:** Greenville's salt usage is in line with the standards set by the Salt Institute's *Snow Fighters Handbook* of one ton of salt per two lane miles covered per snow event. **Table 3-14** displays Greenville's salt usage based on lane miles covered within the City.

Table 3-14: Greenville Salt Usage

Average Tons of Salt Used per Year Over the Last 7 Years	1,170
Tons of Salt Used per Month (6 months) [1]	195
Lane Miles	175
Average Number of Snow Events [2]	21
Tons of Salt per Lane Mile per Snow Event	0.32
Tons of Salt per 2 Lane Miles per Snow Event	0.63

Source: Greenville street department
[1] Snow season typically lasts 6 months.
[2] Average number of days with snow coverage over 1 inch.

According to the *Snow Fighters Handbook*, the industry standard for salt usage is four 500 pound (1 ton) salt applications per two lane miles covered per storm event. If Greenville used the industry standard, its salt usage would equal 1,837.5 tons of salt per year. Greenville's average salt usage over the last 7 years is 1,770 tons, which slightly below the industry standard. Greenville actually uses an average of 67.5 tons less than the industry standard. The GSD superintendent stated that the calibrations on the salt spreaders are set by the manufacturers at the slowest spreading speed possible, reducing the amount of salt used during snow events.

- **Average Lane Miles per Snow Route:** GSD covers, on average, 21 lane miles per route, which is approximately 3 miles more per route than the peer average of 18 lane miles per route.

- **Patching Crew Size and Vehicles:** GSD uses a smaller crew size and fewer vehicles for patching than the peer cities. Greenville uses only 1 vehicle compared to the peer average of 2.25, and Greenville uses a patching crew size of 2 compared to the peer average of 4.8.

Issues for Further Study

Additional areas were identified during the audit that may warrant examination. These are shown below:

- **Debris Collection and Sweeper Days:** Monitoring the amount of debris collected and the number of sweeper days performed over the course of the year may provide GSD with additional data to improve operations. Although the Department collects more debris and operates its sweepers more days than the peers and peer average, it could reduce this service and still provide adequate service based on peer performance. The City and GSD should evaluate its operations, assess impact on storm water management, and determine the most cost effective amounts of debris to collect and number of sweeper days that could be performed without hindering the service outcomes to the City's residents.

- **Salt Usage:** Although Greenville's salt usage is in line with the *Snow Fighters Handbook*, monitoring the amount of salt the City uses per snowfall and per lane mile could be included as a component of the performance measures recommended in the **administrative issues** section. In addition, Greenville used 18.8 tons more salt per snowfall than the peer average and was considerably higher than two of the peer cities. Greenville was lower than the peer average in tons of salt per average lane miles per route, but was considerably higher than two of the peer cities.

Recommendations

R3.3   GSD should evaluate the method used for salt purchasing.   The Department is currently paying more per ton of salt than the peer cities. GSD should evaluate and consider other methods of salt purchasing in order to ensure it is paying the lowest available price.

GSD currently uses a competitive bidding process for its salt purchasing. The contracts are bid on a yearly basis with the current contract expiring in November. The City contract for salt is typically for around 2,000 tons. **Table 3-15** displays salt usage and costs for GSD and the peers.

Table 3-15: Salt Prices and Usage

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Tons of Salt Used	1,642	450	4,086	800	1,779
Average Cost of Salt per Ton	$44.97	$42.97 [1]	$30.14	$34.87	$35.99
Average Cost of Salt per Year	$73,841	$19,337	$123,152	$27,896	$56,795

Source: City of Greenville and peer streets departments
[1] The Circleville Streets Department (CSD) pays two different prices for salt ($44.47 and $41.47) depending on the type of salt. The average of the two prices was used for this analysis.

Table 3-15 shows that on average Greenville pays $8.98 more per ton of salt than its peer cities. Greenville should consider purchasing alternatives, such as joining a consortium, to try to reduce salt purchasing prices. The GSD Superintendent has voiced concerns about joining a consortium because of possible difficulties in the delivery process, especially during heavy snowstorms. GSD should contact Tallmadge, Mount Vernon, and other similar cities to evaluate their experiences with salt purchasing. Without exploring alternative methods of salt purchasing, Greenville could be overlooking opportunities to reduce costs in this area. The City should also consider buying through the Ohio Department of Transportation's (ODOT) salt contract. In 2005, the ODOT price for dumped salt in Darke County was $36.91 per ton.

Financial Implication: Based on the amount of salt purchased in 2004-05, GSD could potentially realize a savings of approximately $13,000 by purchasing its salt from ODOT.
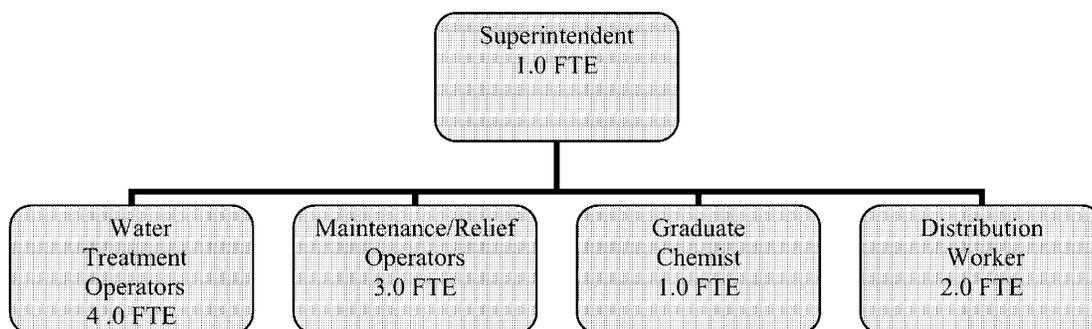
E. Water Department

Background

The Greenville Water Department (GWD or Department) is responsible for the treatment and distribution water for the City and its residents.

Organizational Chart, Staffing, and Workload Data

Chart 3-5 depicts the GWD organizational chart.

Chart 3-5: Greenville Water Department Organizational Chart

Source: Greenville Water Department

GWD position responsibilities include the following:

- The Superintendent plans, schedules, supervises, and directs programs, projects, and activities of the Water and Distribution Department in accordance with professional standards and Department policy. The Superintendent also determines project priorities and plans project activities to ensure maximum use of time and equipment, and develops policies and procedures to ensure compliance with Environmental Protection Agency (EPA) mandates.

- The Water Distribution Worker is responsible for locating, repairing, replacing, maintaining, and setting water meters, and turning water service on and off as required. Other responsibilities include repairing water mains, locating waterlines, making water taps, replacing old water lines, and performing various other maintenance tasks to assist in maintaining the water distribution system.

- The Graduate Chemist is responsible for collecting water/wastewater samples and performing various laboratory tests, such as volume of sewage in liquids and measurement of various chemicals. The Graduate Chemist also analyzes test results to ensure compliance with Ohio EPA standards.

- The Maintenance Relief Operator repairs, adjusts, and inspects water treatment plant machinery and equipment to maintain proper operation of the plant. Other responsibilities include performing routine electrical, plumbing, and mechanical repair work as well as installing new equipment.

- The Water Treatment Operator operates and monitors treatment plant and related facilities in accordance with established operating procedures. Other responsibilities include inspecting the plant and equipment to ensure compliance with standards as well as observing meters, gauges, and recording the readings.

Table 3-16 illustrates the GWD staffing levels and ratios in comparison with the peer city departments and the peer average.

Table 3-16: Water Department Staffing Levels and Ratios

	Greenville	Circleville	Tallmadge[1]	Mount Vernon	Peer Average	2 Peer Average [2]
Supt./Administrator	1	1	0.5	1	0.83	1
Operators	4	4	2.4	5	3.8	4.5
Relief Operators	3	0	0	0	0	0
Distribution Employees	2	0	0	5	1.67	2.5
Chemists	1	0	0	1	0.33	0.5
Office Clerks	0	2	1	2	1.67	2
Maintenance Worker	0	0	0.6	2	0.87	1
Meter Personnel	0	0	0.33	3	1.11	1.5
Total FTE	**11**	**7**	**4.83**	**19**	**9.17**	**13**
Number of Citizens	13,294	13,520	16,390	14,375	14,762	13,948
Staff per 1,000 Citizens	0.83	0.52	0.29	1.32	0.62	0.93
Gallons of Water Treated (in millions)	572	505	565	1,003	691	754
Million Gallons Treated per FTE	52	72	117	53	75	58
Gallons Treated per Citizen	43,069	37,391	34,518	69,826	46,856	54,106

Source: Greenville and peer water departments

[1] Tallmadge buys wholesale water from the City of Akron. The number of gallons of water treated is the amount of Tallmadge water that is treated by the City of Akron.

[2] The 2 peer average does not take into consideration the Tallmadge Water Department (TWD) due to the fact that Tallmadge does not treat water.

As shown in **Table 3-16**, GWD is slightly lower than the two peer average in staff per 1,000 citizens but below the peer average in gallons treated per FTE. However, Circleville treats more gallons of water per FTE with less staff than GWD. Due to a wide variation in staffing and the inability of Circleville to provide job responsibility information, an analysis could not be completed (see **issues for further study**).

Financial Data

Table 3-17 shows the GWD expenditures in comparison to the peer cities' water departments and the peer average.

Table 3-17: Water Department Operational Expenditures and Ratios

	Greenville	Circleville	Tallmadge [1]	Mount Vernon	Peer Average
Number of FTE	11.0	7.0	4.8	19.0	10.3
Number of Meters	5,893	N/A	6,415	6,336	6,376
Operating Expenditure	$1,047,662	$1,429,604	$1,561,819	$1,828,345[2]	$1,606,589
Cost per Meter	$178	N/A	$243	$289	$266
Cost per FTE	$95,242	$204,229	$323,358	$96,229	$156,334
Meters per FTE	536	N/A	1,328	333	831

Source: Greenville and peer water departments
[1] Tallmadge does not treat water. It buys water from the City of Akron. The expenditure amount includes the total price of operating the department along with the purchase of water.
[2] Mount Vernon's operating costs for 2004 included a $1.2 million dollar bond payment related to debt incurred when the city built a new water plant. This debt payment is not included in the operating expenditures shown.

As shown in **Table 3-17**, GWD's cost per meter is 50 percent less than the peer average and its cost per FTE is 64 percent less than the peer average. Total operating expenditures were also the lowest of the peers.

Assessments Not Yielding Recommendations

During the course of this audit, several areas were reviewed that yielded no recommendations. These are highlighted below:

- **Cost per Meter:** GWD operates and maintains 5,893 meters. The Department spends $178 per meter which is $182 less per meter than the peer average of $360.

- **Cost per FTE:** GWD spends $95,242 per full time equivalent employee which is $133,802 per employee less than the peer average of $229,044.

- **Software System:** GWD uses stand-alone software that was developed in-house. The Department system monitors tank levels, turns pumps on or off, and controls chlorine feed. The Department also uses maintenance software to track maintenance problems. GWD updates and modifies its software on an ongoing basis as needs arise. The Department also uses software to submit electronic documentation of sample results to the State.

Issues for Further Study

Additional areas were identified during the audit that may warrant examination but were outside the scope of the audit. These are shown below:

- **Staffing:** GWD staffing levels require additional analysis in relation to workload. The peer comparison notes that Tallmadge does not provide water treatment for the city as its water needs are purchased from Akron. In addition, each peer has a wide variation in job responsibilities and Circleville could not provide requested information.

- **Meters per FTE:** GWD services 536 meters per FTE, which is similar to the peer average. Although the Department has the same number of meters per FTE, the City might consider exploring the cost effectiveness of using technology to increase the efficiency of meter reading.

Recommendations

R3.4   **GWD should track the amount of time it takes to respond to water main breaks and complaints. Response time tracking can be used to assess Department performance and to determine the variances in completion times of separate incidents. The Department can then determine if response time differences are efficiency issues or are affected by extenuating circumstances which cause delays.**

GWD does not track the response time to address water main breaks or complaints. The Department responds immediately to water main breaks and usually responds and addresses the problem within 3 to 4 hours. If complaints are received between the hours of 8 a.m. and 4 p.m. the Department responds immediately. If the complaint call is received after 4 p.m., the complaint is noted and the Department responds at the start of shift the next day. Neither response time is tracked or recorded, but Department representatives stated they act as quickly as possible. Although it appears that the Department responds in an acceptable amount of time to fix breaks and address complaints, it should track the amount of time for each response.

According to the National Water and Wastewater Benchmarking Initiative, best practice water/wastewater departments have a system that logs a complete history of work orders, actual time spent on the work orders, and other important information that might help the Department use "what has happened in the past" to guide them in future plans. As Greenville has an incomplete history of this information, it will remain difficult to make reliable capital needs projections and service plans.

By tracking the actual amount of time the Department takes to respond to both water main breaks and user complaints, the Department can better gauge its service. These measures will help GWD develop performance standards and targets which can be used to evaluate effectiveness. The Department will then be able benchmark its performance against efficiency standards and will be able to track situations when the response time takes longer than normal. Lastly, by tracking response times, the Department will be able to monitor employee effectiveness when responding to water system events, allowing GWD to be more accountable for the time spent resolving problems.
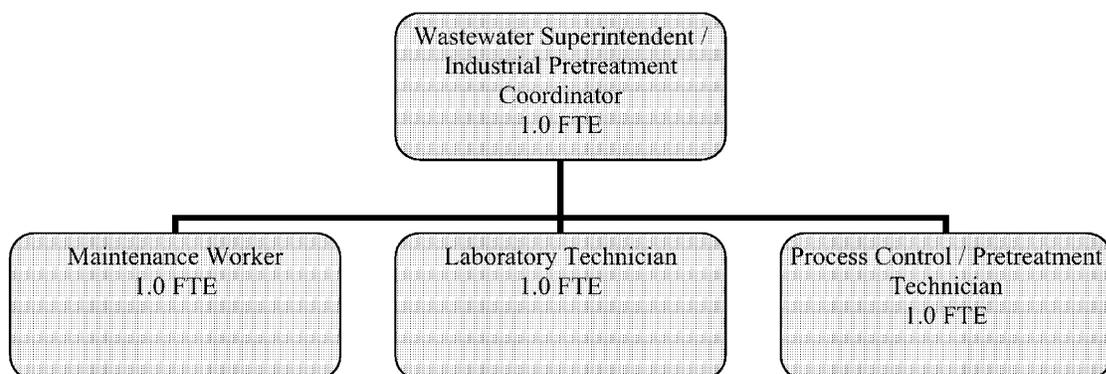
F. Wastewater Department

Background

The Greenville Wastewater Department (GWWD or Department) is responsible for the removal of waste from the wastewater of household, commercial, and industrial water users within the City.

Organizational Chart and Staffing

Chart 3-6 illustrates GWWD's organizational structure.

Chart 3-6: Greenville Wastewater Department Organizational Chart

Source: Greenville Wastewater Department

The small size of the Department and the clear reporting relationships ensures that GWWD has unambiguous lines of communication and authority. **Table 3-18** illustrates the staffing levels of GWWD along with those of the peer city departments and the peer average.

Table 3-18: Wastewater Staffing Levels and Ratios

	Greenville [1]	Circleville	Tallmadge [2]	Mount Vernon	Peer Average
Superintendent/Administrator	1	1	0.5	1	0.83
Office Clerks	0	0	1	2	1.00
Operators	1	4	1.6	6	3.87
Maintenance Workers	1	2	0.4	3	1.80
Lab Technicians	1	2	0	1.5	1.17
Distribution Workers	0	0	0	5	1.67
Total FTE	4	9	3.5	18.5	10.33
Gallons of Water Treated (in Millions)	802	797	1,033	1,286	1,038
Millions of Gallons Treated per FTE	201	89	295	70	101
Number of Citizens	13,294	13,520	16,390	14,375	14,762
Staff per 1,000 Citizens	0.30	0.67	0.21	1.29	0.70

Source: Greenville and peer wastewater departments
[1] GWWD has a part-time staff position which will be filled until December 31, 2005 and will then be eliminated. This position is not reflected in the chart because the position is in charge of grounds and maintenance.
[2] Tallmadge Wastewater Department does not treat wastewater; it discharges to Summit County and Akron.

As shown in **Table 3-18**, GWWD treats more gallons of water per FTE employee and operates the Department with six fewer employees than the peer average. GWWD's staffing per 1,000 citizens is also less than half the peer average and the second lowest of the peers.

Financial and Statistical Data

Table 3-19 presents GWWD operational costs and ratios in comparison to the peer city wastewater departments and the peer average.

Table 3-19: Wastewater Operational Costs and Ratios

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Operating Cost	$1,321,696	$1,492,025	$2,139,350	$1,978,142	$1,869,839
Millions of Gallons Treated	802	797	1,033	1,286	1,039
Cost per Gallon Treated	$0.00165	$0.00187	$0.00207	$0.00154	$0.00180
Gallons Treated per Citizen [1]	60,358	59,104	63,026	89,486	70,427

Source: Greenville and peer wastewater departments
[1] Due to rounding, *Gallons Treated per Citizen* may vary slightly.

Table 3-19 shows GWWD's total operating cost is 29 percent lower than the peer average. GWWD's cost per gallon treated is 8 percent less than the peer average. Although the Department has lower operating costs and a lower cost per gallon treated, it treats fewer gallons per 1,000 residents.

Assessments Not Yielding Recommendations

During the course of this audit, several areas were reviewed that yielded no recommendations. These are highlighted below:

- **Staffing and Gallons Treated per FTE:** On a gallon of wastewater treated per FTE basis, GWWD treats 200,599,750 gallons per FTE which is almost twice the peer average gallons treated per FTE.

- **Cost per Gallon Treated:** GWWD's operating cost per gallon treated is lower the peer average.

Recommendations

Based on a review of the City's operational indicators for GWWD, no recommendations are made in this area.
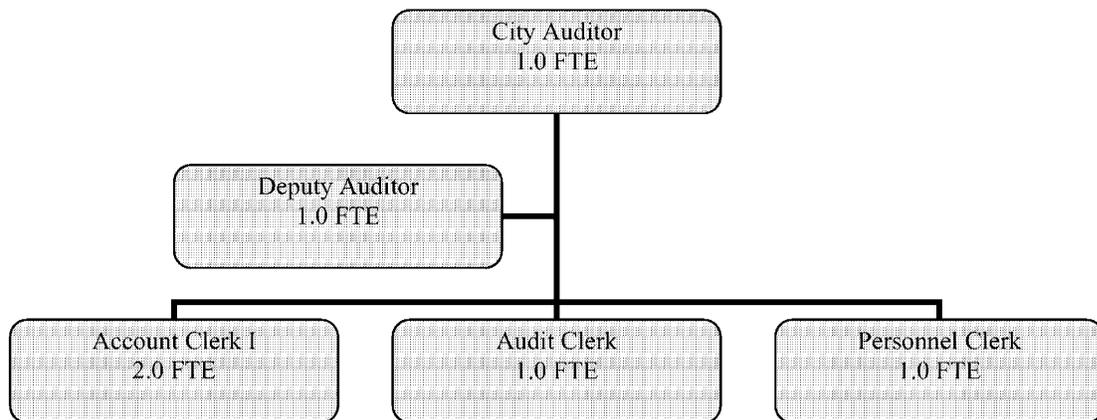
G. Auditor's Office

Background

The City of Greenville's Auditor's Office (Auditor's Office) is responsible for payroll, accounts payable, inventory and purchase orders, financial reporting, data processing, and clerk of council, as well as all human resource functions.

Organizational Chart and Staffing

Chart 3-7 provides an overview of the Greenville Auditor's Office organizational structure.

Chart 3-7: Greenville City Auditor's Office Organizational Chart

Source: City of Greenville Auditor's Office

All the positions within the Auditor's Office are full-time. Position responsibilities for the Auditor's Office include the following:

- The City Auditor is responsible for tracking and accounting for all money received and expended by the City, and supervising payroll and purchase order processing for the City. Additional responsibilities, contained in Chapter 234 of the City's codified ordinances, include serving as clerk of council, data processing, and health care administration.

- The Deputy Auditor is responsible for assisting with payroll and accounts payable as well as signing checks and purchase orders. The Deputy Auditor performs the duties of equal employment opportunity (EEO) officer and workers' compensation coordinator. The Deputy Auditor is also responsible for filing reports when requested by City officials and assisting with public concerns, complaints, or questions

- The Personnel Clerk is responsible for checking, entering, and disbursing payroll; maintaining personnel files; working with and determining employee deductions; recording all pertinent data for personnel files; calculating quarterly reports and making unemployment and retirement payments.

- The Audit Clerk performs a wide variety of accounting and clerical tasks related to accounts payable and the general ledger, along with other accounting functions.

- The Account Clerk I posts accounting data to ledgers, journals, books, computers, or other bookkeeping instruments; posts invoices to journals; performs various clerical duties; and responds to inquiries from the general public.

Table 3-20 compares the number of employees with peer cities that provide the same services as the Auditor's Office.

Table 3-20: Auditor's Office Staffing Table [1]

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Number of Employees	6	6	9.5	3.5	6.33
Number of City Employees	148	182	429	212	274.33
City Employees per Auditor Employee	24.67	30.33	45.16	60.57	43.32

Source: Greenville and peers salary reports

[1] Tallmadge includes employees in the Finance Department (6 FTEs), personnel director, personnel administrative assistant, and technology director. Mount Vernon includes employees in the Mount Vernon Auditor's Office (Auditor, 2 clerical staff) and the part-time clerk of council. Circleville includes the auditor, 2 financial clerks, human resources director, assistant human resources director, and the full-time appointed clerk of council.

As shown in **Table 3-20**, the number of Greenville employees per auditor employee is less than the peer average. Each city's Auditor's Office has different responsibilities and conducts different functions. The number of employees that conduct responsibilities similar to the Greenville Auditor's Office were included in **Table 3-20**. Although the number of Greenville city employees per auditor employee is considerably less than the peer average, the number of city employees includes all employees within each city whether they are part time, seasonal, or full time. When the Parks and Recreation Department employees are taken out of each city's number of employees, Greenville has 21.33 employees per auditor employee and the peer average is 33.26 employees per auditor employee.

Financial and Statistical Data

Table 3-21 illustrates the Greenville Auditor's Office expenditures by category in comparison to the peer cities.

Table 3-21: Auditor's Office Expenditures by Category

	Greenville	Percent of Total Expenses	Circleville	Percent of Total Expenses	Mount Vernon	Percent of Total Expenses	Tallmadge	Percent of Total Expenses	Peer Average
Salaries and Benefits	$163,872	89.1%	$77,713	91.8%	$198,489	71.9%	$367,578	89.9%	85.7%
Purchased Services	$7,219	3.9%	$524	0.6%	$70,857	25.7%	$36,169	8.8%	9.8%
Supplies	$11,437	6.2%	$6,144	7.3%	$6,539	2.4%	$3,824	0.9%	4.2%
Capital	$1,345	0.7%	$278	0.3%	$0	0.0%	$1,389	0.3%	0.3%
Total Expenditures	$183,872	100.0%	$84,658	100.0%	$275,884	100.0%	$408,960	100.0%	100.0%

Source: Greenville Auditor's Office and peers

As shown in **Table 3-21**, Greenville Auditor's Office purchased services represent a lower percentage of total expenditures than the peer cities, while salaries and benefits, supplies, and capital represent a higher percentage.

Recommendations

R3.5 **The Greenville Auditor's Office should separate its human resources and finance/auditing functions so that the Auditor's Office's primary responsibility is the City's financial systems management. If the City separates its human resources functions into a new function reporting to the Safety Service Director, the City should consider moving one of the existing Auditor's Office employees to support the human resources function. Human resources training should be provided as required based on a needs assessment.**

Along with moving human resources responsibilities, the City should have a separate employee act as the Clerk of Council in place of the Auditor. By acting as the Clerk of Council, the Auditor is responsible for receiving citizen inquiries, which takes away from time that should be spent focusing on financial functions such as maintaining the City's general ledger, department budgets, and financial reporting. The City could either hire a part-time person for this function, or have an existing employee assume the Clerk of Council responsibilities for the Auditor.

The Greenville Auditor's Office is currently responsible for human resource functions, payroll, accounting, budgets, and financial reporting. In comparison to the peer cities' auditor's offices, the Greenville Auditor's Office has more responsibilities and conducts more administrative functions.

The Mount Vernon Auditor's Office handles responsibilities similar to Greenville, but neither Circleville nor Tallmadge has its human resource functions within the Auditor or Finance Director's Office. Along with handling fewer responsibilities, all three peers have clerk of council positions that are separate from the City Auditor.

According to the Circleville Auditor's Office, having a human resources department has made it easier for its Auditor to concentrate on financial responsibilities. The human resources manager is responsible for workers' compensation and health insurance.

By separating the auditor and human resources responsibilities, Auditor's Office employees would be able to focus solely on the City's financial responsibilities such as payroll, accounts payable, budgeting and financial reporting. Based on **Table 3-20**, it appears that Greenville can separate its functions within the Department without adding any additional staff.

R3.6 **The City of Greenville should consider implementing direct deposit for employee payroll checks. Direct deposit allows employees to have paychecks deposited directly into bank accounts, resulting in the elimination of the threat of lost or stolen checks, and increasing the timeliness and efficiency of check processing.**

Payroll should be transitioned to accommodate a lag cycle appropriate to the payroll processing time. The City should incrementally phase-in a two week payroll lag by increasing turnaround one day each pay period until another full week of time has been added. A phased implementation will minimize any economic impact the lag time could have on employees. Although subject to negotiation, the City should work with the collective bargaining units to determine an agreeable method that would allow for a reasonable extension of the payroll cycle, resulting in a negligible impact on employees. A two-week lag time would increase the time staff has to process payroll, review it for accuracy and completeness, and coordinate deposits with banks. Lastly, the City should develop controls to ensure that payroll disbursements are properly recorded and authorized, and that legal requirements are fulfilled.

The City does not have direct deposit capability. The City currently processes checks manually, with the Auditor's Office reviewing the accuracy of paper time cards submitted by departments. The Auditor indicated the lag time for manually processing payroll is approximately four days, and it takes about a week from the time paper time cards are submitted to the Auditor's Office for employees to actually receive pay checks. Two of the peers, Tallmadge and Circleville, have implemented direct deposit.

Manual check processing increases the risk of lost or stolen checks. Direct deposit allows employees to have their paychecks deposited directly into their bank accounts. Benefits to the City of direct deposit include no risk of lost or stolen checks, and timely deposit of employee paychecks. City employees derive an additional benefit of having immediate access to funds, eliminating trips to deposit paychecks.

According to Price Waterhouse's *Effective Internal Accounting Control for Nonprofit Organizations: A Guide for Directors and Management (1997),* the objective of internal controls for payroll is to ensure that payroll disbursements are made only on proper authorization to bona fide employees. Likewise, the controls ensure that payroll disbursements are properly recorded and that legal requirements are fulfilled. Preparation of payroll checks and direct deposits should reflect procedures similar to all other cash disbursements. Checks should not be written or distributed without appropriate supporting documentation, including supervisor approved time sheets showing absences, other time off, and overtime. Undetected errors in over or under payment could cost a City valuable resources in employee time to resolve. Undetected errors would represent a direct cost to a City for incorrect payroll charges.

The City could phase-in a two-week payroll lag to accommodate direct deposit by increasing turnaround one day each pay period until another full week of time has been added. A phased implementation would minimize any economic effects on employees created by increasing the lag time. In negotiations with the collective bargaining units,

the City should emphasize that employees would not experience wage reductions. Rather, the disbursement of paychecks would be rescheduled so that employees receive regular pay checks while allowing the payroll clerk a longer processing time to ensure accuracy. The City should also emphasize the benefits of direct deposit, particularly the more immediate access to funds.
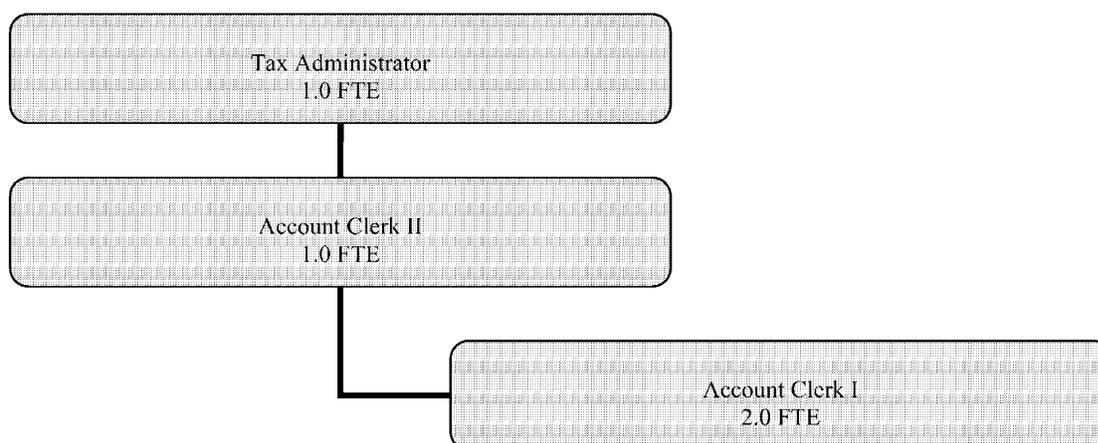
H. Income Tax Department

Background

The Greenville Income Tax Department (GITD or Department) is responsible for collecting tax revenue from individuals, and businesses operating in the City. Assessments for GITD are based on comparison with two peers as Circleville declined to provide income tax information for comparative purposes.

Organization and Staffing

Chart 3-8 provides an overview of the GITD organizational structure.

Chart 3-8: Greenville Income Tax Department Organizational Chart

Source: Greenville Income Tax Department

GITD position responsibilities include the following:

- The Income Tax Administrator is responsible for collecting municipal income tax revenue; reviewing and auditing tax forms for accuracy; advising taxpayers on tax issues; and performing data processing related to tax functions.

- The Account Clerk II posts, updates, and balances moderately complex financial documents; reviews, verifies, and corrects warrants, invoices, expense reports, and other

accounting documents; and prepares, maintains, analyzes, and interprets various financial and statistical records and reports.

- The Account Clerk I posts accounting data to ledgers, journals, books, computers, or other bookkeeping instruments; posts invoices to journals; performs various clerical duties; and responds to inquires from the general public.

Table 3-22 illustrates the Greenville Income Tax Department staffing levels and ratios along with the peer staffing levels and the peer averages.

Table 3-22: Income Tax Staffing Levels and Ratios

	Greenville [1]	Greenville [2]	Tallmadge	Mount Vernon	Peer Average
Number of Employees	4	3	4.03	3	3.515
Number of Active Accounts	8,887	8,887	10,006	10,836	10,421
Number of Active Accounts per Employee	2,222	2,962	2,483	3,612	2,965

Source: Greenville and peer income tax departments. Circleville did not provide data.
[1] The number of GITD employees is currently 4, but on December 1, 2005 the Department will reduce staff to 3 employees and maintain at this level for some time to see if it is adequate.
[2] This is what the staffing level will look like once the Department reduces its staffing level to 3.

As shown in **Table 3-22**, the Greenville Income Tax Department operated with 4 FTEs until December 1, 2005 when the Department reduced staff to 3 FTEs. The City intends to maintain that staffing level and study the effects to determine its adequacy. The number of active accounts per employee was 2,222, but after the reduction, the number of active accounts per employee increased to 2,962. With the reduction to 3 FTEs, Greenville's number of active accounts per employee will be approximately the same as the peer average.

Financial Data

Table 3-23 illustrates GITD expenditures by category for both Greenville and its peer cities.

Table 3-23: Income Tax Expenditures by Category

	Greenville	%	Tallmadge	%	Mount Vernon	%	Peer Average	%
Salaries and Benefits	$157,569	56.0%	$250,415	76.7%	$102,618	46.3%	$176,517	64.4%
Purchased Services	$107,605	38.2%	$38,150	11.7%	$107,996	48.7%	$73,073	26.7%
Supplies	$16,3556	5.8%	$10,780	3.3%	$8,209	3.7%	$9,495	3.5%
Capital	$0	0.0%	$27,325	8.4%	$2,716	1.2%	$15,021	5.5%
Total Expenditures	$281,530	100.0%	$326,671	100.0%	$221,538	100.0%	$274,105	100.0%

Source: Greenville and peer expense reports. Circleville did not provide data.

As shown in **Table 3-23**, GITD spends a lower percentage of funds on salaries and benefits when compared to the peers but spends a higher percentage on purchased services. Supplies also account for a higher percentage of expenditures. Greenville spends slightly more than the peer average in total operating costs.

Table 3-24 depicts the GITD operating costs and ratios in comparison to the peer income tax departments and the peer averages.

Table 3-24: Income Tax Operating Costs and Ratios

	Greenville	Tallmadge	Mount Vernon	Peer Average
Number of Employees	4	4	3	3.5
Total Expenditures	$281,530	$326,671	$221,538	$274,105
Number of Active Accounts	8,887	10,006	10,836	10,421
Operating Costs per Employee	$70,383	$81,060	$73,846	$78,316
Total Expenditures per Active Account	$31.68	$32.65	$20.44	$26.30

Source: Greenville and peer income tax departments. Circleville did not provide data.

As shown in **Table 3-24**, the Greenville Income Tax Department's operating cost per employee is about 10 percent less than the peer average. Although Greenville has a lower operating cost per employee, the total expenditures per active account are high in comparison to the peer average but less than Tallmadge. The total expenditures per active account for the City are 20 percent above the peer average. By reducing the staff to 3 FTEs, GITD's total expenditures per active account becomes 10 percent less than the peer average.

Statistical Data

Table 3-25 depicts the Greenville and peer income tax operational indicators along with the peer average.

Table 3-25: Income Tax Operational Indicators

	Greenville	Tallmadge	Mount Vernon	Peer Average
Number of Individual Accounts	6,023	7, 555	7,797	7,676
Number of Business Accounts	1,679	1,264	1,269	1,267
Withholding Accounts	1,185	1,187	1,770	1,479
No Need To File (NNTF) Accounts	2,685	N/A	1,818	N/A
Total Number of Accounts	11,572	10,006	12,654	11,330
% of Population with an Active Tax Account	45.31%	46.10%	54.24%	50.17%
% of Total Collections Attributed to the Withholdings	75.39%	75.00%	84.00%	79.50%
% of Returns Not Filed	3.47%	N/A	5.00%	N/A
Number of Delinquencies	491	526	266	396
Accumulated Delinquencies per Account	0.04	0.05	0.02	0.04
% of Business Collections to Total Tax Collections	9.54%	12.50%	9.00%	10.75%

Source: Greenville and peer income tax departments. Circleville did not provide data.

As shown in **Table 3-25**, the Greenville Income Tax Department oversees 11,572 total accounts in comparison to the peer average of 11,330 total active accounts. GITD collects a slightly smaller percentage of revenues from business accounts than the peers and has a slightly higher number of delinquencies. Withholding also comprises a slightly smaller portion of overall collections than the peer average.

Assessment Not Yielding a Recommendation

During the course of this audit, one area was reviewed that yielded no recommendations and is highlighted below:

- **Operating Cost per Employee:** The Greenville Income Tax Department operating cost per employee is $70,383 which is less than both peers and about 10 percent less than the peer average.

Issues for Further Study

Additional areas were identified during the audit that may warrant further examination. These are shown below:

- **Staffing:** Monitoring the Department staffing level regularly will help to determine the appropriate number of staff to conduct its operations. If the current workload does not increase significantly, the 2006 level (3 FTEs) may be appropriate based on accounts per employee ratios.

- **Operating Costs/Expenditures:** The summary of the Income Tax Department's purchased services and supplies is higher than the peer average. A detailed evaluation of these expenditures may help to determine ways to decrease costs.

- **Collection Strategies:** The Greenville Income Tax Department should review its current collection strategies and determine additional methods to maximize the number of returns being filed. While the City uses recommended collection practices, it may be able to reduce delinquencies through additional creative means.

Recommendations

Based on a review of the City's operational indicators for GITD, no recommendations are made in this area.

Parks and Recreation Department

Background

The City of Greenville Parks and Recreation Department (GPR or Department) is responsible for the operation and maintenance of the City's parks, pools, and sporting facilities. The Department offers a variety of activities for both adult and youth citizens, including but not limited to shuffleboard, tennis, volleyball, horseshoe tournaments, adult aerobics, kayaking, and fishing adventures as well as various youth activities such as soccer, wrestling and basketball.

Organizational Chart and Staffing

Chart 3-9 illustrates the Department structure of the GPR.

Chart 3-9: Parks and Recreation Organizational Chart

```
                                                              ┌──────────┐
                                                              │  Park    │
                                                              │  Board   │
                                                              └────┬─────┘
                                   ┌─────────────────┐             │
                                   │ Parks and Rec.  │             │
                                   │ Superintendent  │─────────────┘
                                   │    1.0 FTE      │
                                   └────────┬────────┘
             ┌──────────────┬──────────────┼──────────────┐
      ┌──────┴──────┐ ┌─────┴─────┐ ┌───────┴──────┐
      │ Recreation  │ │ Secretary │ │ Maintenance  │
      │  Director   │ │  1.0 FTE  │ │  Supervisor  │
      │   1.0 FTE   │ │           │ │   1.0 FTE    │
      └──────┬──────┘ └───────────┘ └───────┬──────┘
   ┌─────────┴──────────┐               ┌───┴──────────┐
┌──┴───────┐   ┌────────┴───┐    ┌──────┴──────┐
│  Pool    │   │ Rec. Program│    │ Maintenance │
│ Manager  │───│  Leaders    │    │  Workers    │
│ 0.2 FTE  │   │  0.08 FTE   │    │  5.65 FTE   │
└────┬─────┘   └──────┬──────┘    └─────────────┘
 ┌───┴──────────┐  ┌──┴──────────┐
 │ Assistant Pool│  │   Other     │
 │   Manager     │  │ Recreation  │
 │   0.2 FTE     │  │   Staff     │
 └───────┬───────┘  │  1.4 FTE    │
   ┌─────┴──────┐   └─────────────┘
   │ Life Guards│
   │  and Other │
   │ Pool Staff │
   │  0.93 FTE  │
   └────────────┘
```
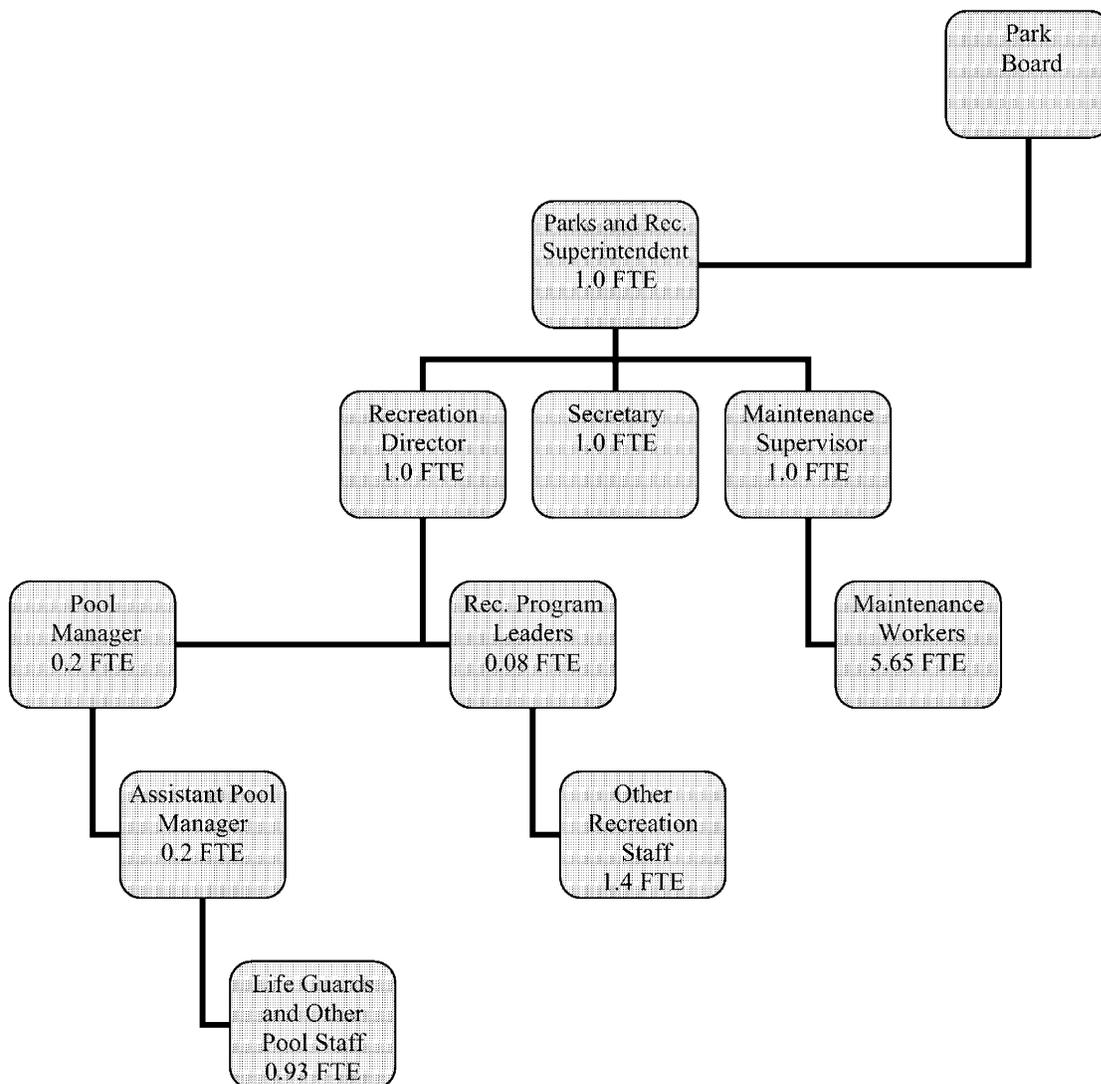
Source: Greenville Parks and Recreation Department

As shown in **Chart 3-9**, GPR is governed by a Park Board comprised of three non-paid members appointed by the Mayor. All direct functions are supervised by the Parks and Recreation Superintendent who deploys staff through the Maintenance or Recreation supervisors.

Table 3-26 illustrates GPR staffing levels and ratios in comparison to the peers.

Table 3-26: Parks and Recreation Department Staffing Levels and Ratios

	Greenville	Tallmadge	Mount Vernon [1]	Peer Average
Park Acres Covered	125	161.7	166	164
Supervisor FTEs	1	1	0.5	0.75
Maintenance FTEs	6.65	0.5	5	2.75
Recreation FTEs	1.48	20.84	1	10.92
Administrative FTEs	2	3.375	0.25	1.81
Pool FTEs	1.33	4.03	N/A [2]	2.02
Total FTEs	**12.46**	**29.745**	**6.75**	**18.25**
Full Time Employees (Excluding Pool)	11.13	25.715	6.75	16.23
Park Acres per Staff (Excluding Pool and Administrative)	13.69	7.24	30.18	11.36
Staffing per 1,000 citizens (Excluding Pool)	0.84	1.57	0.47	1.06

Source: Greenville and peer parks and recreations departments except Circleville
[1] The Mount Vernon Parks and Recreation Department is contracted out and the director is not a city employee.
[2] Mount Vernon was unable to break out its pool employee regular hours worked per week due to several factors including work schedules.

As shown in **Table 3-26**, GPR is 21 percent higher than the peer average in the number of park acres per staff (excluding pool and administrative employees) and is 21 percent lower than the peer average in staffing per 1,000 citizens (excluding pool staff).

Financial Data

Table 3-27 shows the Greenville Parks and Recreation Department's operational costs and ratios in comparison to the peer cities and the peer average.

Table 3-27: Parks and Recreation Operational Costs and Ratios

	Greenville	Circleville	Tallmadge	Mount Vernon [2]	Peer Average
Number of Citizens	13,294	13,485	16,390	14,375	14,750
Number of Employees (non-pool)	11.13	N/A	25.72	6.75	16.23
Number of Facilities	57	30	44	61	45
Operating Cost (non-pool expenses)	$856,153[1]	$135,215	$885,089	$279,200	$433,168
Cost per FTE	$76,923	N/A	$34,419	$41,363	$37,891
Cost per Facility	$15,020	$4,507	$20,116	$4,577	$9,626
Cost per Citizen	$64.40	$10.00	$54.00	$19.42	$29.37

Source: Greenville and peer parks and recreation departments
[1] The operating cost for Greenville does not include $297,850 for Phase I of a walking trail, $230,000 of which was grant funded.
[2] The Mount Vernon Parks and Recreation Department is contracted out and the director is not a city employee.

Greenville's operating costs per FTE, per facility, and per citizen are high in comparison to the peer averages. When the $297,850 spent on Phase I of a new walking trail is included, GPR's operating costs increase to $1,154,003 which makes the cost per FTE $103,684, the cost per facility $20,246, and the cost per citizen to $86.81.

Statistical Data

Table 3-28 shows the different number of facilities the City and peers operate for various activities.

Table 3-28: Parks and Recreations Department Facilities

	Greenville	Circleville	Tallmadge	Mount Vernon	Peer Average
Number of Park Acres Covered	125	N/A [2]	161.7	166	163.9
Number of Baseball/Softball Diamonds	3	7	7	12	8.7
Number of Basketball Courts	3	4	4	7	5.0
Number of Soccer Fields	3	6	6	0	4.0
Number of Botchy Ball Courts	0	0	2	0	2.0
Number of Tennis Courts	9	3	9	10	7.3
Number of Tracks/Walking Paths	4	1	0	0	1.0
Volleyball Courts	2	2	0	2	2.0
Number of Football Fields	1	0	0	0	0.0
Skate Park	1	1	0	1	1.0
Number of Shuffleboard Courts	8	0	1	0	1.0
Number of Horseshoe Pits	18	0	6	19	12.5
Number of Swimming Pools [1]	1	2	1	1	1.3
Number of Playgrounds	4	4	8	9	7.0
Total number of Facilities	57	30	44	61	45.0
Number of Citizens per Facility	233	449.5	373	236	352.6
Number of Citizens per Park Acre	106	N/A	101	87	94.0

Source: Greenville and peer parks and recreation departments
[1] The City of Greenville has two wading pools and Tallmadge has both a swimming pool and a wading pool.
[2] The City of Circleville did not provide information on the number of acres.

As shown in **Table 3-28**, the City has fewer citizens per facility than the peers. This shows that the City has more facilities for the City residents to use at their leisure or through recreational activities which are provided by the Department. In particular, Greenville has more tennis courts, tracks/walking paths, shuffleboard courts, and horseshoe pits than the peer averages. The City

also provides a wide variety of activities and equipment for various sporting pursuits. Finally, while Greenville has fewer park acres compared to Tallmadge and Mount Vernon, Greenville is comparable in the number of citizens per park acre.

Noteworthy Accomplishment

- **Grant Funding for Capital Projects:** GPR received $243,000 in grant funding in 2004 which is approximately $230,167 above the peer average of $12,833. The majority of the grant funding ($230,000) was from the Recreational Trails Grant ($50,000) and the Clean Ohio Trails Fund ($180,000) which was acquired for the creation of a half-mile walking trail. However, GPR also received grants from the following:

  o Darke County Park District ($2,000) for playground equipment;
  o Harry D. Stephens Memorial Fund ($4,000) for playground equipment; and
  o Coppock Hole Trust Fund ($7,000) which is unrestricted in its use.

  In general, GPR receives about $13,000 annually from the abovementioned three funds which is similar to the peers. By comparison, in 2004, Circleville received an Ohio Department of Natural Resources Capital Improvement Project grant of $15,000 and Tallmadge received a Community Development Block Grant for elevators to increase wheelchair accessibility in its parks. The Mount Vernon Parks and Recreation Department did not receive grant funding during 2004.

Assessments Not Yielding Recommendations

During the course of this audit, areas were reviewed that yielded no recommendations. These are highlighted below:

- **Park Acres per Staff:** The Greenville Parks and Recreation Department exceeds the peer average in park acres per staff member. GPR has 13.69 park acres per staff member, which is 2.33 park acres more than the peer average of 11.36.

- **Staffing per 1,000 Citizens:** GPR is below the peer average in staffing per 1,000 citizens, which does not include pool employees. GPR has 0.84 staff per 1,000 citizens which is 0.22 lower staff than the peer average of 1.06.

- **Citizens per Facility:** Greenville is below the peer average in number of citizens per facility. The City has 57 facilities that citizens are able to use and the number of citizens per park facility is 233. The number of citizens per facility is 120 below the peer average of 353.

- **Citizens per Park Acre:** Greenville is comparable to the peer average in the number of citizens per park acre. Greenville has 106 citizens for every park acre, which is 13 percent above the peer average.

Recommendations

R3.7 **The City of Greenville Parks and Recreation Department should examine the salaries and benefits, services, and capital expenditures for its Parks and Recreation Department and identify and reduce the high cost drivers in these categories. As GPR expenditures are directly related to the variety and number of programs the City provides, it should consider adding or increasing fees for the programs it provides, or possibly streamline its programs. If the City decides to streamline programs, the City should survey the community to determine what programs are most frequently used by its residents.**

Table 3-29 illustrates GPR expenditures by category in comparison to the peers. The expenses include pool costs for each city which were not included in **Table 3-27**.

Table 3-29: Parks and Recreation Operating Cost Broken Down by Category

	Greenville	Circleville[2]	Tallmadge	Mount Vernon	Peer Average
Salary and Benefits	$497,080	$119,067	$507,666	$326,759	$317,830
Services	$381,472	$47,489	$353,636	$212,602	$204,576
Supplies	$26,344	$26,459	$70,984	$13,817	$37,087
Capital	$38,200[1]	$43,444	$30,221	$0	$24,555
Total Expenditures	**$943,096**	**$236,459**	**$962,507**	**$553,178**	**$584,048**
Pool Expenditures	$86,942	$101,244	$77,418	$273,978	$150,880
Salaries and Benefits per FTE	$39,894	N/A	$17,067	$48,409	$22,864
Cost of Services per Citizen	$28.70	$3.51	$21.58	$14.79	$13.86
Cost of Supplies per Facility	$462	$882	$1,613	$227	$907
Capital Costs per Citizen	$2.87[1]	$3.21	$1.84	$0	$1.66

Source: Greenville and peer cities expense reports and parks and recreation departments
[1] The capital costs for Greenville do not include $297,850 for Phase I of a trail as $230,000 was grant funded. Including the expenditure for this trail increases capital to $336,050 and capital costs per citizen to $25.28

Table 3-29 shows GPR is higher than the peers in all categories except supplies and pool expenditures. GPR is lower than the peers in its costs of supplies per facility.

Responses to the citizen survey are presented in **Table 3-30**.

Table 3-30: Parks and Recreation Citizens Survey Results

How do you rate the quality and/or effectiveness of each of the following services in Greenville?					
	Excellent	Good	Fair	Poor	Don't Know
City Parks	38%	43%	13%	4%	1%
Recreation Programs/Classes	10%	43%	20%	3%	22%

In the last 12 months, about how many times have you or your family members participated in the following activities in Greenville?				
	Never	Once or Twice	3 to 12 Times	13 to 26 Times
Visited Recreation Centers	29%	30%	25%	8%
Participated in Recreation Program or Activity	44%	29%	18%	5%
Visited Neighborhood or City Park	2%	14%	36%	22%

Source: Greenville citizen survey conducted by the Auditor of State of Ohio.

According to the citizen survey, GPR programs provided by the City are considered good or excellent by 81 percent and 53 percent of the respondents respectively. Although it appears that the citizens are pleased with the programs and classes provided, 44 percent of the citizens surveyed had never participated in a recreation program or activity over the last 12 months. This indicates the program offerings may warrant review with the goal of increasing community participation and decreasing costs, either through improved levels of fee collection or the discontinuation of less popular programs. Per the Parks and Recreation Superintendent, the survey responses are also reflective of the fact that the recreation center is restricted to individuals under the age of 18 and the City has limited recreational programming for adults.

This page intentionally left blank.

GREGORY S. FRALEY, MAYOR
100 PUBLIC SQUARE
GREENVILLE, OHIO 45331

April 28, 2006

Betty Montgomery, Auditor of State
Performance Audit Division
One First National Plaza
130 West Second St. Suite 2040
Dayton, Ohio 45402

Dear Auditor Montgomery,

In 2005 the City of Greenville decided it wanted to use an independent party to review its operations and determine its level of efficiency. In 2004 the City pursued a one-half percent income tax increase on the ballot after facing the prospect of terminating $1 million worth of personnel costs. In November of 2004 the citizens of Greenville approved the income tax increase.

However, the City Administration was not satisfied and desired to seek improvement in delivering its services to the residents of Greenville more efficiently. City Council approved and the City began to work with Betsy Bashore and Kristi Erlewine from your office to establish a Performance Audit.

Our goal was to conduct a Performance Audit of our administration and our operations. Although the Administration believed quality services were being delivered at a low cost we were not satisfied with our opinions. There was a desire to know how we were doing at our job for our benefit and the public.

The City is pleased to learn the Performance Audit determined the City of Greenville is operating "in an efficient manner" overall. There were no dramatic findings against the City. However, your auditors were able to recognize several areas the City needs to sharpen its abilities to do an even better job of delivering quality services.
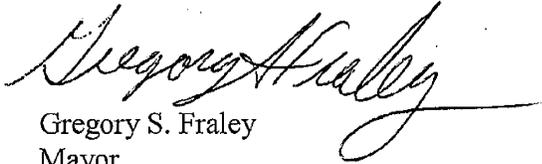
The Administration is not surprised at these recommendations. It was known the City could be weak in some of the areas recommended to implement best management practices. Such areas include planning, performance measures, service coordination and centralization and technology.

The City is beginning to respond immediately to recommendations. The City Auditor and I will attend the 2006 Government Finance Officers Association Annual Conference for training to learn more on performance measures. The Administration and City Council will spend the remaining of 2006 reviewing the recommendations and determine how best to implement these recommendations within our organization.

The Performance Audit will serve as an excellent long range planning tool for Greenville City government. It will be a guide to focus on areas of needed improvement and build upon our strengths.

Thank you to Betsy Bashore and Kristi Erlewine and their staff for the hard work and commitment to our Performance Audit. The City of Greenville will be an even better community having gone through this process. I am excited about the future of Greenville, Ohio.

Sincerely,

Gregory S. Fraley
Mayor