

# City of Boone, Iowa

## Final Report

*for*

## Organizational Assessment

### ICMA Consulting Services

*Helping Local Governments  
Achieve Measurable Results*



# ICMA

*Leaders at the Core of Better Communities*

ICMA Consulting Services  
777 North Capitol Street, NE  
Suite 500  
Washington, DC 20002  
954.759.4531  
[cschwabe@icma.org](mailto:cschwabe@icma.org)

## **I. Executive Summary**

This preliminary report provides the key findings resulting from an organizational assessment that ICMA *Consulting Services* conducted for the City of Boone, Iowa. This report contains 18 recommendations organized into five categories. Those recommendations that should be considered in the short term are summarized for each category:

### **Organizational Structure and Department Organization/Staffing Levels**

- The current hiring freeze should continue until the City's budget and financial issues are resolved.
- Several reorganization options for the Public Works department should be examined.

### **Additional Cost Containment and Revenue Enhancement Options**

- The City should examine whether to use the staff services provided by the engineering services firm currently under contract with the City of Boone, or the design and engineering services from this firm, but not both.

### **Future Cost Containment Options**

- The City should use of an outside labor attorney for contract negotiations.
- The City should assess and expand the current use of information technology.

### **Future Revenue Enhancement Options**

- The City should continue to explore State and Federal grant funding, especially for its mandated infrastructure projects.

### **Setting Vision, Mission, Values and Performance Expectations**

- Community engagement and involvement can be expanded through a local government academy, neighborhood outreach program, and a business council.

If these immediate recommendations and the others included in the report are implemented, it will help Boone stabilize its overall financial condition by reshaping the City's organization and more fully engaging and involving residents and businesses in their city.

## **II. Introduction**

The City of Boone was officially incorporated at the end of the Civil War in 1865. Begun as an agricultural community, the railroad has and continues to play a key role in the City's life. Boone serves as the county seat for Boone County. Both were named in honor of Captain Nathan Boone, the youngest son of famed frontiersman Daniel Boone of Kentucky. Boone is also the birthplace of Mamie Doud Eisenhower, wife of the 34th president of the United States Dwight D. Eisenhower. Boone was recognized as a council/manager form of government in 1997 by the International City/County Management Association. Boone enjoys an excellent reputation as an effective local government. This project represents its continuing commitment to providing City services in an efficient and effective manner.

### **Project Purpose and Objectives**

In April 2008, the City of Boone engaged ICMA *Consulting Services* (ICMA) to analyze the current organizational structure, level of staffing, and methods used to deliver City services. This organizational assessment was designed to produce key findings and recommendations in two areas:

- Current staffing patterns and organizational structure - This includes how to organize or re-organize functions to maximize skills and match resources with service demands. This analysis takes into account the effects of anticipated retirements.
- Current methods and approaches to deliver City services - This includes how City services are delivered using City staff and through existing contracts for service. The analysis examines whether opportunities exist for additional contracted services, and provides suggestions for contract modifications.

### **Project Deliverables**

According to the professional services agreement between the City and ICMA, ICMA will deliver a preliminary and a final report. In addition, ICMA has developed and will deliver a template for preparing a staffing summary by position and department. This final report provides key findings from the document review, on-site interviews, and organizational assessments that ICMA completed. Also, the final report contains recommendations on:

- the current hiring freeze and staffing levels

- recruitment and training practices to meet future staffing needs
- department reorganization and restructuring
- cost containment and revenue generation
- community outreach, engagement, and involvement.

The final report addresses these additional topics in more detail.

### **III. ICMA Approach**

ICMA reviewed the City's annual budget and other key documents as the first step in the organizational assessment. The City Manager, department directors, and City staff met with ICMA to fully examine the organizational structure, staffing patterns, and how City services are delivered. These interviews also provided the opportunity to identify and discuss potential alternatives. ICMA assessed the organization through a Strengths, Weaknesses, Threats, Opportunities (SWOT) analysis and a financial analysis. It is important to note that all the representatives from Boone were cooperative and supportive of this effort. City staff provided useful observations about current operations and suggestions for improvements. Information and key findings from these assessments are described in the following Situational Analysis section of this report.

#### **A. Situational Analysis**

ICMA used two assessment tools to identify the critical issues and problems that are facing the City. These tools were a SWOT analysis, and a financial analysis. Both assessments include a series of questions posed to the City. The City Manager, City attorney, department directors, and employee group representatives took part in both analyses. It should be noted that there is no "right" or "wrong" answers to the questions on either assessment tool. The strength of the SWOT analysis is that it results in a number of individual answers and common themes around the City's challenged areas. The SWOT analysis identifies both current and emerging issues, and the key problems facing the organization. These issues and problems are both within the City organization, and outside the organization, but are affecting the organization. There were five questions on a written questionnaire as part of the SWOT Analysis.

The financial analysis paints a clearer picture of the City's financial condition. For the Financial Analysis, the same employees answered 10 questions about the City's overall financial conditions. Then, they discussed their answers during on-site meetings when ICMA visited Boone. ICMA also reviewed the City's budget and its revenue and expenditure history in detail.

## Key Findings

Numerous individual answers were provided when City representatives were asked what are the most important strengths, weaknesses, threats, and opportunities facing the City. Yet, several themes emerged from these answers.

- The City staff is viewed as one of the most important strengths;
- A lack of staff training and use of technology are viewed as key weaknesses;
- Tax base growth and future annexations are viewed as opportunities; and
- the City's infrastructure is viewed as critical threats.

Finally, there appeared to be no strong consensus on the most important problem facing Boone.

The following table lists the outcomes of the SWOT analysis:

<b>Five strengths were cited by two or more City officials</b>	<b># of Responses</b>
City staff is dedicated, hardworking, accommodating, and an asset for the City	9
Commitment from the council/mayor to fix problems	4
City Administrator	3
Department heads' commitment	2
Effective hiring freeze	2
<b>Three weaknesses were cited by two or more City officials</b>	
Not enough staff training	3
Not enough use of technology	2
Short staffing in some departments	2
<b>Four opportunities were cited by two or more City officials</b>	
Tax base growth	6
Annexation	5
Farm Progress event—expansion for business	4
Federal grants to finance infrastructure projects	2
<b>Three threats were cited by two or more City officials</b>	
Mandated infrastructure projects	2
Amount of infrastructure that needs to be completed	2
Economy, falling property values	2

On the other hand, there was little agreement as to the most important issue or problem that needs to be addressed. Only one item (the need for increased transparency/involvement by residents) was mentioned by more than one City official. Even so, the costs of providing City services and the storm water infrastructure projects mandated by the State of Iowa were underlying themes to the individual answers for this question. Attachment 1 provides a complete summary of all responses to the SWOT analysis.

## **B. Financial Analysis**

The financial analysis exercise looked more closely at the budget and financial problem facing the City. Everyone who took part in the financial analysis believes that the problem is real, and needs to be addressed.

Causes can be traced to several reasons:

- lack of past infrastructure policy direction, funding, and planning that resulted in the current building moratorium in the western part of the City and the mandated infrastructure projects
- lack of industrial development that has limited additions to the tax base
- staffing levels in some departments.

City officials do not believe that tax or fee increases will solve the budget issue. Rather, tax base growth from new annexations and business or industrial development may provide for increased property tax revenues in the future. However, this will not provide "a silver bullet" for solving the City's budget problem. The ICMA study team believes that this strategy may prove difficult to achieve, given the City's stable population and lack of development over the years. And even if successful, future annexation and development will not provide the additional revenue currently needed to fund City services. To address the immediate budget problem, City officials recognize the need to reduce City expenses by examining the current wage structure, current medical and pension benefits, and department operating expenses. ICMA agrees with these conclusions drawn from the SWOT and financial analysis. Attachment 2 provides a complete summary of all responses to the financial analysis.

ICMA reviewed the City's FY 09 Annual City Budget and discussed the City's financial condition in detail with its Finance Director. We also examined in detail a summary of revenues received from the City's most important revenue sources and its expenditures in key cost categories for the past five years. We looked at patterns and trends that have emerged.



## GENERAL FUND

### REVENUES

	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
Property Taxes	2,188,945	2,182,355	2,099,597	2,139,804	2,423,196	2,461,993	2,519,409
Fire Township/Ind Protection	159,667	120,765	112,050	108,743	135,958	131,654	147,454
Permits	110,116	99,475	96,526	89,406	112,434	82,368	60,550
Fines	59,953	63,729	74,233	76,891	100,517	116,742	102,700
Pool Admissions	70,611	67,868	65,854	95,734	114,522	120,615	121,050
Franchise Fees (gas/cable)	157,589	144,694	161,070	152,126	177,062	158,501	150,000
Inter Fund Loan/Transfers	0	0	0	350,000	276,740	293,226	77,357
State Prop Tax Replacement	173,198	0	0	0	0	0	0
All Other	326,472	308,848	244,097	308,623	337,162	315,199	317,529
<b>TOTAL</b>	<b>3,246,551</b>	<b>2,987,734</b>	<b>2,853,427</b>	<b>3,321,327</b>	<b>3,677,591</b>	<b>3,680,298</b>	<b>3,496,049</b>

### EXPENSES

	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
Personnel	2,285,028	2,363,303	2,383,981	2,329,524	2,487,161	2,459,784	2,462,037
Benefits	0	0	0	0	0	0	0
Operating	852,504	787,310	749,521	1,065,022	1,003,325	1,080,699	1,021,572
All Other			0	0	0	0	
<b>TOTAL</b>	<b>3,137,532</b>	<b>3,150,613</b>	<b>3,133,502</b>	<b>3,394,546</b>	<b>3,490,486</b>	<b>3,540,483</b>	<b>3,483,609</b>

\* Reason for fewer Personnel between FY 05 and FY 06 was due to contracting out dispatch services which is the reason for the increase in operating costs.

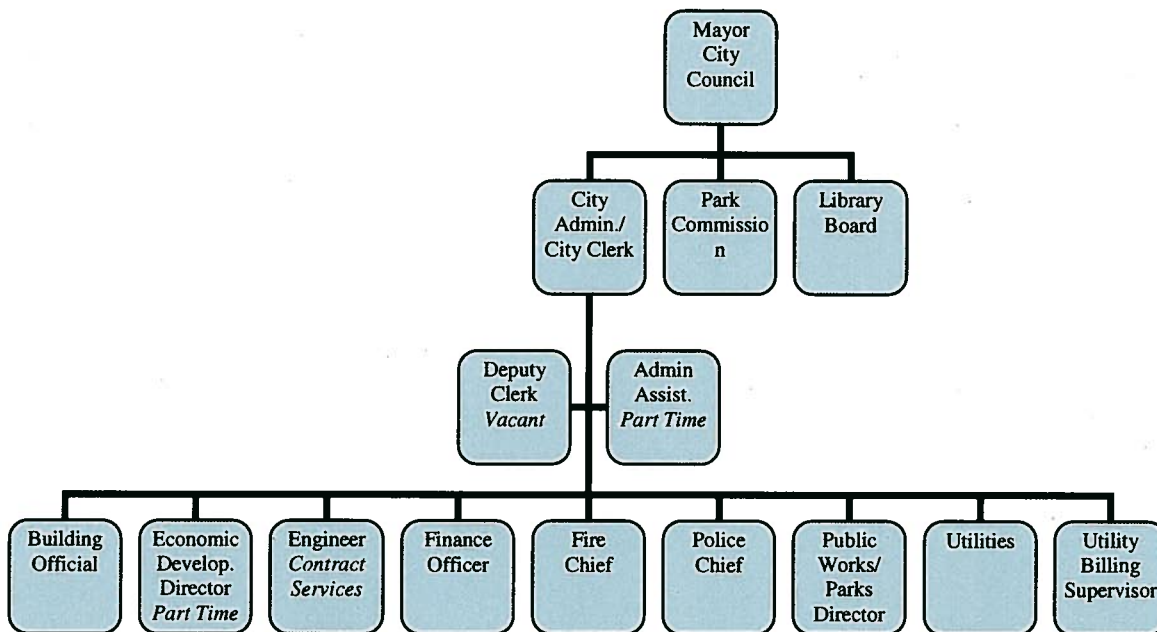
Expenses began to exceed revenues beginning in FY 04. This continued for three fiscal years. General Fund reserves were used to balance expenses with revenues. However, this practice was not sustainable in the long term. The hiring freeze has reduced personnel expenses. Property tax revenue has increased for the last five fiscal years. This combination has eliminated the need to use General Fund reserves to balance expenses with revenues.



#### IV. Organizational Structure and Department Organization/Staffing Levels

The City's overall organization structure is shown in the following organizational chart.

Fig. 1 Table of Organization



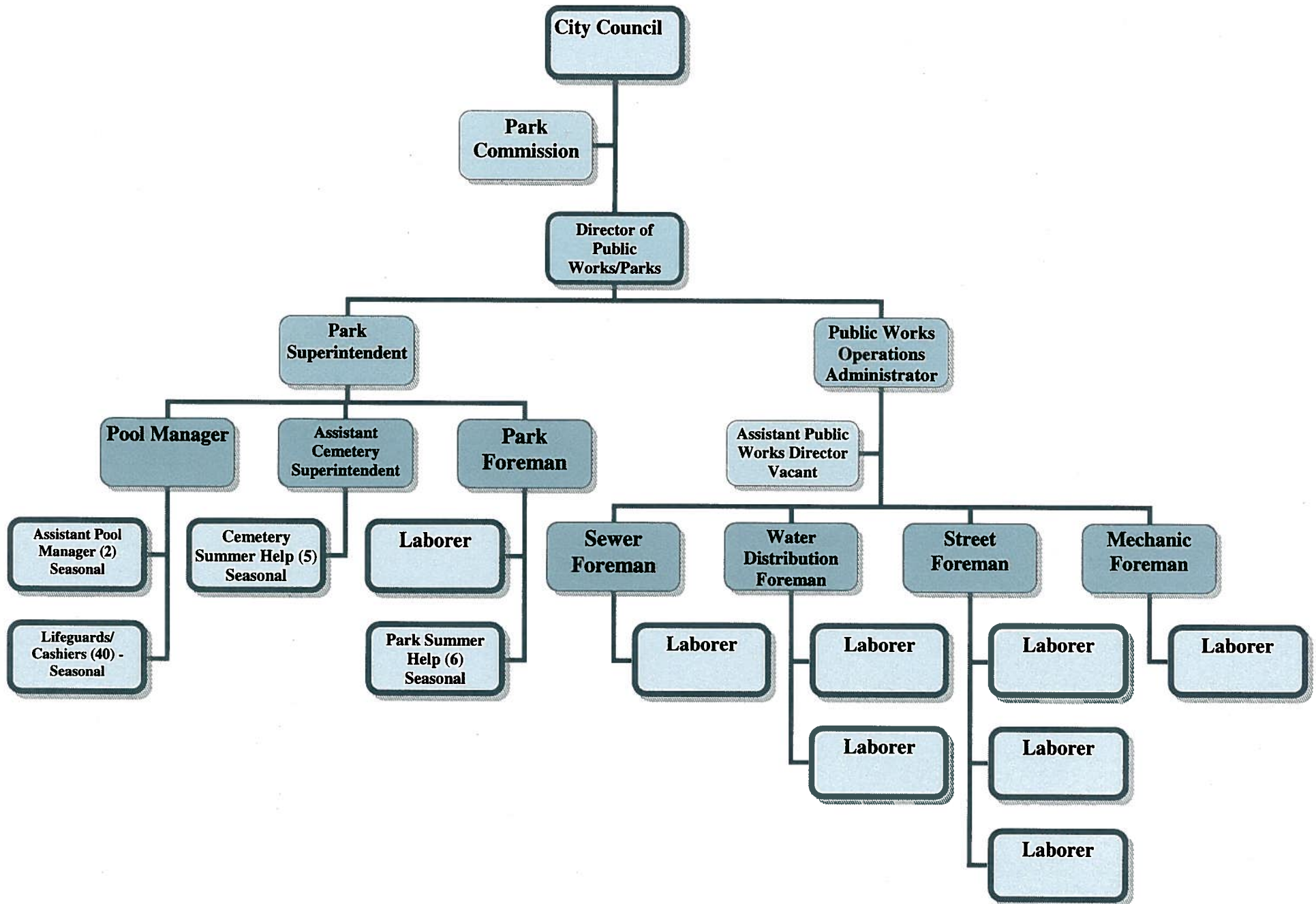
All 10 department heads report directly to the City Administrator, along with the deputy clerk. (Engineering services are provided through a contract.) Although this is a large span of control, this is not unusual for cities the size of Boone. City staff recommended several other Iowa cities for comparative purposes. Additional cities were recommended through the Iowa League of Cities.

ICMA contacted the following cities to review their organizational structures. These cities include: Grinnell, Carroll, Knoxville, Sioux Center, and La Mars. For these cities, five to twelve department heads report directly to the City Manager or Administrator. Two of these cities have an assistant city manager position, who in some cases also serves as a department director (Le Mars and Sioux Center). Organizational structures for several of these cities are included in Attachment 3 to this report.

Recommendation 1. The Director of Park and Urban Forestry position is currently vacant. The Director of Public Works is current filling this position. The study team recommends that this individual continue to direct both departments. The Director of Parks and Urban Forestry position can continue to be shown as an authorized position, but unfunded in the FY 10 annual city budget. This cost savings will contribute to reducing overall costs for the city.

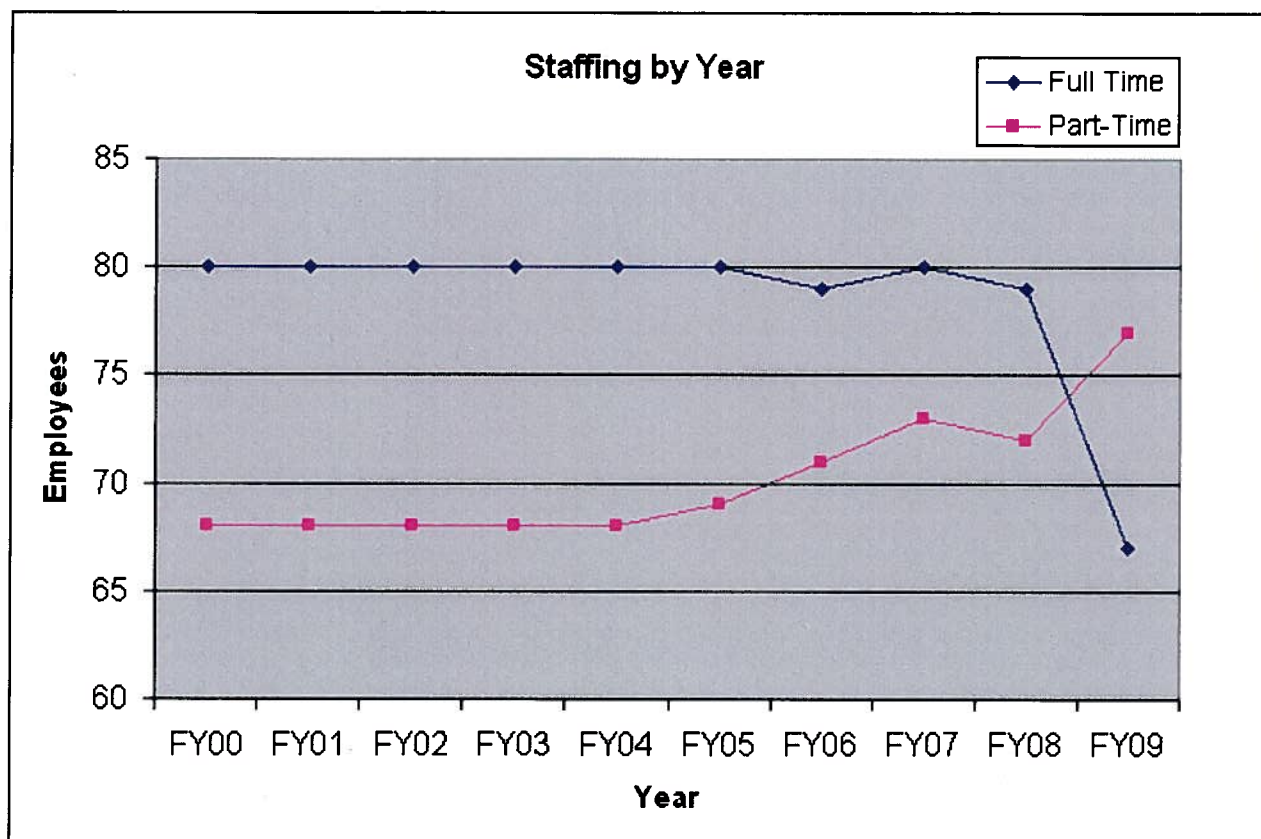
Recommendation 2. The study team recommends that the Park/Pool/Cemetery and Public Works Departments be combined. Laborer positions are included in both departments. By combining departments, an analysis could be completed to show the total needed number of labor positions that will be required given the services provided by the combined department. Cross training and skill sharing could allow for the two current vacant laborer positions to become permanent vacancies. Future vacancies could also be evaluated to determine if these positions could remain unfilled, either on a short term or permanent basis. Also, a combined department provides the opportunity to examine all the foreman positions authorized for parks/pool/cemetery and public works. Currently, the foreman positions have a small number of employees reporting directly to them. This results in a limited span of control. Cross training, and employee training and development should be used to prepare for consolidating foremen positions when future vacancies or retirements occur. Finally, the operations manager position should be examined if this position becomes vacant in the future. Management and supervisory responsibilities can be reassigned to the foreman positions. The current individuals in these positions can receive additional management and supervisory training now so that they can assume these responsibilities if the operations management position becomes vacant and is not filled in the future. Figure 2 shows an organizational chart for a combined department.

Fig. 2 Public Works/Parks  
After Merge of Public Works/Parks Director



ICMA examined the organizational structures and staffing levels for all 10 City departments. (The Fire Department and Police Department are being examined through a separate contract with ICMA's Public Safety Services program). Specific recommendations regarding these two departments will be issued through a preliminary and final report for this contract.

The following table shows the total number of full and part time positions since FY 2000.



The numbers of full time positions remained almost constant until FY08, when the hiring freeze was started and 12/13 full time positions were left unfilled. The number of part time positions has grown since FY05, and has continued to increase even as the hiring freeze was established.

Attachment 3 is a multi-year staff level summary. It shows the number of authorized full and part time positions by department since FY 2000. Staffing levels in most departments have remained fairly constant. Public Works and Police are exceptions; full time positions have been reduced by four in Public Works and three in Police.

General Fund revenues are not expected to return to FY05 or FY06 levels in the foreseeable future. In fact, revenues may decline further given a

recessionary economy, unstable housing market, and potential further decreases in state funding programs. City officials will need to continue to watch revenues very carefully and be prepared to take corrective actions.

Recommendation 3. The hiring freeze on vacant positions should continue. Although painful for those departments affected, all future vacancies should be carefully examined to determine if the position can be left unfilled. The affects on City services should be identified and communicated to the City Council and the general public. This may include reductions in service levels or elimination of services. The City is currently managing its way through a difficult financial environment. Position vacancies represent an effective way to decrease City expenses. It is far better in terms of employee morale to hold positions vacant than to have to reduce the size of the City's workforce through layoffs.

Recommendation 4. The Park/Pool/Cemetery, Public Works, and Utilities/Water-Sewer organizational structures should be reviewed.

Figs. 3-5-4 show the current organizational structures.

Fig. 3 Park/Pool/Cemetery

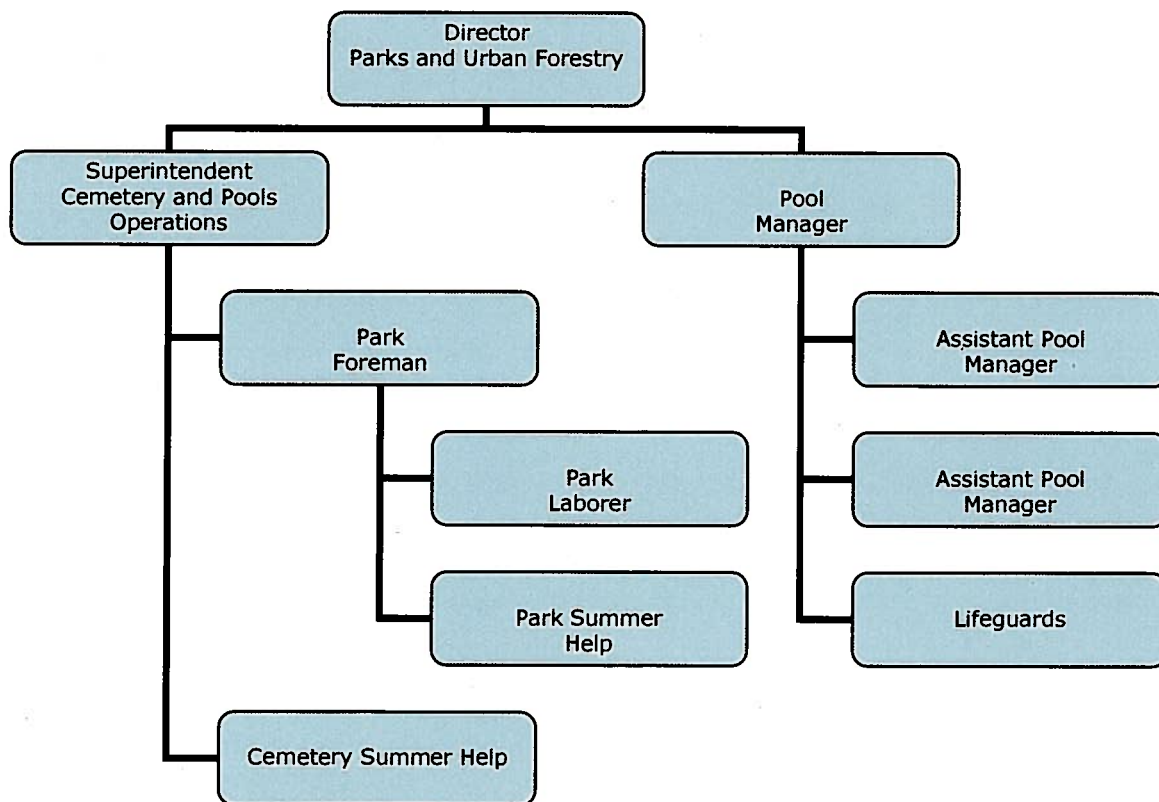
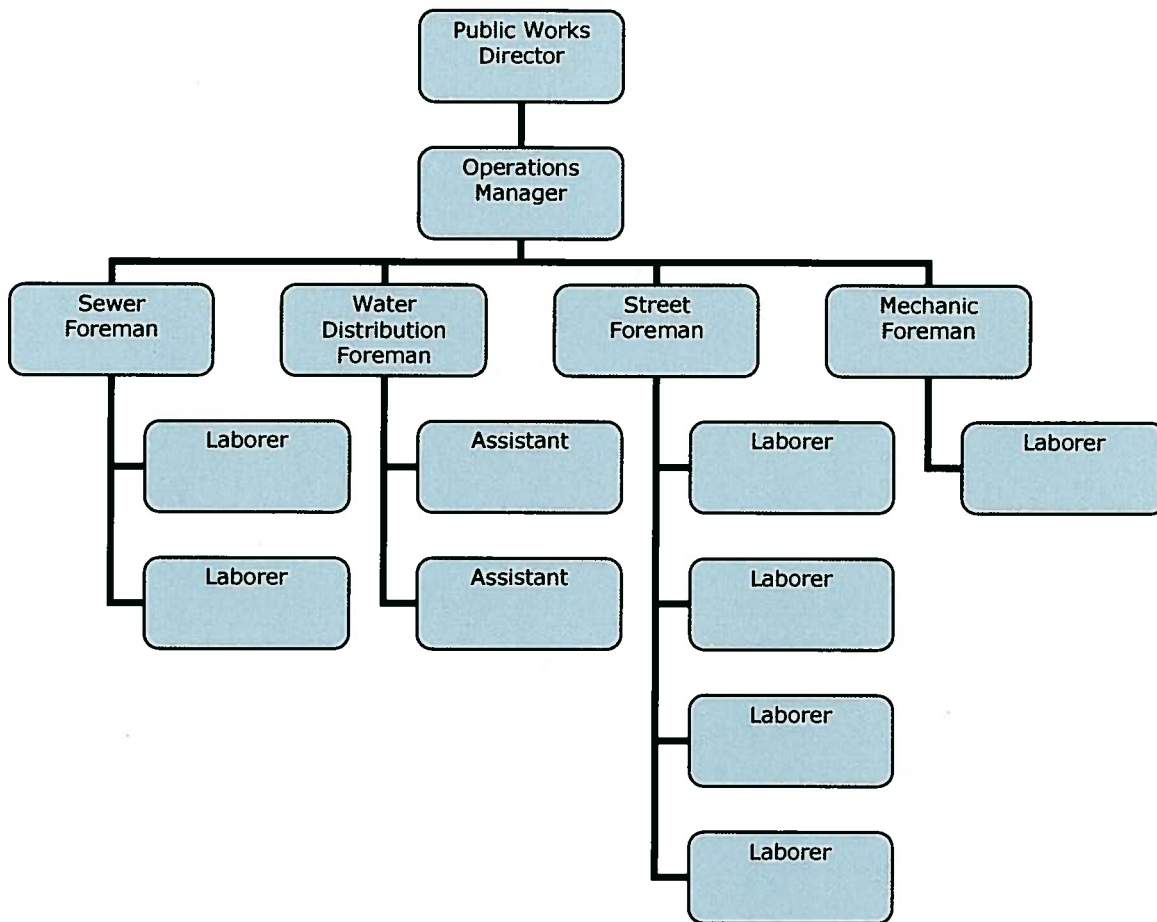




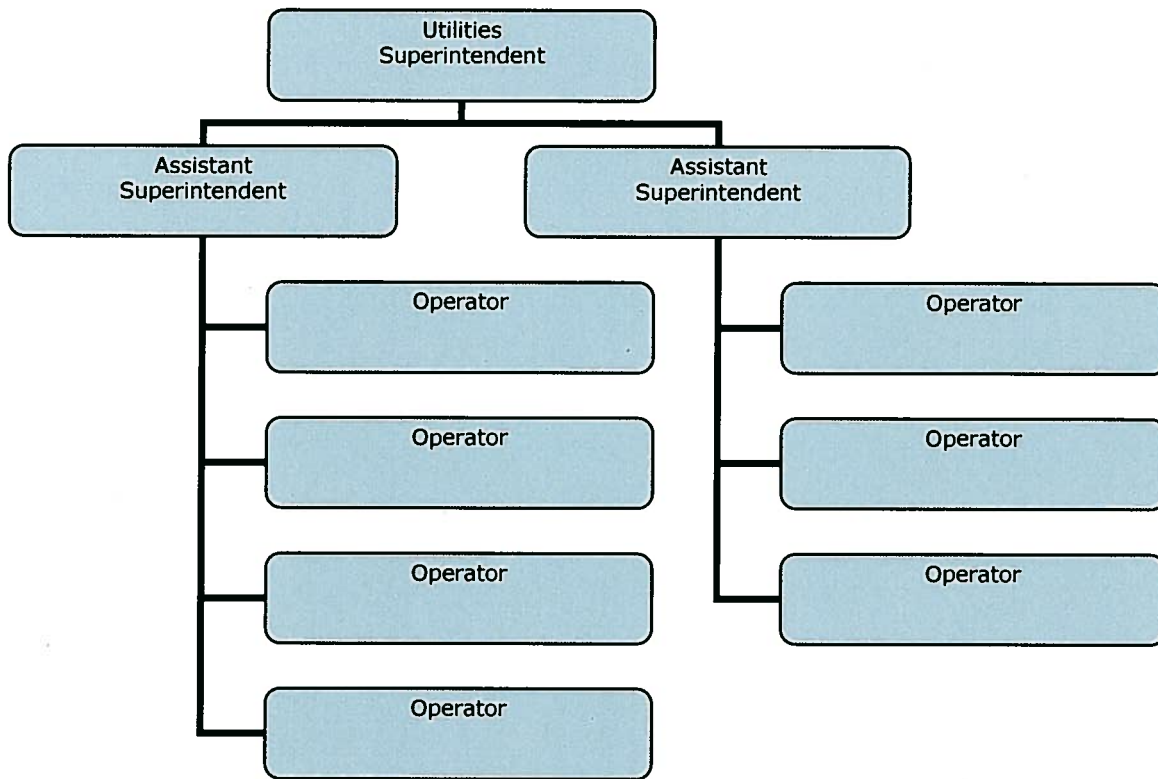
Fig. 4 Public Works



Merging the Parks, Pools, Cemetery and Public Works Departments will allow the five foreman positions to be examined. This analysis will determine if one or two positions can be consolidated. Individuals in a consolidate position can be reassigned to current vacant labor positions, following any requirements contained in labor contracts. If the two departments are not combined, the sewer and water distribution foreman positions should be examined for consolidation into one position.



Fig. 5 Utilities/Water-Sewer



It is preferable to have assistant superintendent positions at both the water and wastewater treatment facilities. However, if the budget problem worsens, it may be necessary to consider consolidation of these positions, with the utilities superintendent having direct facility responsibilities for one facility. This is possible since the current utilities superintendent holds a Class 4 certification in both water and wastewater treatment. Again, the individuals left without a position can be reassigned to current vacant labor position, following any requirements contained in labor contracts.

Recommendation 5. The Utility Billing function should be combined with the Finance Director's responsibilities. This function is generally included in a city's finance department. This would create a three person department, and provide better coordination and support for these finance related activities.

Finally, the study team suggests that Boone consider examine the need for additional management support for the Office of the City Administrator. In the short term, staff should explore whether Iowa State University could provide a management intern through its graduate level public

administration degree program. Many times, management interns can be hired for one to two semesters for little or no cost. After the City's financial condition stabilizes, a position should be considered for a one year management internship program. This would provide the City with recent MPA graduate who is starting his or her career in city management. In the future, a full time assistant to the city administrator or assistant city administrator position could be considered. The job description or classification for this position should include responsibilities for key administrative functions, such as human resources or financial management. These positions could provide a career advance opportunity for current City employees who are assigned work and responsibilities in these areas.

## **V. Additional Cost Containment and Revenue Enhancement Options**

### **A. Contract Services**

In order to improve efficiency and effectiveness, City officials recognize the need to review how work is completed and how City services are provided. The following recommendations address City services that currently are or could be provided through outside contracts. These recommendations will provide options the City can use to address its financial difficulties and to improve efficiency and effectiveness.

Contracts for Services - Two City services are currently provided by contracts—City Attorney and engineering services.

#### Recommendation 1 - Engineering Services

The City recently approved a new contract with Foth Infrastructure and Environment, LLC. The City Engineer position will be filled with a contract employee. The company will provide a full time engineer who will work four days per week in Boone, and one day per week offsite. Annual costs are fixed. The new contract increases the number of hours of engineering services at a lower cost to the City. In addition, the City enters into separate contracts for design and construction management services for specific public works or capital improvement projects. Typically, engineering costs are set at a percentage of total project costs. Engineering costs for past projects include:

- South Story Street Project: \$244,381
- Quiet Zone Project: \$ 19,012

There are generally accepted industry standards for cost of engineering services. These are:

- Design services at 10% to 20%
- Construction Management services at 10% to 20%

Engineering costs may be higher on smaller cost projects, and lower on higher cost projects. Total engineering expenses should be 10% to 20% of the total cost of the project. These percentages can be used as guidelines in contract negotiations.

For the two projects referenced, it appears as if the engineering costs for Boone's past projects falls within these guidelines. The study team recommends that Boone officials consider these guidelines in future contracts for engineering services. In addition, we recommend that the City's contract engineer does not review and approve any City project where Foth Engineering is providing engineering services. This will avoid the appearance of any conflict of interest that could be raised if the contract engineer is approving projects on which his employer is providing engineering services. For capital improvement projects that require engineering services, the City should determine if Foth Engineering will provide a contract engineer or engineering services, but not both.

#### Recommendation 2 - Additional Outside Service Contracts

The study team recommends that the City examine whether median mowing services and potentially vehicle maintenance services could be provided on a contract basis. Public Works staff provide vehicle/equipment maintenance by a two person crew — foreman and laborer. Median maintenance is also provided by Public Works. This analysis would demonstrate how these two services will be provided as efficiently as possible. Regardless of whether the services are provided in-house or through other agencies, the analysis would demonstrate that City officials are using taxpayer dollars in the most prudent manner possible.

### **B. Future Cost Containment Options**

The following options are provided as ways to contain potential cost increases. These options can be examined and phased in over time.

#### Recommendation 1 – Usage of Outside Labor Attorney for Contract Negotiations

The City is currently negotiating a new contract for its Public Works employees. The City Administrator serves as the chief negotiator and is directly involved with labor negotiations. Several other labor contracts will need to be renegotiated in the future. While the City Administrator is fully capable of handling this task, it is common practice for the City to be represented at the bargaining table by an outside labor attorney. The study team recommends that the City follow this model. This allows the

City Administrator to guide the negotiation process to ensure that the City Council's policy goals are met without damaging his working relationship with City employees. An outside labor attorney has specialized expertise in Iowa labor law and negotiations practices. This will also allow for a close reexamination of wage plans and benefit programs, in light of the City's continuing budget issues.

#### Recommendation 2 - Information Technology Assessment

City staff currently uses computers and other forms of information technology to deliver City services. Expand use of information technology should provide a method to contain future personnel or operational cost increases. As a first step, the City should assess how information technology is currently used. Next, a multi-year plan can be prepared for maintaining its hardware and software systems, and for expanding the use of information technology. This assessment and plan should be prepared by an outside resource.

Two local resources are available:

- Iowa State University Extension, Paul Coates, Director, Office of State and Local Government Programs, 515 294 1844
  - Alliance Technologies, Des Moines, 515 245 7777  
(referred by the Iowa League of Cities)

### Recommendation 3 - Employee training and development

Vacancies are expected as staff either retire or leave City employment. The City can now begin building the skills and experience of current staff members to fill these future vacancies. Employees will need to be trained and developed to fill these positions. Investing in employees by providing training will also be a strong incentive for valued City employees to remain with Boone.

There are low cost options now available, as opposed to sending staff to national conferences and workshops. Many professional associations now offer web casts or audio conferences. These allow staff to build skills without incurring costs for travel, hotels, and meals. In addition, study groups can be developed to read a specific management text or article. Study group can then discuss the reading assignment and share comments and what they have learned with each other.

In order to maximize these training and development activities, job descriptions should be reviewed and updated if needed. This effort should clearly identify the skills, knowledge, and abilities that are needed for those job positions where retirements are pending or would need to be refilled if a vacancy occurs. A partnership with a larger neighboring city or the county could be established to secure the needed human resource skills to review job descriptions.

## **C. Future Revenue Enhancement Options**

The following recommendations are intended to increase to City revenues in the future. It is important to note that increases are not recommended for property tax rates and water/sewer fees. A rate study is being completed for water/sewer fees. The property tax rate is at the state imposed cap. Boone's property tax rate is in the top quarter, as compared with more than 600 Iowa local governments.

### Recommendation 1 - State and Federal Grant Funding

The City should continue to explore potential state or federal grant funding. This approach may help to offset some or a portion of the costs to comply with mandated infrastructure or capital improvement projects. For example, the Federal Emergency Management Agency (FEMA) provides grants for hazard mitigation and pre-disaster mitigation projects. Cities in several states have used FEMA funding to pay for a portion of storm water improvement projects. The grant programs are:

- Pre-Disaster Mitigation Grants – FEMA’s Pre-Disaster Mitigation (PDM) grant program provides funding to States, Indian tribal governments, territories, and local governments for implementing cost-effective hazard mitigation planning and projects before disasters occur. Authorized by the Robert T. Stafford Disaster Assistance and Emergency Relief Act, the goal of the PDM program is to reduce the overall risk to people and property from future disasters, while also reducing reliance on funding from disaster declarations. Funding these plans and projects reduces overall risks to the population and structures, while also reducing reliance on funding from actual disaster declarations. PDM grants are to be awarded on a competitive basis and without reference to state allocations, quotas, or other formula-based allocation of funds.
- Hazard Mitigation Grants--The objectives of the program are:
  1. To prevent future losses of lives and damage to property due to disasters
  2. To implement state or local hazard mitigation plans
  3. To enable mitigation measures to be implemented during immediate recovery from a disaster
  4. To provide funding for previously identified mitigation measures that benefit the disaster area

### Recommendation 2 – Continued Emphasis on Economic Development

It will continue to be important for the City to build its property tax base. A larger property tax base should result in additional revenues, even if property tax rates remain constant. Economic development activities can result in an expanded tax base. City officials need to be commended for continuing to focus on economic development even during these difficult financial times. An economic development strategy, if created, will be an effective tool in remaining focused on the type of economic development that leverages Boone’s current business strengths.

### Recommendation 3 – Annexation Strategy

Planned infrastructure projects will allow the current building ban in the western portion of the City to be lifted. An annexation strategy should be



created, and current development regulations should be updated. These steps will position the City for future residential, commercial, and industrial growth. This will allow for building to take place as economic conditions improve and the housing market returns. Additional residential, commercial, and industrial growth will also expand the City's tax base. It will also bring new families and individual residents to Boone, offsetting an aging population and stable City population.

#### Recommendation 4 – Services Provided Outside of the City

The City should inventory all properties located outside of the City limits that receive City services. All agreements in place to reimburse the City for these services should be reviewed to ensure that the full costs required to provide these services are being reimbursed by the property owners.

#### Recommendation 5 – City Fee and Rate Structures

The City should inventory all current fee and rate structures that result in revenue coming into the City. Target time frames should be established for reviewing fee and rate structures. By taking this approach, these reviews can be timed so that they do not strain workloads for City staff, and so that the fees and rate structures remain current. This is especially important for building permit and inspection fees. These services are expected to provide on a cost neutral basis, without an unintended subsidy from the General Fund.

### **VI. Setting Vision, Mission, Values and Performance Expectations**

One finding from the SWOT analysis was the lower than desired level of involvement and engagement of residents and business interests in their City government. City officials have begun to take steps to address this issue. The study team recommends that these efforts continue. In addition, the following programs can build on these efforts. This will result in the Boone City government becoming more transparent to its residents and business interests. With more involvement and transparency, residents and businesses will be more encouraged to get involved, building higher levels of trust and confidence in City Hall.

#### Recommendation 1—Community Outreach, Engagement, and Involvement

One or more of the following low cost programs could be started to increase residents' engagement and involvement in their City.

- A Citizens Academy offers residents a chance to learn more about the City and the services it provides. Residents attend weekly or biweekly sessions conducted by City departments. These sessions are scheduled at

night over a two to four month period. The Citizen Academy can also provide an effective way to identify and groom individuals who are interested in serving on City advisory boards.

- A Neighborhood Outreach Program provides a method to communicate directly with residents. Outreach sessions are scheduled at times and locations that are convenient for residents to attend, usually at night and at a neighborhood school. Sessions can be conducted by staff from several different City departments. City staff can provide information and build understanding of key local issues, while residents have the opportunity to raise questions on issues of immediate concern.
- A Business Council Program is similar to a neighborhood outreach session, but directed specifically at the business community. These sessions can be conducted by the City Administrator so that he can provide information and discuss topics of special issue with the local business community.

#### Recommendation 2 – Strategic Planning Process

The study team recommends that the City create a strategic planning process. This process will set a clear vision, mission, and values for the City. The City Council, residents and businesses, and City staff has direct involvement when a City creates an overall strategic plan for City operations. This process clarifies an overall direction for the City, identifies the most important strategic issues that need to be addresses, and determines the most important results that should be achieved by the City.

#### Recommendation 3 – Performance Measurement and Management System

ICMA recommends that the City build a performance management system. This process will result in a set of strategic and department performance measures. These measures will describe the most important results that City staff will produce over time. With these measures in place, departments and their employees will be able to align the services they provide and their daily work to the most important results they are expected to achieve.

It is important to state that the recommendations and programs mentioned can only be developed in a phased basis over time. There is a limited amount of staff resources that are available for these efforts. With that said, these efforts will serve as pieces of a puzzle in gaining higher levels of community involvement, engagement, and support.

## **VII. Summary**

Boone's City officials should be applauded for their willingness to engage in this organizational assessment. Few city officials have the courage to examine how well their organization performs, and how efficiently and effectively City services are delivered. This effort was undertaken by ICMA to provide an objective assessment of the City's organizational structure, staffing levels, and operations. It is not intended nor designed as a "Gotcha Exercise" or to find fault and point fingers. Rather, the observations and recommendations contained in this report are intended to provide ways that City officials can continue their efforts to improve Boone's City government.

## ATTACHMENT 1

### SWOT Strengths

Response	# of Times Mentioned
1. Staff is huge asset/dedicated hardworking/accommodating and polite to citizens	9
2. Commitment from council/mayor to fix problems	4
3. City administrator	3
4. Department heads commitment to city	2
5. City buildings in good shape except public works/parks offices	1
6. Fairly new employees/employees want to learn	1
7. Hiring freeze has been effective	2
8. Finance officer/accomplished critical financial issues in short time	1
9. Willingness to change	1
10. Council and administrator work well together, good rapport with employees	1
11. Staff likes to be involved	1
12. Department head meetings are productive	1
13. Smallness of the city	1
14. City employees willing to work outside of their responsibilities	1
15. Economic growth potential	1
16. High community approval rating	1
17. Water and wastewater plants	1
18. Consolidation of services	1

### SWOT Weaknesses

Response	# of Times Mentioned
1. Short staffing in some departments, difficult to meet auditing requirements	2
2. Infrastructure needs, pace of infrastructure projects	1
3. Employee bargaining contracts	1
4. General Fund balance	1
5. Citizens' expectations for Cadillac services on a Chevy	1

budget	
6. Too much money spent on employee benefits	<b>1</b>
7. Not enough organization i.e. file storage, process and procedures, personnel policy is old	<b>1</b>
8. Not enough use of technology	<b>2</b>
9. Not enough staff training	<b>3</b>
10. Over extended our ability to bond for capital projects	<b>1</b>
11. Too accommodating for chronic complainers	<b>1</b>
12. Council leadership is not at a great level	<b>1</b>
13. Too many activities to provide vs. doing the right ones really well	<b>1</b>
14. Financial stability	<b>1</b>
15. Engineering costs	<b>1</b>
16. City image, no common vision for the future	<b>1</b>
17. Communication between department is better, but can improve	
18. Citizen apathy, unfavorable perception of some departments, city image	<b>1</b>
19. Unions dictate too much, wages and benefits may need to be restructured	<b>1</b>

## SWOT Opportunities

<b>Response</b>	<b># of Times Mentioned</b>
1. Maintaining quality of staff	<b>1</b>
2. Outsourcing with Boone County	<b>1</b>
3. Farm progress—expansion for other businesses	<b>4</b>
4. Annexation	<b>5</b>
5. East side grade separation	<b>1</b>
6. Tax base growth	<b>5</b>
7. Federal grants to help finance infrastructure projects	<b>2</b>
8. Staff wants to learn, becoming well rounded	<b>1</b>
9. Many retirements coming provides opportunity to restructure w/o layoffs	<b>1</b>
10. Possibilities for biotech and alternative fuels	<b>1</b>
11. Other cities going through similar problems, can learn from them	<b>1</b>
12. Economic development program	<b>1</b>
13. Size of town, family focused, can be environmental leader	<b>1</b>
14. Opportunity to make needed improvements while	<b>1</b>

dealing with the budget problem	
15. Building the experience of thinking ahead	<b>1</b>
16. Improved infrastructure will allow for new development	<b>1</b>
17. Opportunity for tourism	<b>1</b>
	<b>1</b>

### SWOT Threats

<b>Response</b>	<b># of Times Mentioned</b>
1. Department teamwork if budget solutions require reduced staffing	<b>1</b>
2. Amount of infrastructure that needs to be completed	<b>2</b>
3. Stagnant growth = higher taxes	<b>1</b>
4. Economy, property values falling	<b>2</b>
5. Possible cuts in emergency services	<b>1</b>
6. More critical infrastructure needed, but bond capacity maxed out	<b>1</b>
7. Asking too much of employees may drive more union activities	<b>1</b>
8. Too much pot stirring, some like conflict too much	<b>1</b>
9. Losing businesses—flat development	<b>1</b>
10. Current capital projects may not fix the issue	<b>1</b>
11. Mandated infrastructure projects	<b>2</b>
12. Future stricter mandated for storm water discharge	<b>1</b>
13. Population decline because of unhappy residents	<b>1</b>
14. Aging community	<b>1</b>
15. Lack of cooperating in working with the county	<b>1</b>

### SWOT Most Important Issue to Address

<b>Response</b>	<b># of Times Mentioned</b>
1. Annexation and increasing tax base	
2. General Fund budget and costs of future infrastructure projects	<b>1</b>
3. Boone is expected to do a lot, but budget can't handle it	<b>1</b>



4. Future flooding	<b>1</b>
5. Retain/attract new industry	<b>1</b>
6. Increase transparency, involvement by residents	<b>2</b>
7. Flooding issues	<b>1</b>
8. Most people uninformed how the city works	<b>1</b>
9. Maintaining population in light of aging community	<b>1</b>
10. General Fund balance as it related to CIP	<b>1</b>

## ATTACHMENT 2

### Financial Analysis

<b>1. Overall Importance of the City's Budget or Financial Problem</b>	<b># of Times Mentioned</b>
<b>10-most important problem</b>	<b>5</b>
<b>9</b>	
<b>8</b>	<b>2</b>
<b>7</b>	<b>1</b>
<b>6</b>	
<b>5</b>	<b>2</b>
<b>4</b>	
<b>3</b>	
<b>2</b>	
<b>1</b>	

<b>2. Biggest Cause or Factor of the Financial or Budget Problem</b>	<b># of Times Mentioned</b>
-- No accountability for general fund	<b>1</b>
-- Borrowing from other funds	<b>1</b>
-- Fire department staffing levels	<b>3</b>
-- Infrastructure problems	<b>1</b>
-- Mandated water and sewer infrastructure projects	<b>4</b>
-- Development restrictions in western portion of the City	<b>2</b>
-- Reductions in state funding	<b>1</b>
-- Declining General Fund revenues	<b>2</b>
-- Reductions in TIF funding	<b>1</b>
-- Poor pension fund planning	<b>2</b>
-- Expenditures: road use revenues used for general fund	<b>1</b>

salaries	
-- Ability to establish revenue structure	<b>1</b>
-- Lack of industrial development additions to tax base	<b>2</b>
-- Lack of long term planning over the years	<b>2</b>
-- Approaches to resolve budget problem i.e. hiring freeze	<b>1</b>
-- Overall economy	<b>1</b>

<b>3. Which if any Revenue Sources Should be Increased or Established?</b>	<b># of Times Mentioned</b>
-- Building permit fees	<b>2</b>
-- Police fines	<b>1</b>
-- Charges for locating City utilities	<b>1</b>
-- Library tax	<b>1</b>
-- Emergency medical services fee	<b>1</b>
-- State or federal grant funding	<b>1</b>
-- Sale of waste lime from water treatment plant/elimination of transportation costs	<b>1</b>

<b>4. Which of the Following Expenses Are Increasing So Much that They Are Creating the Problem?</b>	<b># of Times Mentioned</b>
a. Operating expenses	<b>3</b>
b. Wages	<b>5</b>
c. Benefits	<b>2</b>
c. Medical insurance	<b>7</b>
d. Pension	<b>2</b>
e. Capital improvement projects	<b>4</b>
f. Debt service	<b>1</b>
g. State mandated programs	<b>6</b>
h. Other: engineer consulting fees	<b>1</b>

<b>5. What Cost Increases Are "Untouchable"?</b>	<b># of Times Mentioned</b>
-- Water and sewer rates	<b>4</b>
-- Most taxes and fees at max	<b>2</b>
-- None	<b>1</b>

<b>6. How Has the Financial or Budget Problem Affected Your Department?</b>	<b># of Times Mentioned</b>
-- Employee stress	<b>1</b>
-- Officer safety	<b>1</b>
-- Lower staffing levels	<b>2</b>
-- Reduced operating expenses	<b>4</b>
-- Increased interfund transfers to General Fund	<b>1</b>
-- Reduced operating hours	<b>1</b>
-- Reduced overtime and comp time	<b>1</b>

<b>7. What Services Need to be Provided Regardless of the Budget or Financial Problem?</b>	<b># of Times Mentioned</b>
-- Emergency calls for service	<b>1</b>
-- Water and sewer	<b>2</b>
-- Street maintenance	<b>1</b>
-- Now and ice removal	<b>1</b>
-- Fire suppression	<b>1</b>
-- Emergency medical services	<b>1</b>
-- Cut back on everything to smaller scale	<b>1</b>
-- Mandated building inspection services	<b>1</b>

<b>8. What's the One Thing that your Department Could Do to Help Deal with the Budget or Financial Problem?</b>	<b># of Times Mentioned</b>
-- Reduce fuel expenses	<b>1</b>
-- Hold staffing levels constant	<b>1</b>
-- Alternative work schedules i.e. 4/10 schedule	<b>1</b>
-- More cross training	<b>1</b>

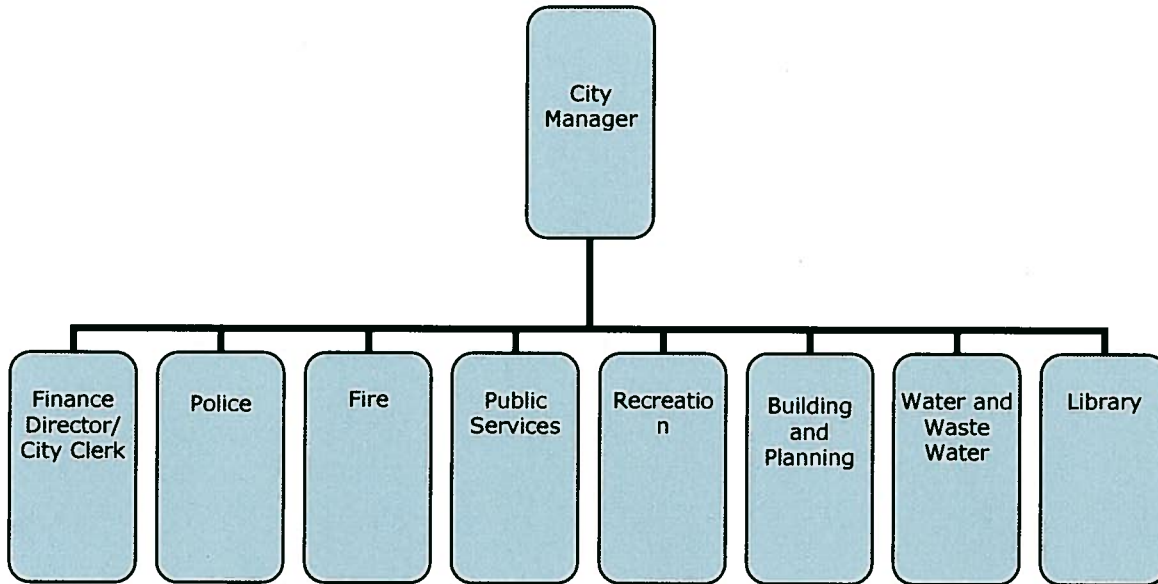
-- Increase revenue collection rates	<b>1</b>
-- Adopt a park program to reduce operating expenses	<b>1</b>
-- Start commercial fire inspection program to increase revenues	<b>1</b>

<b>9. What is the One Factor that is Unique to Boone Regarding the Budget or Financial Problem?</b>	<b># of Times Mentioned</b>
-- Pace of the mandated infrastructure projects	<b>5</b>
-- Fire department staffing for city of Boone's size	<b>2</b>
-- Increasing home foreclosures	<b>1</b>
-- Poor planning in the past	<b>1</b>
-- Losing younger population	<b>1</b>

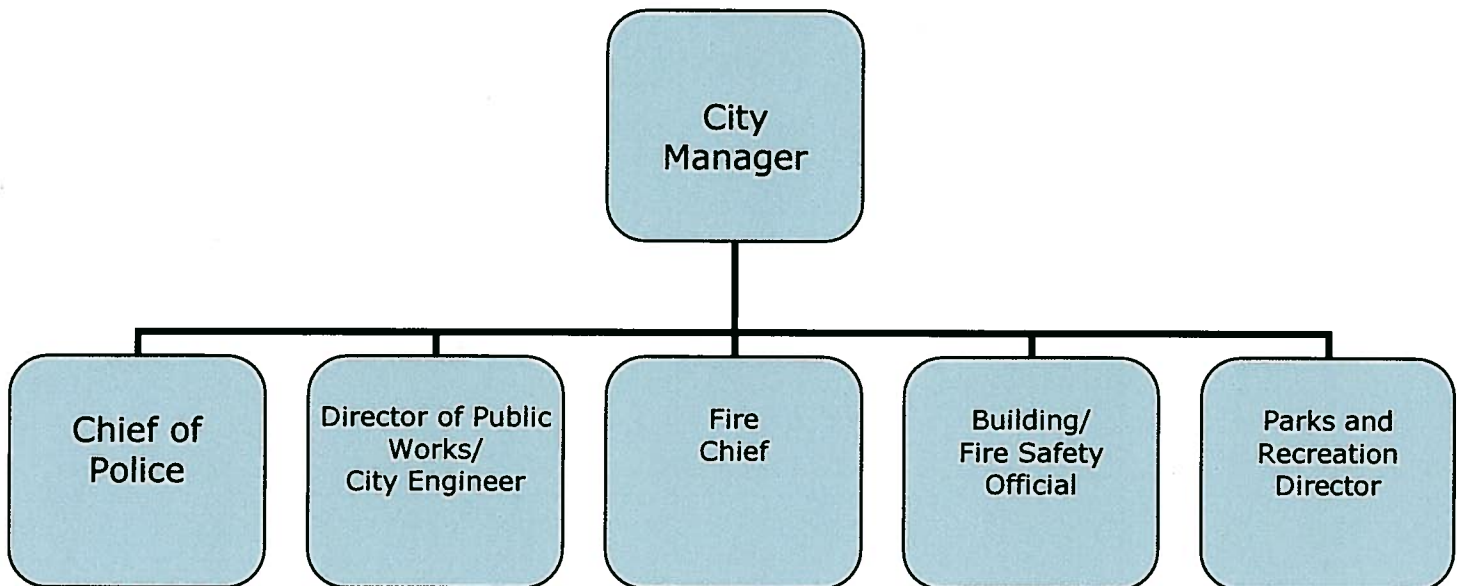
<b>10. Is There Another Issue that Hasn't Been Discussed in order to Understand the Budget or Financial Problem?</b>	<b># of Times Mentioned</b>
-- Need to expand tax base	<b>3</b>
-- Homeowners' responsibility to trim street trees	<b>1</b>
-- Flawed annexation policy: no involuntary annexations	<b>1</b>
-- Providing City services w/o compensation to properties outside of city	<b>1</b>
-- Local option sales tax increase	<b>1</b>
-- Required maintenance on complex water and wastewater treatment facilities	<b>1</b>
-- Staffing levels stretched too thin	<b>1</b>
-- City building infrastructure for golf course community	<b>1</b>
-- Need for full time city attorney in the future	<b>1</b>

## Attachment 3 Organizational Charts from other Iowa Cities

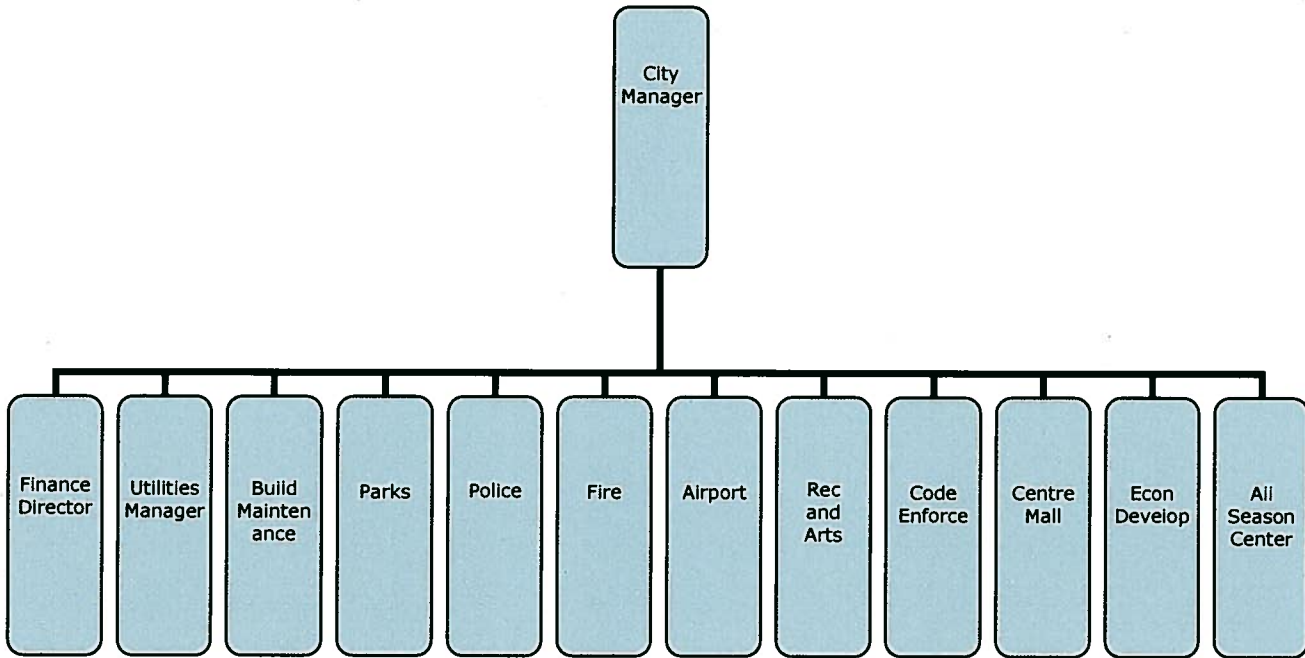
### City of Grinnell, Iowa



### City of Carroll, Iowa



## City of Sioux Center, Iowa





## Attachment 4 Staffing Table 2008

	FY 00		FY 01		FY 02		FY 03		FY 04		FY 05		FY 06		FY 07		FY 08		FY 09	
	0	0	1	1	2	2	3	3	4	4	5	5	6	6	7	7	8	8	9	9
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
Administration City Hall/FRC	4	0	4	0	4	0	3	0	3	0	3	0	3	0	4	0	4	0	4	0
City Administrator	1		1		1		1		1		1		1		1		1		1	
Finance Officer															1		1		1	
Assistant Finance Officer															1		1		1	
City Clerk	1		1		1		1		1		1		1		1		1		1	
Deputy Clerk	1		1		1		1		1		1		1		1		1		1	
Administrative Assistant															1		1		1	
Building Official-Zoning-Code Enforcement	2	0	2	0	2	0	2	0	2	0	2	1	2	0	3	0	3	0	3	0
Building Official	1		1		1		1		1		1		1		1		1		1	
Building Inspector	1		1		1		1		1		1		1		1		1		1	
Municipal Infraction Officer															1		1		1	
Secretary												1					1		1	
Economic Development	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	1	0	0
Economic Development Director													1		1		1		1	
Fire Department	13	0	13	0	13	0	14	0	14	0	14	0	14	0	14	0	14	0	11	
Fire Chief	1		1		1		1		1		1		1		1		1		1	
Asst. Fire Chief	0		0		0		1		1		1		1		1		1		1	
Fire Captain	3		3		3		3		3		3		3		3		3		1	
Fire Fighter (and EMT)	9		9		9		9		9		9		9		9		9		8	
Library	7	14	7	14	7	14	7	14	7	14	7	14	7	14	7	14	7	15	6	1
Library Director	1		1		1		1		1		1		1		1		1		1	
Secretary	1		1		1		1		1		1		1		1		1		1	
Building Maintenance	1		1		1		1		1		1		1		1		1			
Youth Services Coordinator	1		1		1		1		1		1		1		1		1		1	
Adult Librarians	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	9	1	
Youth Librarians	2		2		2		2		2		2		2		2		2	2	2	
Pages		4		4		4		4		4		4		4		4		4		
Park Pool – Cemetery	5	48	5	48	5	48	5	48	5	48	5	48	5	48	5	48	5	48	4	4
Director of Parks & Urban Forestry	1		1		1		1		1		1		1		1		1			
Superintendent of Cemetery Pool	1		1		1		1		1		1		1		1		1		1	
Pool Manager		1		1		1		1		1		1		1		1		1		
Park Foreman	1		1		1		1		1		1		1		1		1		1	
Park Laborer	1		1		1		1		1		1		1		1		1		1	
Park Summer Help		4		4		4		4		4		4		4		4		4		
Cemetery Laborer	1		1		1		1		1		1		1		1		1		1	
Cemetery Summer Help		3		3		3		3		3		3		3		3		3		
Assist. Pool Manager																				
Lifeguards		40		40		40		40		40		40		40		40		40		40
Police Department	19	3	19	3	19	3	19	3	19	3	19	3	18	4	18	5	18	4	16	
Police Chief	1		1		1		1		1		1		1		1		1		1	
Asst Police Chief	1		1		1		1		1		1		1		1		1		1	
Administrative Assistant	1		1		1		1		1		1		1		1		1		1	
Captain	4		4		4		4		4		4		4		4		4		4	

Investigator	2		2		2		2		2		2		2		0		1		1	
Detective	0		0		0		0		0		0		0		2		1		1	
Parking Clerk		1		1		1		1		1		1		1		1		1		
Parking Enforcement Officer		1		1		1		1		1		1		1		1		1		
Community Service Officer																				
Patrol Officer	10	1	10	1	10	1	10	1	10	1	10	1	9	2	9	3	9	2	7	
<b>Public Works</b>	<b>16</b>	<b>3</b>	<b>16</b>	<b>3</b>	<b>16</b>	<b>3</b>	<b>16</b>	<b>3</b>	<b>16</b>	<b>3</b>	<b>16</b>	<b>2</b>	<b>16</b>	<b>3</b>	<b>16</b>	<b>3</b>	<b>16</b>	<b>3</b>	<b>12</b>	
Public Works Dir.	1		1		1		1		1		1		1		1		1			
Operations Manager																			1	
Assistant Public Works Director	1		1		1		1		1		1		1		1		1			
Sewer Foreman	1		1		1		1		1		1		1		1		1		1	
Water Dist. Foreman	1		1		1		1		1		1		1		1		1		1	
Street Foreman	1		1		1		1		1		1		1		1		1		1	
Mechanic Foreman	1		1		1		1		1		1		1		1		1		1	
Laborer	10		10		10		10		10		10		10		10		10		7	
Administrative Assistant																				
Seasonal Staff		3		3		3		3		3		2		3		3		3		
<b>Utilities/Water-Sewer</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>1</b>	<b>10</b>	<b>1</b>	<b>10</b>	<b>1</b>	<b>10</b>	<b>0</b>	<b>9</b>	
Utilities Superintendent	1		1		1		1		1		1		1		1		1		1	
Asst Superintendent	2		2		2		2		2		2		2		2		2		2	
Seasonal Staff												1		1		1				
Operator	7		7		7		7		7		7		7		7		7		6	
<b>Utility Billing &amp; Collection</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>2</b>	
Utility Billing Supervisor	1		1		1		1		1		1		1		1		1		1	
Assistant	1		1		1		1		1		1		1		1		1		1	
Secretary (cashier/receptionist)	1		1		1		1		1		1		1			1		1		
<b>Total - Full Time</b>	<b>79</b>	<b>68</b>	<b>79</b>	<b>68</b>	<b>79</b>	<b>68</b>	<b>79</b>	<b>68</b>	<b>79</b>	<b>68</b>	<b>79</b>	<b>69</b>	<b>78</b>	<b>71</b>	<b>79</b>	<b>73</b>	<b>79</b>	<b>72</b>	<b>67</b>	<b>7</b>
<b>Total - Part Time (FTE equivalent)</b>		<b>34</b>		<b>34</b>		<b>34</b>		<b>34</b>		<b>34</b>		<b>35</b>		<b>36</b>		<b>37</b>		<b>36</b>		<b>3</b>
	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09										

## Notes

FTE = Divide total number of part time positions by 2  
 City Administrator and City Clerk positions combined in 2002  
 Building Official-zoning code enforcement secretary became a secretary position in FY 05 to be shared with Police Department  
 Fire Department uses part time positions to fill gaps  
 Parks and Public Works Director is one person