

Lower Paxton Township

Strategic Management Planning Program

Project Report / March 2023



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March 14, 2023

Lowman S. Henry, Chairman
Members of the Board of Supervisors
Lower Paxton Township Municipal Center
425 Prince Street
Harrisburg, PA 17109

Subject: Management and Financial Assessment

Dear Chairman Henry and Members of the Board of Supervisors:

We are pleased to present this management and financial assessment for Lower Paxton Township. This report includes a detailed review of the Township's current finances and financial practices, as well as review of the Township's departments and their operations.

The recommendations included in this report are designed to help the Township stabilize its finances and streamline service delivery as part of the Township's involvement in the Pennsylvania Department of Community and Economic Development's (DCED) Strategic Management Planning Program (STMP) to assist in the development of a short- and long-term fiscal and operational plan. These recommendations also describe opportunities to define the organization's strategic goals more clearly and to restructure some Township services to better achieve those goals and enhance efficiency. Applicable industry standards and best practices were utilized in conjunction with input and information provided by Township staff to formulate these recommendations.

We are confident that these recommendations can serve as a framework for solidifying the Township's financial position, improving operational performance, and making strategic resource allocation decisions. Implementation of the recommendations will require careful coordination among the departments involved in this study.

Thank you for the opportunity to work with Lower Paxton Township.

Sincerely,

A handwritten signature in black ink that reads 'Michelle Ferguson'.

Michelle Ferguson

Vice President - Organizational Assessment

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Executive Summary

We live in unprecedented times and our society is confronted with unprecedented demands. Our units of local government are on the front line of this struggle, identifying emergent issues while continuing to meet community needs, all within constrained fiscal resources. The leadership and management team in Lower Paxton Township recognized the need to supplement their existing proactive management review and changes with an objective review of services and performance.

The Township solicited financial support for this review through the Commonwealth of Pennsylvania, Department of Community and Economic Development's Strategic Management Planning Program. The purpose of the program is to establish short- and long-term financial and managerial objectives that will strengthen the fiscal capacity of the municipal government along with the integration of long-term community and economic development strategies that strengthen the area's tax base.

To develop and implement a multi-year financial management program and associated strategies, the Township identified the following general objectives for the review:

- Strengthen multi-year financial planning processes for the Township
- Assist the Township to identify and address financial issues
- Develop the internal capacity of the Township to develop, adopt, monitor, and implement multi-year financial plans and programs with the annual budget process
- Assess current and potential revenue sources
- Conduct related management studies to improve the management, financial administration, operations, and economic development activities of the Township
- Identify and adopt appropriate management best practices to develop and support the Township's financial stability
- Provide a mechanism for the Township to identify short- and long-term goals and objectives for adoption and implementation
- Consider opportunities for inter-municipal and regional cooperation and cost-sharing among area local governments

To support these objectives, the Township contracted with Raftelis to complete a fiscal and organizational assessment of Township operations and administration. The assessment that follows in this report seeks to build on the previous efforts of Township leadership and management to reimagine their services and results. Each of the recommendations that follow are designed to support the organization's capacity to respond to operational challenges that both currently exist as well as those that may develop in the future. To this end, this assessment identified strategies for initiatives that will support the organization's ability to achieve the Township's vision, enhance the financial and performance data available for the organization to inform policy and resource allocation decisions, and improve business processes and management strategies across Township departments to enhance the organization's ability to provide high levels of service to the community.

The following table provides a summary of the recommendations contained in this assessment by topic area.

Table 1: List of Report Recommendations

Number	Recommendation
STRATEGY, PLANNING & PERFORMANCE	
1	Update the Township's Strategic Plan to update/re-establish a mission, identify key focus areas, and set goals for the future.
2	Increase performance reporting activities at the department level.
3	Develop system requirements and consider replacement of Authority billing and financial management program.
4	Regularly update all SOPs to reflect changes in circumstances and requirements.
5	Pursue Phase II STMP funding to advance identified recommendations outlined in this report.
RESOURCE MANAGEMENT	
6	Conduct a Township-wide class and compensation study to realign staff resources and commitments to support effective Township operations in the future.
7	Conduct a cost allocation study to assess appropriate charges for internal services.
8	Consider standardizing cost allocation practices.
9	To meet exigent or emergency situations, develop policy and standard practice documentation supporting alternative schedules and work arrangements for management and staff.
10	Formalize grant development, management, and reporting capabilities to use available grant resources more effectively.
11	Develop a program for periodic review and assessment of contracted efforts using third-party vendors to review costs, performance, and alternative sources.
12	Develop an effective capital planning approach to support issue identification, prioritization, and asset development and/or replacement.
FINANCE	
13	Transition to an online payroll system.
14	Review the current methodology for determining and processing reimbursements from the Sewer Authority to the Township for services provided.
15	Consolidate and integrate acceptance of electronic payments across the Township enterprise.
HUMAN RESOURCES	
16	Implement processes for position control.
17	Review and update Township position descriptions and the employee handbook.
18	Develop procedures to communicate and advise management and staff regarding personnel changes.
19	Assess employee training needs and develop a list of recommended training programs and resources to implement.
INFORMATION TECHNOLOGY	
20	Review resource allocation and service approach for Township information technology services.
21	Enhance cybersecurity program to safeguard Township data systems, data security, and operational sustainability.
22	Develop a proactive replacement cycle and funding plan for Township IT equipment.
PARKS & RECREATION	
23	Conduct a salary study of seasonal Parks employees and adjust wages to align with market rates.
24	Elevate the visibility of Parks & Recreation programs.
COMMUNITY DEVELOPMENT	
25	Conduct a software evaluation to determine if Municipality is meeting the Community Development Department's needs.

Number	Recommendation
26	Provide appropriate and effective technology resources to support Community Development field operations.
27	Address handling of customer service issues with Waste Management.
28	Develop a business plan for the Township compost facility.
29	Improve building permit processing by incorporating online application components.
30	Explore options to better resource the Department's building inspection function.
31	Re-frame economic development approach and business plan for economic development function.
32	Pursue a customer relationship management (CRM) system to better manage community and stakeholder engagement.
POLICE DEPARTMENT	
33	Utilize Community Engagement Team (CET) towards minimum staffing during peak leave periods to maintain minimum staffing.
34	Enhance data collection for investigations.
35	Conduct a facility and space needs assessment of the Police Headquarters.
36	Department should pursue process and technology improvements to increase productivity.
PUBLIC WORKS DEPARTMENT AND SEWER AUTHORITY	
37	Restructure the Sewer Authority and Public Works Department under a single entity.
38	Pursue seasonal staffing or contracting opportunities for mowing services to reallocate Public Works staff towards roadway and stormwater projects.
39	Evaluate adding staff to the Public Works Department dedicated to Township-wide capital planning and facility maintenance.
40	Develop a safety training program for Sewer Authority and Public Works staff.
41	Develop a proactive sign replacement cycle and funding plan for signs throughout the Township including reflectivity standards.
42	Implement a shared work order system between the Sewer Authority and Public Works Department that allows for the tracking of preventative maintenance.

Introduction

Background and Methodology

In 2021, Lower Paxton Township received funding from the Pennsylvania Department of Community and Economic Development's Strategic Management Planning Program to assist in the development of a fiscal and operational plan. Raftelis was chosen to complete an in-depth review of the Township's financial position and operational reviews of each department to develop a multi-year financial forecast and identify opportunities for process improvements.

This review effort was comprised of two main elements. The first was a fiscal analysis to develop understanding of the current financial status of the Township, develop a multi-year forecast of financial condition given identified operational demands, and identify financial management issues with associated recommendations. The second element involved management and operations reviews of the various Township departments to identify opportunities for improved planning, management, resource allocation, and operational performance. It is important to note that an assessment of the challenges associated with staffing volunteer fire companies and delivering EMS services in the Township was not a part of this review. However, these issues merit further evaluation which the Township is pursuing through a separate assessment.

The methodology for the fiscal analysis involved a review of the Township's annual budgets, year-end financial reports, independent audits, debt payment schedules, pension obligations, collective bargaining agreements, and other relevant information impacting the current and future financial condition of the Township. This assessment included the following key activities:

- Analyzed the Township's financial history from Fiscal Years 2017 through 2021, focusing on factors such as revenues, expenditures, operating positions, and debt structure.
- Assessed historical financial data and the adopted FY2022 budget in relation to ongoing operations, collective bargaining agreements, other salary and benefit requirements, accounting relationships among operating, capital, and enterprise funds, and other obligations of the Township.
- Reviewed all tax bases, major user fees, and other revenue sources.
- Projected, to the extent possible based on known factors and available data, revenues and expenditures for FY2023 through FY2027 assuming current service and staffing levels remain unchanged. The goal of these projections is to aid Township management staff in anticipating potential deficits and identify proactive steps to address any expected shortfalls.
- Made recommendations to assist the Township in developing and improving its financial management policies and processes.

The methodology of the operations assessment included individual interviews with Township executive management, key staff throughout the organization, and a review of a significant number of documents and other materials provided by Township staff, such as budgets, work plans, performance data, and various other staffing and operational information from each department.

This report details the findings, analysis, and recommendations that, once implemented, will assist the Township in developing and improving its financial management policies and processes and enhance the delivery of services. Some recommendations are designed to reduce expenses and others are designed to modernize the organization's resources, practices, and procedures. These recommendations are specific and action-oriented and will help the Township improve its long-term financial sustainability.

About Lower Paxton Township

Lower Paxton Township is a township of the second class located in Dauphin County, Pennsylvania, approximately three miles northeast of the state capital of Harrisburg. Its population is 53,501, according to the 2020 Census, which represents an increase of 12.9% from the 2010 Census (47,360). As of the 2019 American Community Survey, Lower Paxton's median age is 41.2 years old, median household income is \$70,814, median home value is \$196,600, and 7.3% of individuals within the community fall below the poverty line. Approximately 68% of homes are owner-occupied, which is in line with the state average. Most community members identify as White (72.2%), with another 15.7% identifying as Black or African American, 7.5% identifying as Asian, and 3.4% identifying as two or more races. Approximately 5.4% of Lower Paxton residents also identify as Hispanic or Latino.

The Township has a Council-Manager form of government, and its governing body consists of a five-member Board of Supervisors. All five supervisors are elected at-large and serve six-year terms. The Township's FY2021 General Fund Budget is \$26,188,706 and its Total Annual Budget is \$73,302,711.

As the legislative body of Lower Paxton, the Board of Supervisors is responsible for enacting the ordinances and laws governing the Township. Under the Council-Manager form of government, the Township Manager oversees the day-to-day operations of the Township and supervises all staff except those appointed directly by the Board of Supervisors, including the Engineer and Solicitor.

Departments overseen by the Township Manager include Administration (Communications, Human Resources, IT, and the Manager's Office), Finance, Community Development, Parks & Recreation, Police, Public Works, and Sewer. These seven departments are served by 149 full-time equivalent (FTE), 3 part-time, and seven seasonal employees.

Fire protection and emergency medical services (EMS) supporting Lower Paxton Township are provided by external agencies. They were not a component of this review. The Township receives fire protection services from three volunteer fire companies – Colonial Park Fire Company serving the southwest portion of the Township, Linglestown Fire Company serving the northern portion of the Township, and Paxtonia Fire Company serving the southeast portion of the Township. Each Fire Company has also developed areas of specialization that support the entire Township, as well as other geographic areas. The three fire companies also respond to mutual aid requests throughout the service area.

EMS supporting Lower Paxton Township are provided by South Central EMS, Inc. South Central EMS provides Advanced Life Support (ALS) and Basic Life Support (BLS) services to eight municipalities in Dauphin County, Pennsylvania. Their primary 9-1-1 response area includes Lower Paxton, East Hanover, and West Hanover Townships, and the northern section of South Hanover Township in Dauphin County, Pennsylvania. Their primary response area increased in July 2003, to include the Boroughs of Middletown, Royalton, and Highspire. In addition, South Central EMS provides ALS service to Londonderry Township. All emergency coverage is provided 24 hours a day, 365 days a year.

As a private ambulance service, South Central EMS bills for services using approved rates. They also provide a subscription option allowing Township residents to subscribe to the service for lower transport and treatment costs if needed. Patients are responsible for arranging for payment for services using insurance programs or personal funds.

Like all volunteer fire protection operations, the fire companies serving Lower Paxton Township are challenged with attracting, training, and retaining qualified volunteers. The increasing costs associated with operations, capital

equipment and facilities, as well as related administrative costs related to training requirements have led the Township to consider alternative financing and operational approaches. The Township has initiated a reassessment of current approaches including the possible augmentation of the existing volunteer crews with career fire staff for command and part-time firefighters. The Township has implemented a 0.175 mill increase to the current Fire Protection Tax of 0.4615 mills to provide new fire apparatus, an independent study of fire and emergency medical services, the hiring of a Deputy Fire Chief to oversee implementation of the study’s recommendations, as well as development of a long-range plan for Lower Paxton Township’s emergency services.

STRUCTURE

Lower Paxton Township currently maintains a relatively flat organizational structure. Primary management responsibilities for Township departments are supported by direct reports of directors/managers to either the Township Manager or to the recently created position of Assistant Township Manager/Finance Director. The relative oversight load is reasonable for the two positions. Proposals in the recommendations that follow may require the Township to reconsider these assignments to support organizational effectiveness. The figure below shows the organizational chart for Lower Paxton Township.

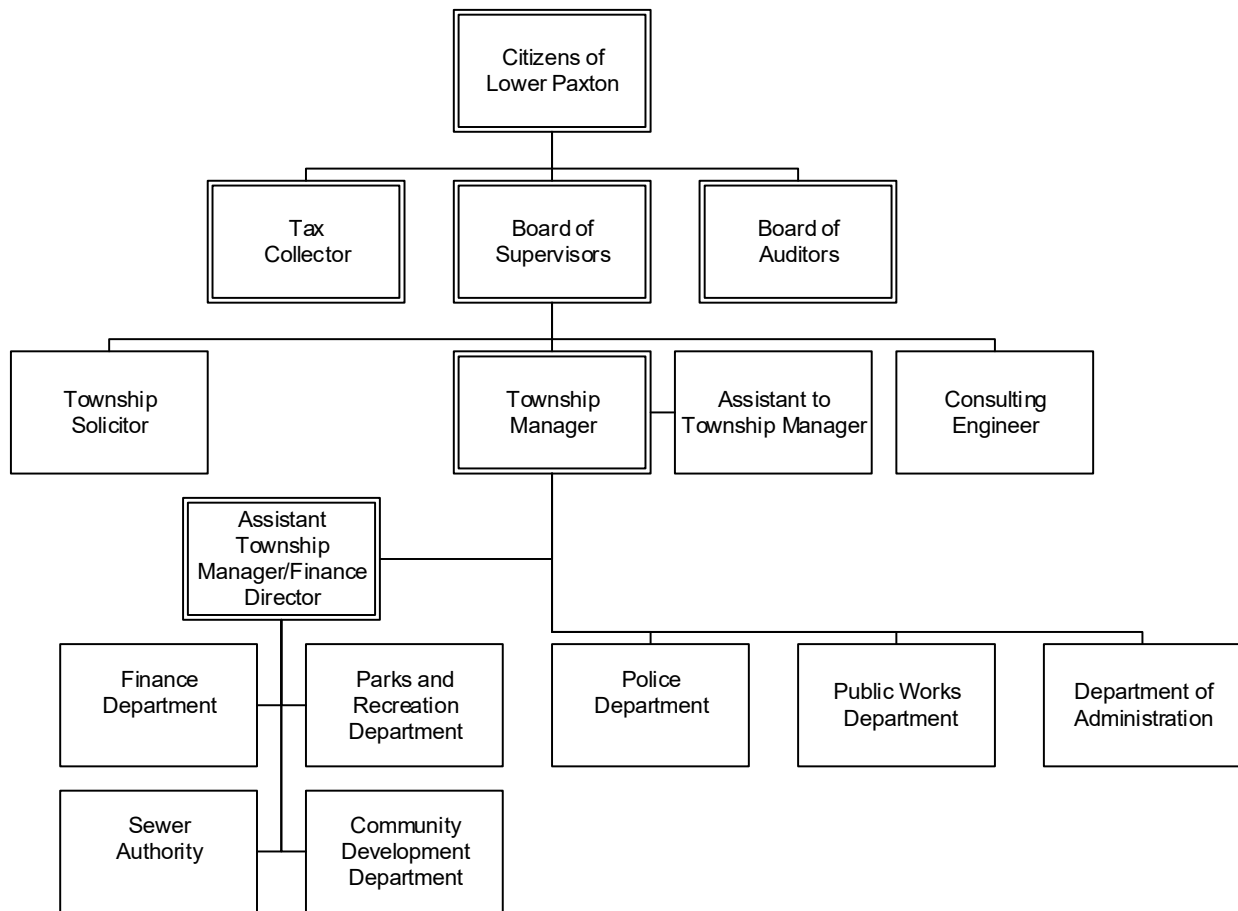


Figure 1: Lower Paxton Township Organizational Chart, FY2022

STAFFING

With a continuing focus on fiscal responsibility and accountability, the Lower Paxton Township Board of Supervisors has been reticent to create new positions and additional financial burden to the community. The current staff allocations by department are identified in the table below.

Table 2: Authorized Staffing Level by Department, FY2022

Department	Budgeted Full-Time Positions	Budgeted Part-Time Positions	Total FTE
Administration	8	2	9.0
Township Manager	1		1.0
Admin Asst to Manager	1		1.0
Human Resource Manager	1		1.0
Information Technology Manager	1		1.0
GIS Technician	1		1.0
Communication Manager	1		1.0
Receptionist - Administration	2		2.0
Maintenance Person		2	1.0
Finance	4	0	4.0
Asst Township Manager/Finance Director	1		1.0
Finance Manager	1		1.0
Accounts Payable/Receivable Spec	1		1.0
Payroll Specialist	1		1.0
Community Development	5	0	5.0
Community Development Director/Zoning Officer	1		1.0
Codes Enforcement	2		2.0
Secretary	1		1.0
Economic Development Coordinator	1		1.0
Parks & Recreation	5	1	5.5
Parks & Recreation Director	1		1.0
Program Manager	2		2.0
Business Office Supervisor	1		1.0
Clerk	1		1.0
Special Events Coordinator		1	0.5
Public Works	32	0	32.0
Public Works Director	1		1.0
Operations Manager	1		1.0
Foreman	1		1.0

Department	Budgeted Full-Time Positions	Budgeted Part-Time Positions	Total FTE
Equipment Operator	3		3.0
Sign Maintenance Technician	1		1.0
Mechanic	3		3.0
Truck Driver	7		7.0
Laborer	14		14.0
Secretary	1		1.0
Police	69	0	69.0
Public Safety Director	1		1.0
Deputy Chief	1		1.0
Captain	1		1.0
Lieutenant	1		1.0
Sergeant	4		4.0
Corporal	6		6.0
Police Officer	47		47.0
Community Service Officer	1		1.0
Logistics Administrator	1		1.0
Evidence/Property Room Tech	1		1.0
Operational Support Agent	1		1.0
Business Office Supervisor	1		1.0
Clerk	2		2.0
Secretary	1		1.0
Sewer	26	0	26.0
Sewer Director	1		1.0
Engineer	1		1.0
Operations Supervisor	1		1.0
Project Coordinator	1		1.0
I&I Coordinator	1		1.0
Inspector	4		4.0
Crew Leader	2		2.0
Equipment Operator	1		1.0
Maintenance Mechanic I	1		1.0
Maintenance Mechanic II	6		6.0
Meter Technician	1		1.0
Accountant	1		1.0
Clerk	2		2.0

Department	Budgeted Full-Time Positions	Budgeted Part-Time Positions	Total FTE
Secretary	2		2.0
Engineering Field Tech (splits time with Public Works)	1		1.0
Total	149	3	150.5

Financial Analysis Summary

Two important components of the Strategic Management Planning Program are the Financial Condition Assessment and Financial Trend Analysis. The Financial Condition Assessment entails reviewing a minimum of five fiscal years of financial data for all Township funds to establish a historical financial baseline. The Financial Trend Analysis draws upon the findings of the Financial Condition Assessment, as well as other factors explained later in this section, to project future revenue, expenditure, economic, and demographic trends for the next five fiscal years. In addition to this report, Raftelis has provided the Township with a Microsoft® Excel-based financial model which includes the historical and forecast analyses. The following sections summarize key historical findings and projected financial trends identified through both analyses.

FINANCIAL CONDITION ASSESSMENT

To determine Lower Paxton's historical financial condition, Raftelis reviewed financial data for the Township's operating, special revenue, and capital funds from FY2017 to FY2021. This analysis also assessed the historical conditions of the two enterprise funds supporting the Sewer Authority and Stormwater Authority, which are the independently governed public entities providing sewer and stormwater services to the Lower Paxton community. Both the Sewer Authority and Stormwater Authority have a unique financial relationship with the Township, whereby personnel and equipment costs for both authorities are borne by the Township's General Fund. The Township is later reimbursed for these expenses via interfund transfers from the Sewer and Stormwater funds. The Township also issues general obligation bonds on behalf of both authorities. Fiduciary funds managed by the Township on behalf of its employees were not included in the scope of this analysis.

The General Fund is the Township's major operating fund and is used to account for general governmental expenses such as public safety and recreation programs. From FY2017 to FY2021, General Fund revenue increased by 23%, due to steady tax base growth and an influx of CARES Act funding in response to the COVID-19 pandemic. In FY2021, General Fund revenue totaled \$27,680,473, with taxes accounting for approximately 66% of that total. From FY2017 to FY2021, total tax revenue grew by approximately \$2,643,736.35, or 15%. The following details the historical financial trends associated with these tax revenue sources:

- **Real Estate Tax Revenue** – Real Estate Tax revenue accounted for 32% of the Township's FY2021 tax revenue. Real Estate Tax revenue grew at an average annual rate of 1.8% from FY2017 through FY2021, during which time the general and library service tax levies remained flat. Of the current levy, 1.554 mills are allocated to the General Fund, 0.6365 mills for fire protection, and 0.350 mills for library service, for a total of 2.2315 mills.
- **Earned Income Tax (EIT)** – EIT revenue has increased by \$1,467,973.57, or an average of 4.8%, per year over the historical period. Lower Paxton Township levies an annual EIT rate of 2.0%, with 1.5% allocated to the Central Dauphin School District and 0.5% to the Township.
- **Local Services Tax (LST)** – The Township levies a Local Services Tax of \$52 per year on residents and non-residents working within the Township. LST revenue has remained relatively consistent over the historical period, decreasing by an average of -0.4% annually.
- **Real Estate Transfer Tax** – Lower Paxton levies a 1.0% real estate transfer tax, with 0.5% allocated to the Township and 0.5% allocated to the school district. The Real Estate Transfer Tax is levied on all real estate market transactions in the Township. Real Estate Transfer tax revenue increased substantially over the historical period, an average of 12.3% annually, largely due to a surge in home values in the Harrisburg region beginning in early 2021.

License, permit, and general recurring aid represented 25.8% of total General Fund revenue in FY2021. This revenue is primarily comprised of a cable franchise fee, permit and license fees, and municipal lease revenue. License, permit, and general recurring aid revenue has grown substantially over the historical review period, increasing by \$1,976,592.65, or 38.2%, since FY2017. Federal, State, and County revenue represented 4.3% of General Fund revenue in 2021, and includes sources such as state pension aid, grant revenue, and reimbursements from other government agencies for services rendered. Excluding the CARES Act funds received in FY2020, General Fund intergovernmental revenue has remained stable from FY2017 to FY2021, with an average annual increase of 2.4%. This modest increase is primarily attributable to higher than anticipated state recycling grant funding in recent years.

The following table summarizes the Townships historical revenue trends by budget category.

Table 3: General Fund Revenues by Category, FY2017 – FY2021

Revenue Category	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY17-FY21 \$ Change	FY17-FY21 % Change
Taxes & Fees	15,515,149.30	15,924,938.21	15,958,321.76	16,603,061.54	18,158,885.65	2,643,736.35	17%
General Recurring Aid and other Revenues	5,176,724.79	5,228,373.73	6,416,545.67	9,421,967.78	7,153,317.44	1,976,592.65	38%
Police	362,091.70	414,827.12	401,123.48	420,919.08	488,865.15	126,773.45	35%
Code Enforcement	621,360.43	646,610.56	1,037,721.23	810,445.25	1,003,006.84	381,646.41	61%
Planning & Zoning	225,542.11	319,092.20	292,433.12	289,955.65	364,547.84	139,005.73	62%
Health & Sanitation	305,334.24	154,929.42	193,778.25	185,651.62	256,601.45	(48,732.79)	-16%
Public Works	35,578.18	36,158.40	38,956.67	75,240.95	85,574.92	49,996.74	141%
Parks & Recreation	197,503.91	160,519.73	254,522.07	147,637.28	191,781.09	(5,722.82)	-3%
Transfers	-	-	-	-	(22,107.04)	(22,107.04)	-
Total Revenue	22,439,284.66	22,885,449.37	24,593,402.25	27,954,879.15	27,680,473.34	5,241,188.68	23%

In FY2021, General Fund expenditures totaled \$26,263,393, representing a \$3,917,721, or 17.5%, increase over FY2017 spending. This increase is largely attributable to increases in police and employee benefit spending. Notable historical expenditure trends by function are discussed in further detail below:

- **Police Department** – Police Department expenditures represented 27.7% of General Fund spending in FY2021. This spending is primarily comprised of personnel and equipment expenses. Police spending grew by \$1,044,645, or approximately 17%, from FY2017 to FY2021 because of staffing and salary increases.
- **Employee Benefits and Taxes** – Spending on benefits for all Lower Paxton Township employees are aggregated at the Township level and accounted for 26.5% of General Fund expenditures in FY2021. Benefit spending grew by \$846,231, or roughly 14%, from FY2017 to FY2021 due to increases in minimum pension obligations and medical insurance premiums.
- **Sewer & Stormwater** – Expenditures on behalf of the Sewer and Stormwater authorities made up 7.9% of FY2021 General Fund spending. General Fund expenses are reimbursed by both authority funds, as explained previously. Personnel costs appear to be the driving factor behind the \$717,194 (52%) increase in expenditures from FY2017 to FY2021.

- **Community Development** – Community Development expenditures represented 3.7% of General Fund spending in FY2021. This spending is primarily comprised of personnel costs, equipment costs, and professional fees. Community Development spending grew by \$321,893, or approximately 49%, from FY2017 to FY2021 due to increased fees for third party building inspection and engineering services.
- **Other General Fund** – Other expenditures accounted for 3.2% of General Fund spending in FY2021. These consisted of liability/casualty insurance premiums and transfers to other Township funds. Miscellaneous expenditures grew by \$542,766, or roughly 142%, from FY2017 to FY2021 as a result of increased transfers to the General Improvements Fund associated with various capital projects.

The following table summarizes General Fund expenditure trends by budget category from FY2017 to FY2021.

Table 4: General Fund Expenditures by Category, FY2017 – FY2021

Expenditure Category	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Actual	FY17-FY21 \$ Change	FY17-FY21 % Change
Administration	1,186,487.22	1,299,198.97	1,267,006.53	1,197,298.96	1,233,068.03	46,580.81	4%
Tax Collector	31,604.42	36,948.46	31,018.62	30,824.09	35,094.83	3,490.41	11%
Solicitor	135,270.98	117,464.58	106,820.50	116,695.85	70,544.60	(64,726.38)	-48%
Building Maintenance	118,603.11	143,107.84	132,514.33	117,595.90	115,746.02	(2,857.09)	-2%
Police	6,238,162.22	6,467,222.54	6,885,409.49	6,665,687.66	7,282,807.43	1,044,645.21	17%
Fire & EMS	1,096,174.24	1,057,786.40	1,152,527.92	1,153,131.00	1,267,076.78	170,902.54	16%
Emergency Management	2,176.20	(1,535.60)	275.65	3,670.00	490.91	(1,685.29)	-77%
Shade Tree Commission	1,800.43	767.46	664.76	401.75	320.73	(1,479.70)	-82%
Community Development	655,216.00	718,951.27	733,579.50	856,598.06	977,108.70	321,892.70	49%
Recycling	197,470.65	183,787.93	158,595.84	135,688.29	154,681.75	(42,788.90)	-22%
Solid Waste	42,993.64	18,243.84	29,888.30	42,648.51	(24,972.59)	(67,966.23)	-158%
Public Works	2,645,945.54	2,914,024.88	2,428,043.04	2,596,562.39	2,790,655.27	144,709.73	5%
Sewer	1,368,556.38	1,404,309.97	1,782,985.52	1,858,405.92	2,085,750.37	717,193.99	52%
Parks & Rec	488,997.31	544,220.02	464,133.96	355,768.50	513,451.68	24,454.37	5%
5000 Commons Dr (FCC Senior Center)	-	-	-	125,000.00	275,241.34	275,241.34	-
Library	122,876.11	126,262.97	135,154.02	129,337.90	142,697.52	19,821.41	16%
Debt Service	1,610,878.57	1,611,717.32	1,616,964.82	1,647,683.96	1,552,173.23	(58,705.34)	-4%
Transfers	-	-	-	-	-	-	-
Employee Benefits	6,107,054.23	6,208,481.21	7,383,458.19	6,685,322.38	6,953,285.94	846,231.71	14%
Other General Fund	295,404.55	636,524.58	511,163.02	1,195,421.08	838,170.59	542,766.04	184%
Total Expenditures	22,345,671.80	23,487,484.64	24,820,204.01	24,913,742.20	26,263,393.13	3,917,721.33	18%

The following figure illustrates both revenues and expenditures, as well as annual surpluses and deficits, during the historical period.

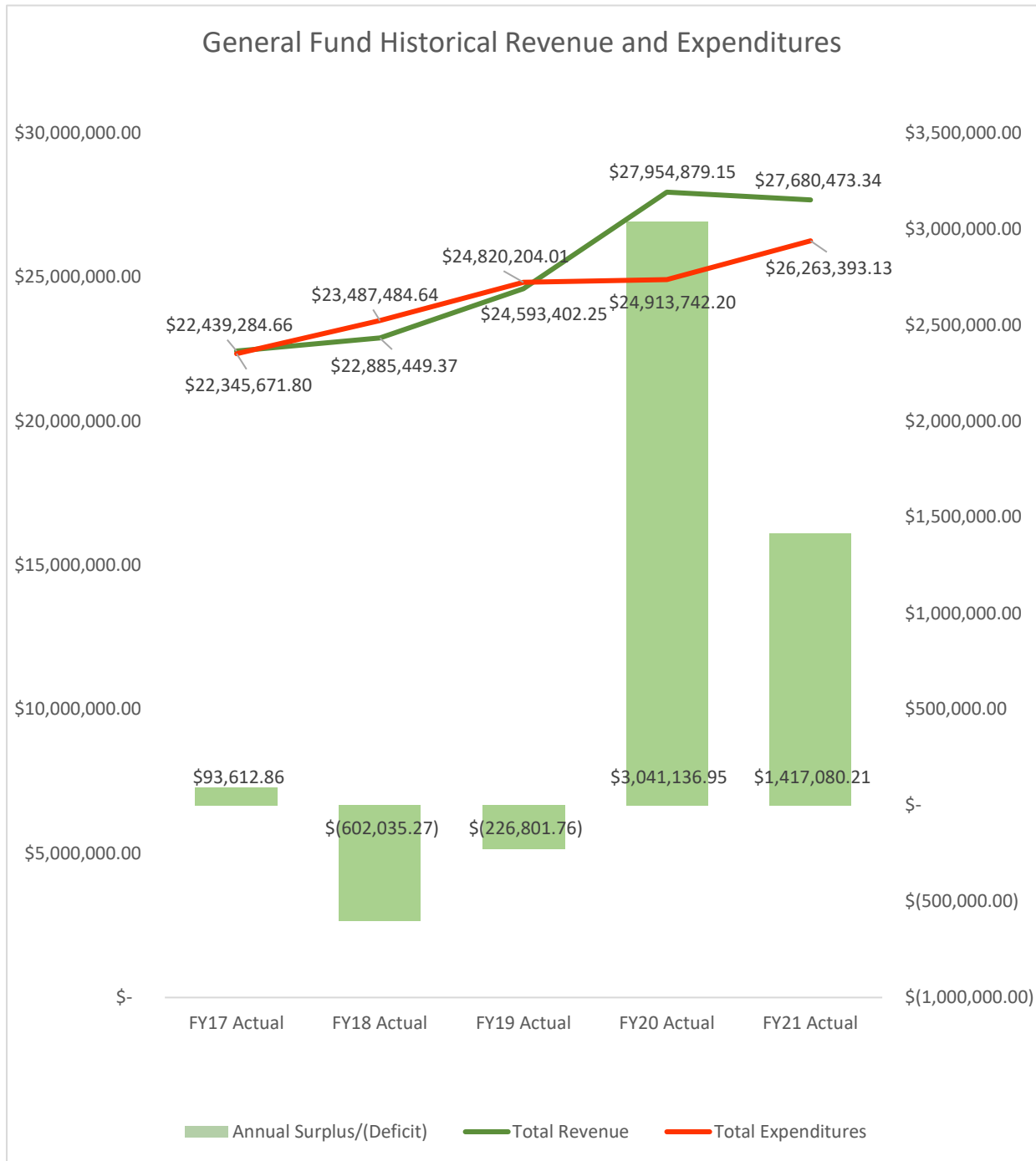


Figure 2: General Fund Historical Overview FY2017-21

Overall, the historical analysis indicates the Township effectively controlled General Fund spending to remain within revenue constraints during a highly volatile and uncertain period for local governments. From FY2017 to FY2021, revenue growth exceeded expenditure growth by 5%, fueled in part by the federal relief funds referenced previously and growing real estate transfer tax revenue primarily driven by the highly variable and unpredictable commercial

sales market. The General Fund ended FY2021 with a fund balance of \$8,537,339.66, which is a reliable indication of the Township's sound financial condition during the historical period.

FINANCIAL TREND ANALYSIS

The process of developing five-year financial projections typically involves two major activities: analysis of historical financial trends and assessment of available data impacting future expenditures, such as labor agreements, debt service schedules, and other contract items. This analysis also considered various economic factors affecting the Harrisburg region, including historical inflationary data from the Bureau of Labor Statistics (BLS) Consumer Price Index. Raftelis performed an analysis of these factors and developed baseline assumptions which were reviewed and refined with the Township's executive management team. These financial projection assumptions are all applied to FY2022 budgeted figures. The following details the revenue and expenditure assumptions used to develop a five-year financial model spanning FY2023 to FY2027 for the General Fund, General Improvements Fund, Highway Liquid Fuels Fund, Fire Protection Tax & Equipment Fund, Sewer Authority Fund, and Stormwater Authority Fund.

Tax and Fee Revenue

- Real Estates Taxes are assumed to increase by 1.31% annually over the forecast period. This is the Township's preferred increase factor identified through prior analyses.
- Real Estate Transfer Taxes are assumed to remain flat at the FY2022 budgeted amount for the duration of the forecast period.
- Earned Income Taxes are assumed to increase at a rate of 3% per year. This is the Township's preferred increase factor identified through prior analyses.
- Local Services Taxes are assumed to remain flat at the FY2022 budgeted amount for the duration of the forecast period.
- Other minor sources of Tax and Fee revenue are assumed to remain flat remain flat at the FY2022 budgeted amount for the duration of the forecast period.

General Recurring Aid and other Revenue

- Most revenue sources falling under General Recurring Aid and Other Revenue are assumed to remain flat during the forecast period based on historical performance.
- Two exceptions to this assumption include the management reimbursements from the Sewer and Stormwater authorities for personnel and services rendered. These reimbursements are forecasted using a specific calculation to account for projected salary increases over the forecast period. The basis for these calculations can be reviewed in the "Sewer Reimbursement Forecast" and "Stormwater Reimbursement Forecast" tabs of the financial forecast model spreadsheet.

Intergovernmental Revenue

- Recurring Federal, State, and County revenue, except for the Recycling Program Grant revenues from the Commonwealth, are assumed to remain flat at the FY2022 budgeted amount for the duration of the forecast period.
- Per the Community Development Director, Recycling Program Grant revenue should be projected at \$152,000 in FY2023 and then remain flat at \$80,000 annually from FY2024 to FY2027.
- Revenue assumptions for intergovernmental grants for capital projects are based on individual project expenditure plans.

Other Revenue

- No interfund transfer revenues are projected during the forecast period unless required to meet the Township's minimum municipal pension obligations for select fiduciary funds.

As referenced previously, expenditure projections for the forecast period are based on a variety of collective bargaining, debt service, contract, and inflationary factors. The inflationary factors used in the financial forecast model include five-year Consumer Price Index-Urban (CPI-U) historical averages for the Philadelphia-Camden-Wilmington region. To forecast future expenditures as specifically as possible, the forecast model tailors inflationary projections to associated line item using one of the following five CPI-U categories:

- All items – 1.9%
- Commodities – 2.4%
- Gasoline – 9.4%
- Energy – 0.4%
- Vehicles – 5.6%

Additionally, the financial forecast model projects certain expenditures using cost increase factors identified through analyses previously performed by financial auditors or Township staff. For instance, the forecast model assumes medical insurance premiums paid by the Township will increase by 6.5% annually, a figure previously verified by the Township which was used in crafting the current adopted budget. The use of preferred rates to forecast certain expenditure lines enhances the utility of this analysis by ensuring consistency between the forecast model created by Raftelis and the Township’s current financial practices.

The key expenditure assumptions are summarized below by expenditure type:

- **Employee Salaries** – Projected salaries for Township employees are based on five-year historical averages from FY2018 to FY2022. The historical averages for union employees were determined using five years of historical collective bargaining data, while salaries for administrative employees were forecasted using five years of Compensation Program & Performance Appraisal System (CPPAS) data. Non-administrative and non-union employee salaries are assumed to increase proportionally with administrative salaries during the five-year forecast period. Part-time and intern wages are projected to increase based on the 5-year historical CPI average. The following table details these projected annual salary increases by bargaining unit and non-union categories.

Table 5: Salary Increase Assumptions by Category/Bargaining Unit, FY2023-FY2027

Category/Bargaining Unit	FY2023	FY2024	FY2025	FY2026	FY2027
Administration (CPPAS)	2.4%	2.4%	2.4%	2.4%	2.4%
Non-Union, Non-Admin	2.4%	2.4%	2.4%	2.4%	2.4%
Police Department	2.3%	2.3%	2.3%	2.3%	2.3%
Public Works	2.7%	2.7%	2.7%	2.7%	2.7%
Clerks & Custodians	2.7%	2.7%	2.7%	2.7%	2.7%
Sewer Authority	2.7%	2.7%	2.7%	2.7%	2.7%
Part-Time/Intern	1.9%	1.9%	1.9%	1.9%	1.9%

- **Employee Benefits** – Assumptions about benefits spending over the forecast period vary by benefit type. As referenced previously, the Township’s medical insurance premiums are projected to increase using the Township’s preferred cost increase factor. Long-term disability, short-term disability, workers compensation, and life insurance, as well as prescription drug card benefits for union staff, are expected to increase at the same rate as their respective average annual increases over the last five-years. This is because expenditures

for these items were relatively stable over the forecast period. The remaining benefit lines, including dental insurance, unemployment, and unemployment compensation, are assumed to remain flat at the FY2022 budgeted amount for the duration of the forecast period.

- **Debt Service** – The financial forecast model assumes payments for all outstanding debt in accordance with established amortization tables. Additionally, new debt instruments are not projected to be issued by the Township during the forecast period. If the Township plans to issue additional debt within the next five fiscal years, it should refer to the Five-Year Financial Forecast Model Guide provided by Raftelis for instructions about adding new financial data to the model spreadsheet.
- **Contractual Obligations** – The financial forecast model assumes payments for all contractual services in accordance with provided payment schedules and terms, unless otherwise specified by the Township.
- **Commodities, Equipment & Professional Services** – Forecast assumptions for commodities, operational equipment, and third-party professional services are based on the relevant CPI-U inflationary category, unless otherwise specified by the Township.

Applying these revenue and expenditure assumptions to the FY2022 adopted General Fund budget indicates revenue is projected to grow 7.5% per year from FY2023 to FY2027. However, General Fund expenditures are projected to grow 9.5%, reversing the historical trend of revenue growth outpacing expenditure growth. This contributes to a projected structural imbalance over the forecast period, resulting in annual deficits which quickly reduce the available fund balance. According to these projections, the Township’s FY2022 beginning General Fund balance of \$8,537,339.66 is expected to diminish annually before going negative in FY2026, unless revenue increases or spending decreases.

Although the following figure shows growing annual deficits over each year of the forecast period, it is important to note that using the FY2022 adopted budget as the foundation for future financial projections is a key reason why the forecast model predicts a structural imbalance. Total budgeted revenues for FY2022 are roughly \$1.5 million less than total budgeted expenditures, a gap which the Township plans to fill using a fund balance that received several million dollars of unanticipated intergovernmental revenue in recent years. This windfall has given Lower Paxton the flexibility to pursue higher levels of spending in the current fiscal year, but steps will need to be taken to bring future expenditures back in line with available resources in the coming years. Balancing spending will also require identifying strategies to generate additional revenues to fund core services, and possibly pursuing increases to the Township’s comparatively low tax rates for the region. The following table details the Township’s Real Estate Tax and Earned Income Tax (EIT) rates, as well as those of several neighboring municipalities.

Table 6: Real Estate and Earned Income Tax Rates Among Neighboring Municipalities

Municipality	County	Municipal Millage	County Millage	School District Millage	Total Millage	Earned Income Tax Rate (%)	
						Municipal	School
City of Harrisburg	Dauphin	5.1600	7.2260	30.7800	43.1660	1.5%	0.5%
Abington Township	Montgomery	5.9220	4.3130	32.7200	42.9550	0.5%	0.5%
Susquehanna Township	Dauphin	4.2250	7.2260	19.9589	31.4099	0.5%	0.5%
Derry Township	Dauphin	2.5381	8.8760	19.4348	30.8489	0.5%	0.5%
Manheim Township	York	1.5000	6.9000	21.8000	30.2000	0.5%	0.5%
Swatara Township	Dauphin	3.6473	7.2260	17.4639	28.3372	0.5%	1.5%
Lower Paxton Township	Dauphin	2.2315	7.2260	17.4639	26.9214	0.5%	1.5%
Carlisle Borough	Cumberland	3.4950	2.3610	15.9729	21.8289	0.5%	1.1%

Hampden Township	Cumberland	0.1560	2.3610	10.8910	13.4080	0.5%	1.1%
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The Township has an experienced and tested executive leadership team applying a prudent financial management approach, and the historical forecast demonstrates the Township’s ability to create balanced financial plans. The forecast model provided with this report can be used as a tool to evaluate the impact of different strategies as the Township strives to build a sustainable financial future.

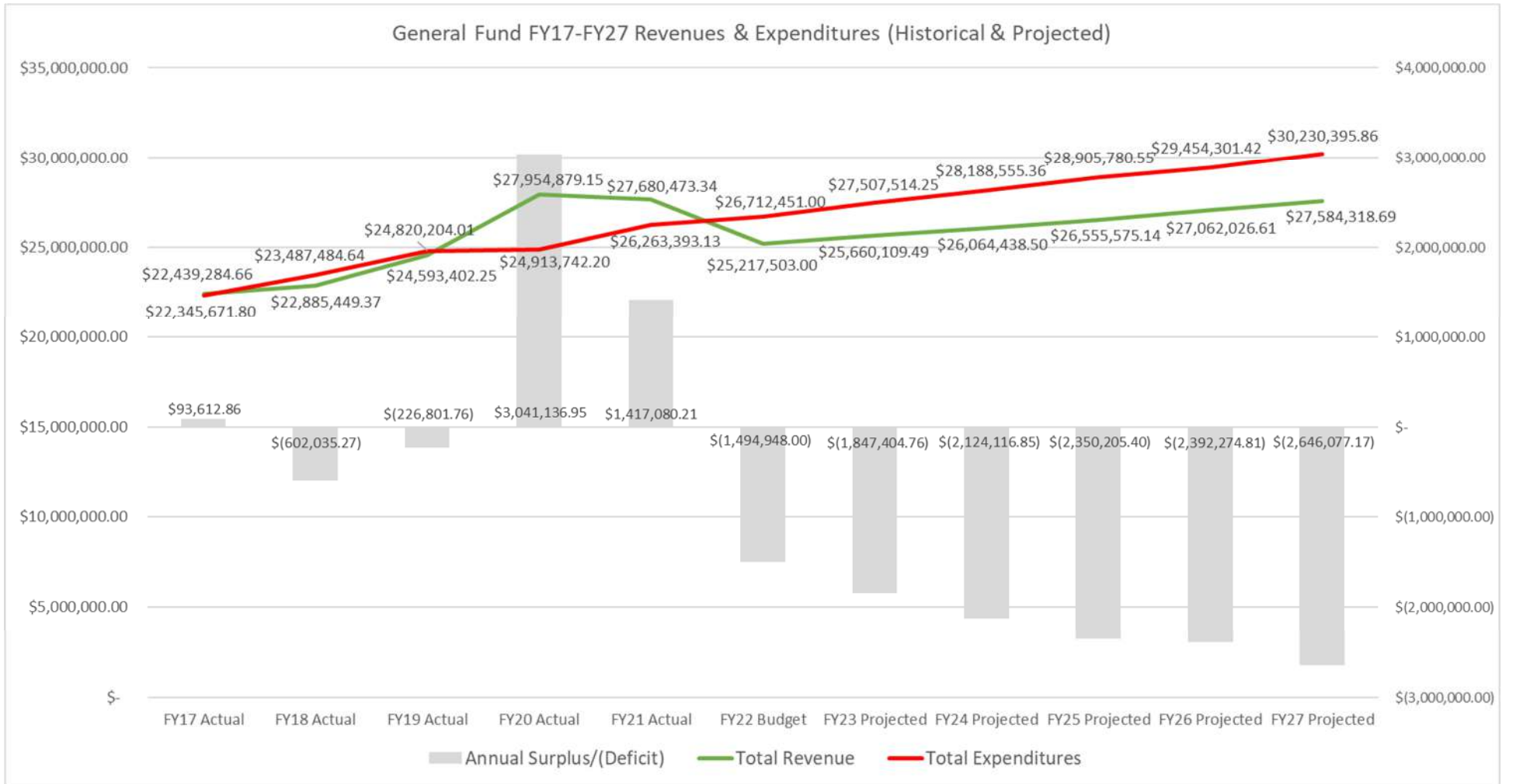


Figure 3: Historical and Projected General Fund Revenues and Expenditures

Organization-Wide Analysis and Recommendations

The financial analysis of the Township's available resources and requirements identifies an organization that has responded to issues and changing circumstances in a responsible and thoughtful manner. The recommendations that follow are meant to support that continuing effort by identifying policy, organizational, operational, and management changes that can position the Township to address continuing challenges as well as developing situations in the future.

In this report section, we consider changes that positively impact organizational strategy, planning, and performance. These issues include increased use of performance reporting and comprehensive development and maintenance of standard operating procedures to communicate organizational objectives and required processes to achieve desired results. This section also considers actions to improve the organization's resource management, ranging from reconsideration of current staffing plans and approaches to active management of external resources and their application to meet community demands.

STRATEGY, PLANNING & PERFORMANCE

Recommendation 1: Update the Township's Strategic Plan to update/re-establish a mission, identify key focus areas, and set goals for the future.

Lower Paxton Township is currently in the process of updating its Parks Master Plan, which focuses on the operations and use of 382 acres of parkland and a variety of year-round special events and recreational programs. The process of updating the Parks Master Plan requires significant amounts of outreach with community groups, neighborhood organizations, youth sports, and other key community stakeholders to plan for future recreational programming, acquisition of new land for park space, updating existing facilities, and more. The existing plan was adopted in 2012, meaning the ongoing update is an important step in reconnecting with the community to ensure the future of Lower Paxton's park system and programming aligns with their expectations.

While plans such as the Parks Master Plan are useful tools for long-range planning, they should not be standalone documents. Instead, they should be supported by a clear formal township-wide strategic plan that presents an overarching vision and set of goals. Having an up-to-date formal township-wide strategic plan in place will help effectively support and implement the outcomes of the Parks Master Plan as well as any other department-specific planning document.

According to the Township's 2017 Annual Report¹, the Township last performed an update to its strategic plan in 2014. However, communities are not static and experience population changes, business cycle fluctuations, and external impacts that affect how services are provided. Since 2014, the Township has seen significant changes that merit a re-evaluation of priorities and a new strategic planning process. A new strategic plan offers the Township the opportunity to update/re-establish its mission, identify key focus areas that will guide the organization, and set aspirational goals. Without a refresh, there is a risk that competing priorities and goals will compromise or delay important initiatives. An updated strategic plan will also serve as an important communication tool and enable the Township to communicate current policy-related priorities and describe how the work performed by each department advances those priorities.

¹ [Lower Paxton Township Annual Report](#)

An effective strategic plan answers critical questions about an organization’s current operating environment, sets aspirational goals for the future, and defines a roadmap to achieve those goals. More simply put, a strategic plan answers the following:

- What do we know to be true today?
- What do we hope will be true in the future?
- What must we do/go well to make it so?

It is important for the Township to carefully consider the answers to these questions and develop a plan that formalizes the future goals and aspirations. Additionally, while there are numerous ways to develop or formulate a strategic plan, the International City/County Management Association (ICMA) has identified nine core components that are shared by effective strategic planning efforts. These components are as follows²:

- **Environmental Scan of Core Business Functions:** The environmental scan is a description of the current state of the Township in the context of larger social and economic trends to help answer “Where are we?” and “What do we know to be true today?”
- **Key Stakeholders:** This element identifies the key community stakeholders that should be involved in the strategic planning process. This could include specific influential residents, civic associations, community groups, non-profit organizations, or business leaders.
- **Data and Feedback Collection:** Effective strategic planning processes include gathering data and feedback from the key stakeholders and community at large regarding how they perceive the community and what broad priorities should be a focus for the Township.
- **Mission:** A statement that defines the Township’s purpose and answers “Who are we?” “What do we do?” and “Why do we do it?”
- **Vision:** A vision expresses what we hope will be true in the future and establish the desired future state of the Township.
- **Values:** Values are the core principles that guide behavior and are demonstrated when staff are at their best.
- **Goals and Objectives:** Goals and objectives describe how the Township will realize the vision based on current trends and circumstances.
- **Strategic Initiatives:** Strategic initiatives identify areas or “big buckets” of things that, when implemented, will help the Township achieve the strategic goals.
- **Communication and Measuring Tools:** These tools are designed to inform the entire organization and the community at large about the mission, vision, values, goals, objectives, and strategic initiatives established in the plan and to measure the Township’s progress in achieving those.

The establishment of a formal strategic planning process, inclusive of the elements above, to update the Township’s strategic plan will help staff and leadership clearly articulate goals for the future and will facilitate more effective prioritization of community services and projects. The new plan will serve as a foundational document for the Township by identifying how resources should be allocated to support programs and capital projects helping the Township achieve its goals, objectives, and strategic initiatives, as well as being a guide for individual department-level planning efforts.

²https://icma.org/sites/default/files/307752_LG%20101--Mastering%20the%20Fundamentals-Strategic%20Planning%20101.pdf

Finally, since the Township will inevitably experience additional changes over time, such as population fluctuations, business openings/closings, etc., it will be vital that the new strategic plan is regularly updated (approximately every five years) to reflect contemporary conditions and address changes that impact service delivery.

Recommendation 2: Increase performance reporting activities at the department level.

Most of the Township's current data management and performance reporting activities occur centrally at the executive and administrative level, according to the Township's executive management staff. Non-financial performance reporting is limited within most departments. The lack of departmental performance data development, collection, measurement, and reporting makes it difficult to accurately assess how well the organization is delivering public services. Furthermore, it does not promote operational transparency nor allow the Township to accurately benchmark its performance against its own past, or against regional and national peers.

To address these issues, executive leadership should strive to implement consistent performance reporting practices in every department. Individual departments are ideally positioned to advance the Township's performance measurement efforts given their expertise and proximity to the day-to-day operations of their respective functions. Through collecting and tracking performance data, each department will also be better equipped to make data-informed decisions and justify budgetary requests. Building this capacity requires identifying suitable performance measures for each department and, where appropriate, setting performance targets. Many local government associations, such as the American Public Works Association (AWPA), Government Finance Officers Association (GFOA), and more, identify standard performance metrics and associated targets which the Township can consider adopting.

While performance measure development is unique to the individual agency and its desired performance changes, there are some common examples that can support development of appropriate performance measures for the Township. Attachment A to this report includes example performance measures that have provided value to other local governments.

Recommendation 3: Develop system requirements and consider replacement of Authority billing and financial management program.

One approach to further support a performance reporting and management approach as discussed in Recommendation 2, involves investment by the Township in automated capabilities to identify measures, collect operational and financial data, and develop integrated reporting tools to support management decisions. This is often accomplished through planning and budgeting applications that support performance measurement and communication.

One approach would focus on use of existing system capabilities. The Township can integrate additional capabilities to the existing Caselle accounting management software directly through investment in the budgeting module for enhanced communication and transparency, or through additional programs such as Caselle Advantage for score carding, dashboards, and performance reporting. The Township could also elect to work with a Caselle partner such as ClearGov or another firm that offers a transparency module for performance reporting that can integrate with the accounting software. The Township could also develop performance reporting in the functional software programs the Township uses such as CivicRec (Parks and Recreation) or Muncicity (Community Development). Standalone performance management or business intelligence programs can be used to link the operational information with financial information for more powerful efficiency and effectiveness measures.

The software market for financial management, budgeting, and performance management programs has continued to evolve to meet the developing needs of local government. An alternative approach would focus on the Township

developing a requirements definition for financial management and administration that would incorporate identified needs for robust financial processing to support areas such as accounting, billing, procurement, and financial management. The requirements definition should also incorporate both financial and operational performance reporting capabilities to support performance management and decision-making by Township leadership.

Recommendation 4: Regularly update all SOPs to reflect changes in circumstances and requirements.

Like other municipalities, Lower Paxton frequently adapts its operations in response to its changing political, economic, and technological environments. However, many departments do not update written standard operating procedures (SOPs) following changes in operational processes or circumstances. This leaves staff without sufficient guidance to perform new duties or meet new requirements and can also interfere with other Township functions. For example, the Township is subject to an annual financial audit, and auditors typically request internal control narratives, such as SOPs, for individual departments and functions to understand how finances and operations intersect. However, because many SOPs are outdated, staff assisting the auditors must manually adjust old SOPs to reflect new requirements and existing practices. This reactive approach to updating SOPs results in a greater probability of operational inefficiency and inconsistency in how services are delivered.

To prevent negative impacts to operational efficiency across the Township, all staff must update any relevant SOPs promptly following changes to operational processes or circumstances. Furthermore, all current policy and procedure documents should be uploaded to the Township's Laserfiche site to facilitate centralized access by all staff. Doing so will not only benefit staff engaged in the processes governed by these SOPs, but also any staff in other departments who may also rely on them for various purposes. A commitment to regularly updating SOPs and uploading them to Laserfiche will not require any resources aside from staff time and energy. Ultimately, diligently updating, managing, and following SOPs will likely result in efficiency gains that save time, financial resources, and promote consistency in public service delivery.

Recommendation 5: Pursue Phase II STMP funding to advance identified recommendations outlined in this report.

To support the implementation of the recommendations outlined in this report, the Township should apply for Phase II STMP funding. Having successfully obtained Phase I funding to develop the financial and management strategies outlined in this report, Lower Paxton is also eligible to apply for Phase II funding to subsidize the recommended strategies. Specific recommendations that appear to align with the STMP criteria include the following:

- Recommendation 1: Update the Township's Strategic Plan to update/re-establish a mission, identify key focus areas, and set goals for the future.
- Recommendation 6: Conduct a Township-wide class and compensation study to realign staff resources and commitments to support effective Township operations in the future.
- Recommendation 25: Conduct a software evaluation to determine if Municipality is meeting the Community Development Department's needs.
- Recommendation 28: Develop a business plan for the Township compost facility.
- Recommendation 35: Conduct a facility and space needs assessment of the Police Headquarters.
- Recommendation 42: Implement a shared work order system between the Sewer Authority and Public Works Department that allows for the tracking of preventative maintenance.

Prior to applying for Phase II funding for these recommendations, the Township should review the application criteria and direct any questions to the appropriate contact with the Commonwealth's Department of Community & Economic Development.

RESOURCE MANAGEMENT

Recommendation 6: Conduct a Township-wide class and compensation study to realign staff resources and commitments to support effective Township operations in the future.

In addition to periodically reviewing and updating position descriptions, the Township should conduct a classification and compensation study to determine an objective framework for how staff resources are allocated. The last such study conducted by the Township was over eight years ago and, given the amount of time that has passed since the last position description update, a broader examination of the employee classification and compensation structure is likely needed. Although compensation was not identified as a concern by many employees interviewed by the project team, several supervisors noted the difficulties of recruiting capable employees in the current labor market. These difficulties may continue as long as Township position compensation levels do not align with current market rates.

To understand and resolve any compensation issues, the Township should contract for an independent third-party review to provide a non-biased, data driven, and market supported study of job duties and compensation. This review would complement the findings and recommendations of this STMP report by highlighting specific opportunities to strengthen staff resources. The scope of the study should be expanded to also consider the potential for service contracting or restoring any contracted services back to in-house service provision. The costs and benefits of contracting versus providing services in-house can only be properly assessed once the market rates for any associated positions have been identified. Similarly, the scope of this study should be expanded to review alternative sourcing opportunities and provide a plan to secure operating resources at the most advantageous costs.

Classification and compensation studies are generally conducted once every five to seven years, and the Township will need to develop a plan to periodically review compensation and staff resource allocations in the future. The Township should consider applying for Phase II STMP funding to support a future study. Ad hoc reviews may also be needed for specific functions or departments as the Township develops new capabilities or expands current operations beyond the scope of the most recent study. Given the number of unionized employees currently working for the Township, it would be beneficial to select class and compensation consultants who understand the unique considerations facing Pennsylvania municipalities.

Recommendation 7: Conduct a cost allocation study to assess appropriate charges for internal services.

Currently, the Township reimburses a fund for the services provided by staff members supported in another fund. This process is based on a fixed percentage of a staff member's salary line to approximate the level of effort supporting the other fund and its associated operations. This process provides a rough approximation of some of the indirect costs incurred between funds but does not take account of overhead costs associated with other activities and functions. As a result, Township leadership does not have a clear understanding of the full costs associated with the programs and services the Township provides.

A cost allocation plan is a system for accounting the full costs of an organization's programs by including its indirect costs in addition to its direct costs. Indirect or overhead costs include the central support services that are shared by multiple departments, such as executive management, department management, accounting, payroll, Human Resources (HR), and Information Technology (IT) support. They also include the operating and maintenance costs for the organization's facilities, vehicles, and other equipment. A cost allocation plan distributes these indirect costs proportionally to each program or fund based upon pre-determined criteria, such as the number of FTEs associated with the program, the number of computer end-units, or the square footage of the program space within a common facility.

Lower Paxton Township should develop a comprehensive cost allocation plan that fully accounts for all overhead expenditures and applies these costs to all Township programs. This can include allocation of costs for services provided by operations in other funds as well as costs for services provided within a single fund. Many organizations choose to use an external service provider to develop their cost allocation plans in order to ensure the integrity of the plan and because of the time and effort required to develop it. GFOA recommends that cost allocation plans be updated at least every three years to account for changes in operations and ensure equitable allocation of indirect costs.³ Special attention should be given to cost allocations between general fund operations and enterprise fund operations to ensure tax revenues are not inappropriately used to subsidize user fee-driven services.

Recommendation 8: Consider standardizing cost allocation practices.

The Township currently budgets salaries to both the fund and department that is the “origin or home” for the position as well as in the fund and department where the costs will be incurred. This leads to a double appropriation that makes understanding the true allocation of resources more difficult across the Township enterprise. Under the proposed cost allocation recommendation above, most costs should continue to be directly budgeted and charged to the operating department that generates the cost. However, the Township should make direct or indirect cost allocation entries to both budget and expenditures to recognize when services are provided by one account for the benefit of another account. For example, if the Assistant Manager performs tasks that directly support a “service department,” then the cost of that labor should be entered as an expenditure to the Finance budget through a budget and expenditure allocation. The table below provides a summarized example of how allocated costs could be presented in the budget to minimize confusion and identify actual costs for services in the Township.

Table 7: Budget Cost Allocation Example

Cost Category	Finance Department Budget	“Service” Department Budget	Total	Row Code
Personal Services				
<i>Salaries</i>	\$300,000	\$500,000	\$800,000	<i>A</i>
<i>Direct Allocation</i>	-\$50,000	\$50,000	\$0	<i>B</i>
Subtotal	\$250,000	\$550,000	\$800,000	<i>C</i>
Supplies	NA	NA	NA	
Services	NA	NA	NA	
Capital	NA	NA	NA	
Total	\$250,000	\$550,000	\$800,000	<i>D</i>
Indirect Allocation	-\$25,000	\$25,000	\$0	<i>E</i>
Grand Total	\$225,000	\$575,000	\$800,000	<i>F</i>

In the example above, the direct costs of the Assistant Manager’s time for supporting the “service” department activities are represented as an entry in Row B in the table. The amount of direct service provided is reflected as a negative charge in the employee’s regular assigned department budget (Finance) and as a positive entry in the department receiving support (“Service” Department). Across the Township, these entries should balance to \$0 in Row B. Handling direct cost allocations in this manner allows the Township to differentiate between budgeted Personal Services costs (Row A), adjusted Personal Services cost (Row C), and Total cost (Row D) for each fund and department more clearly.

³ GFOA. Best Practices: Indirect Cost Allocation. <https://www.gfoa.org/materials/indirect-cost-allocation>

In this example, the Assistant Manager may also provide indirect, or overhead, services to benefit the “Service” department as well as other accounts and departments. GFOA recommends municipalities allocate indirect costs like these through “systematic and rational methodology.”⁴ The Township should apply a reasonable and consistent approach to allocate these indirect costs across the relevant accounts benefitting from the service. These indirect allocations are accounted for in Row E in a similar fashion as the direct cost allocations. Using this approach allows the Township Manager and Board to understand the total operational costs of each account or department in Row D prior to allocation of indirect costs to relevant accounts and departments to understand total organizational costs.

Allocating both direct costs for direct service provision as well as indirect costs representing administrative and/or overhead in this manner will help the Township consistently track personnel expenditures across departments and funds. The level of detail used, and the depth of the allocation data developed should be driven by the needs of the organization management to support prioritization and management decisions. Regardless of the level of detail, the allocation effort should be consistent, comprehensive, and supported by accurate data to ensure budgeted amounts reflect actual operational practices. By more clearly accounting for chargebacks, the Township will bring greater transparency to the budget process, support the use of department-level budgets, and streamline budgeting practices.

Recommendation 9: To meet exigent or emergency situations, develop policy and standard practice documentation supporting alternative schedules and work arrangements for management and staff.

The Township does not have policies permitting alternative work arrangements for staff in response to emergencies such as the recent COVID pandemic. Since the onset of the pandemic in the spring of 2020, all staff have been required to work regular schedules at their assigned worksites. While there is a unique emphasis on accountability in local government and alternative work arrangements have not traditionally been permitted, policies supporting alternative schedules can promote staff safety and maintain operational continuity during emergency situations. For instance, allowing office-based employees to work remotely during a surge in COVID cases can physically separate them for their safety and prevent an outbreak from spreading among staff. Schedules for employees whose roles cannot be performed remotely, such as laborers, can also be staggered to promote physical separation when possible.

The use of alternative approaches supported by appropriate technology and communications can minimize risks to staff, the Township, and Lower Paxton residents who rely on critical public services. Accordingly, the Township should develop and formalize policies permitting reasonable alternative work arrangements that support effective operations during unique and emergency circumstances. Creating the necessary department operational policies as well as supporting corporate human resource policies will require clear guidance about when alternative arrangements will be permitted and identify any resources needed to facilitate these arrangements. The Township should also address these changes in their emergency management plans for consistency and effective communication with staff. For instance, a reasonable policy may allow office-based employees to temporarily work from home when natural disaster warnings are issued for the Harrisburg region by the Pennsylvania Emergency Management Agency (PEMA), or during public health emergencies as defined by the Pennsylvania Department of Health (PDOH). Although this would represent a significant cultural shift for the Township, it is an important step in preparing for future COVID impacts and other emergencies. Additionally, developing these types of policies and practices can enhance recruitment and retention efforts by reassuring current and potential employees that their health and safety is an organizational priority.

⁴ GFOA. “Indirect Cost Allocation.” <https://www.gfoa.org/materials/indirect-cost-allocation>

Recommendation 10: Formalize grant development, management, and reporting capabilities to use available grant resources more effectively.

Like many units of local government, Lower Paxton Township receives grant funding to provide additional resources supporting operations and public services. While welcome, grant funding is typically not “free.” Use of these grants may include specialized requirements that can apply to the general operations of the grant, specific compliance rules, monitoring of other parties that may receive resources from the grants, as well as specialized reporting requirements. There may also be negative consequences for failing to meet these requirements. Grant agreements may also commit a government to financially maintain a program or asset after the expiration of the grant. In response, local governments should develop grant policies that require review and consultation prior to application or acceptance of a grant to maximize the benefits of grant funding while minimizing the associated risks and costs.

Building on an effective grant policy, the local government must also ensure that it has the capability and capacity to support the required grant administration following grant acceptance. Failing to meet grant administration requirements can lead to penalties up to and including requirements to return some or all of the grant resources to the provider. These serious issues can arise when all of the appropriate parties within the government are not aware of all the requirements or are not aware of the requirements at the appropriate time.

Grant program development and administration is decentralized in the Township. While the Finance Department handles grant program accounting and financial processing, the individual Township departments are responsible for managing their respective grants and grant programs. This responsibility includes determining the relative merits of participating in a grant program, the relative costs and benefits provided through an individual grant, and the management and administrative costs required for grant management.

Grant program development and administration is further decentralized in the Township with individual staff members developing and submitting grant applications. This decentralized process contributes to varying grant application development and understanding that may not provide the necessary critical review of grant criteria and requirements.

The Township should develop and implement grant management best practices to support a more effective program. GFOA identifies many traits that it classifies as grant policy and grant management best practices that could address some of the current issues with Township grant practices and management. The grant policy best practices for administrative and operational support include the following and are directly relevant to current grant operational issues in the Township:⁵

- Development of a project plan identifying how new programs or activities funded by the grant would be implemented and who would be responsible for implementation.
- Provision of training for those responsible for the grant, so they can effectively carry out their roles.
- Terms and conditions for grant funded personnel, such as severance and unemployment costs related to employees who are terminated upon expiration of the grant, or operating and maintenance costs for assets that are acquired.
- The system/process that will be used to charge expenses against the grant and obtain reimbursement. This might require both technical procedures to account for time and materials and reporting, as well as training for employees so that they fully understand the importance of charging time and materials correctly.

⁵ Best Practices – Establishing an Effective Grants Policy, Government Finance Officers Association, <https://www.gfoa.org/materials/establishing-an-effective-grants-policy>

- Identify the individual/ department responsible for carrying out the grant and make sure that proper resources are available to support that grant.

The Township should review its current grant management practices for alignment with recommended policies and address gaps. This will ensure that Township grants are assessed appropriately before acceptance and managed effectively by the respective members of the grant administration team (both program managers and administrative staff). Memorialization of these changes through grant management policy and process documentation will also support the Township with onboarding new staff with appropriate training. With successful development, the Township should deploy the revised grant management approach throughout the government to support departments and Township leadership with grant decisions.

Recommendation 11: Develop a program for periodic review and assessment of contracted efforts using third-party vendors to review costs, performance, and alternative sources.

Local governments routinely contract with outside vendors to provide a wide array of services. The decision whether to contract, or outsource, municipal services is influenced by a variety of factors, including the level of specialization or expertise required, the available market for the services, the service levels required by the municipality, and whether a private contractor can provide a service more affordably than the public entity.

The Township has relied on contracted services for both on-demand professional services (actuary, investment advisor, utility broker, insurance broker, information technology) as well as labor support for outsourced services and to meet seasonal demands (building inspection, septic system reporting). The Township should periodically reassess the contracted service levels as the needs of the Township may change. Developing core in-house service capability where practical and supplementing where needed with contract services can reduce total operating costs while meeting increased service demands. Using contracted services to augment core service provision through in-house resources can serve to limit relatively higher cost contracted services while improving internal service capacity, service communication, and service sustainability.

Relative cost comprises the key element to determining an effective mix of internal and external resources for service provision. Understanding costs of service through internal sources is a necessary first step and the Township should develop historical information on cost-of-service provision for an identified unit of service to form a basis for comparison with alternative sourcing provided by outside parties. The position review recommended earlier is an important first step in ensuring that appropriate internal costs are understood and used to support decision making.

The Township should leverage available data review, analysis, and management decision purposes. Different models can be developed that focus on decision criteria such as maximizing service levels, minimizing total costs, or other performance criteria. However, the value of the various modeling and decision support approaches to the Township will be predicated on the validity and accuracy of the data identified and used in their development. Important factors impacting data elements include the following:

- Service demand
 - How modelled service demand varies throughout the year
 - Identifying the appropriate element for measurement (unit of demand/service)
- Service supply
 - Sources of labor/service provision supply
 - Total operating costs per transaction for modelled services (internal Township cost and contracted service provider cost)
- Ensure consistent interpretation of data elements (through use of a data dictionary)

- Ensure consistent development and collection of data over time

The Township should develop appropriate decision support models to identify how best to provide a range of public services. While past practice can provide a guide, the Township will need to move beyond its experience to address new demands. Using a data-driven and analytical approach can provide a foundation for greater understanding of the services provided, their relative benefits and costs, and alternative approaches to consider providing quality services on a timely basis to meet the community’s demands while minimizing operating costs. This approach is especially important when addressing changing conditions and community expectations.

Recommendation 12: Develop an effective capital planning approach to support issue identification, prioritization, and asset development and/or replacement.

Effective asset management is designed to maximize the lifespan of existing infrastructure while prioritizing replacement and future expansion. Developing a methodical and consistent asset management program is important because it helps preserve the local government’s investments in existing infrastructure, avoids unnecessary capital replacement, and creates a framework for organizing staff work plans and goals.

While the Township maintains static lists of capital assets primarily for financial reporting, the organization does not track these assets comprehensively or track relative asset condition consistently. An effective asset management plan inventories all of a local government’s capital assets, records the condition of each asset, prioritizes each asset by risk of failure, and uses that information to develop a preventive maintenance (PM) plan to effectively preserve each asset. The creation of such a plan will help the Township ensure that it is effectively safeguarding its investment in capital assets.

The first step in creating a comprehensive asset management plan is the completion of an asset inventory and condition assessment. The inventory should categorize all assets by the likelihood of an asset’s failure and the potential consequences of failure. The likelihood of failure can be evaluated by considering the asset’s current condition and performance. When considering the potential consequences of failure, the Township should assess the potential safety impact of failure, the potential environmental impact of failure, and the potential impact of failure on the Township’s ability to provide services.

Both risk of failure and likelihood of failure should be quantified with an overall number between one and 10, where one equals low risk/minimum consequences and 10 equals high risk/significant consequences. The two numbers can then be multiplied to produce the asset’s overall risk factor. For example, if an asset has a low risk of failure (three out of 10), but its failure would have a significant impact (eight out of 10), its overall risk factor would be three multiplied by eight, or 24. Assigning a risk factor to each asset will allow the Township to identify its highest priorities for maintenance and repair. The Township can also visualize its overall risk by plotting its assets in a matrix displayed below.

		Potential Severity of Consequences									
		1 2 3 4 5					6 7 8 9 10				
Level of Risk	10	High Risk, Few Consequences					High Risk, Serious Consequences				
	9										
	8										
	9										
6											

5	Low Risk, Few Consequences	Low Risk, Serious Consequences
4		
3		
2		
1		

Figure 4: Risk/Consequence Matrix

The second step should be to develop a PM schedule for each asset to maximize its useful life. The PM schedules should be based on the needs and concerns identified in the condition assessments, as well as on manufacturer recommendations and industry best practices. The Township should also evaluate the condition assessments to project repair and replacement needs in the near future.

After the Township has identified PM and replacement needs for its assets, it should consider the resources required to carry out these steps, including in-house and contracted labor and construction and equipment costs. The Township can then estimate the ongoing costs for maintenance, repair, and replacement of assets for resource allocation. The asset management plan for the Town of Cary, North Carolina, provides a useful framework for the criteria the Township should consider when assessing the conditions of its assets.⁶ The plan provides examples of the factors considered in the condition assessment of each asset and how future resource needs could be calculated.

The Township will also need to regularly update its asset inventory. Staff should be instructed to track any changes to an asset’s status to ensure that the Township maintains an accurate record of its current conditions. The comprehensive asset inventory should be reviewed at least annually and updated as needed.

⁶ Town of Cary. Buried Infrastructure Asset Management Plan, 2018.
www.townofcary.org/home/showdocument?id=21809

Administration and Support Departments

The administrative and support departments in the Township provide critical services that allow the Township’s operating departments to provide direct and effective services to the community while providing for the sustained organization and operation of the Township. The Finance Department, Human Resources Department, and the Information Technology function comprise the administrative and support departments.

The following sections in the report provide background on each of the administrative support departments / functions as well as proposed recommendations to support more effective management and operations.

FINANCE

Lower Paxton’s Finance Department oversees all accounting, accounts payable/receivable, payroll, pension, and vendor billing responsibilities for the Township, Sewer Authority, and Stormwater Authority. Additionally, it produces monthly accounting reports for the Township Manager and Board of Supervisors and coordinates the Township’s annual financial audit with the assistance of a private accounting firm. The Department is overseen by the Assistant Township Manager/Finance Director and consists of one Finance Manager, one Accounts Payable/Receivable Specialist, and one Payroll Specialist. Both the Assistant Township Manager/Finance Director and Finance Manager are relatively new employees, joining in October 2021 and December 2020, respectively, but bring considerable public and private sector experience to their roles.

The figure below shows the organizational chart for the Lower Paxton Township Finance Department.

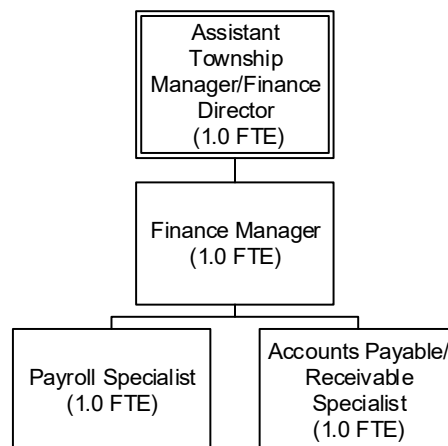


Figure 5: Finance Department Organizational Structure, FY2022

Recommendation 13: Transition to an online payroll system.

Administering the Township’s timekeeping and payroll consumes significant employee capacity within the Finance Department due to the varying compensation practices associated with the numerous union employees working at the Township, Sewer Authority, and Stormwater Authority. Union employees engaged in tasks outside of the scope of their normal duties, such as filling in for colleagues with higher job classifications, are entitled to “out-of-class” wages equal to those of the position they are temporarily supporting. Logging out-of-class hours worked is a weekly

occurrence and requires Finance Department staff to manually override an employee's standard pay rate. Entering overtime pay can also prove complex as employees' overtime rates can vary based on their tenure. The Township's current paper-based timekeeping approach compounds these difficulties by requiring manual out-of-class and overtime calculations and verifications that could be automated in an appropriate software system.

In addition to the processing required to account for varying bargaining unit compensation requirements, the existing manual payroll processing approach includes numerous steps for data entry, processing, adjustment, balancing, testing, and correction. The Township's existing SOP detailing the "Biweekly Payroll Checklist" includes over 30 identified steps required to process regular payrolls. Many of these steps are iterative and may require repeating to generate the accurate and appropriate payroll file.

Finance staff informed the project team that they are exploring options to set up online timekeeping through the Township's existing financial information system, Caselle, potentially as early as 2023. Transitioning to online timekeeping will allow the Finance Department to distribute some timekeeping responsibilities to each department as well as automate much of the out-of-class and overtime calculations. This would significantly increase the capacity of Finance staff to attend to other tasks and responsibilities, as well as improve payroll accuracy. Finance staff should continue the assessment of Caselle's timekeeping function and possible alternative programs with the goal of implementing an online solution as soon as possible. Additionally, the Finance Department should identify all necessary resources needed to implement online timekeeping, such as employee training resources, new SOPs, and additional funds for software licensing costs, if needed.

Recommendation 14: Review the current methodology for determining and processing reimbursements from the Sewer Authority to the Township for services provided.

The Sewer Authority contracts with the Township to administer the daily operations of Lower Paxton Township's sewer system. Through this arrangement, the Township charges the Sewer Authority for its use of Township staff, equipment, and other resources including shared insurance policies, contract services, and software licensing costs. The Township employs an Excel-based approach for recording and accounting for all costs it incurs on behalf of the Sewer Authority, and processes monthly reimbursements from the Sewer Fund to the General Fund for personnel costs and other services rendered.

Personnel costs represent the bulk of these reimbursements; Township staff time is allocated to sewer functions based on set percentages, ranging from 50-100% for laborers to 20% for administrative staff. Although these percentages are presented to the Board of Supervisors on an annual basis, the underlying methodology used to determine personnel allocations does not appear to have been recently reviewed. For instance, the Township Manager also serves as the manager of the Sewer Authority and, according to the reimbursement formula provided to Raftelis by the Township, should allocate 20% of his time to Sewer-related matters. It is unclear if the current time allocations of every Township employee covered in the contract are accurate and should be reviewed carefully to reflect current operational needs.

The Township should also evaluate the accounting methodologies used in processing reimbursements from the Sewer Authority to the Township. The current approach involves paying for personnel and equipment costs from the General Fund, which is then reimbursed by the Sewer Fund monthly as outlined previously. Although the original General Fund charge is balanced out by the subsequent Sewer Fund reimbursement, it leads to duplicate charges across both funds which obscure the broader financial picture. The Township should consider ways to allocate these charges through the Sewer Fund as the original charge to minimize duplicate accounting entries, if possible. In developing an alternative approach, any solution should comply with prevailing accounting and reporting standards.

Recommendation 15: Consolidate and integrate acceptance of electronic payments across the Township enterprise.

Charging customers and clients for the unique services that they receive has become standard practice for local governments. The practice supports two objectives – it first ensures that important and valued services continue to be provided. The charges for service offset the costs of providing the service leading to the second objective – that the unique services benefiting an individual or identified group are borne by the recipient and are not subsidized by the general taxpayer.

Customers of government services have also come to expect that the same payment options should be available that they regularly encounter when conducting transactions with the private sector. With time, more governments have moved to more sophisticated transaction processing systems allowing them to meet these customer expectations and accept additional forms of payment including credit cards and other forms of electronic payment. Lower Paxton Township has moved to meet this form of customer demand and now accepts electronic payments for a variety of its services provided by Township departments.

The development of these additional payment approaches occurred in response to different dynamics and timing in the departments regarding their services. This has led to differences in policy, approach, and practice across different Township departments in how they handle electronic transactions, with varying results for the customer. For example, the Township bears the cost of charges for credit card transactions related to Parks and Recreation Department services such as deposits, reservations, and other transactions. This differs from charges for sewer and stormwater services where the customer bears the credit card transaction cost as a surcharge.

The Township should develop a comprehensive policy regarding electronic payments and related charges for payment services that is applied across the enterprise. This comprehensive approach can support understandable and equitable treatment regarding payment by customers for the Township services they receive. A comprehensive approach can also simplify organizational transaction processing and associated accounting, supporting centralized management of transaction payments and their associated charges. Finally, the comprehensive policy should comprise an important component in the consideration and selection of data processing systems to ensure that they can adequately support both service payments and any charges for electronic payments.

HUMAN RESOURCES

The Human Resources Department is responsible for developing and administering personnel programs and policies for Township and Sewer Authority employees. These responsibilities include compensation and benefits administration, employee hiring and separation, random drug and alcohol screenings, performing select trainings and certification courses, and various safety precautions such as fire alarm and sprinkler testing. Additionally, the Human Resources Manager, the Department's sole employee, also temporarily oversees some facility maintenance functions while the Township attempts to fill a dedicated facility maintenance position.

Recommendation 16: Implement processes for position control.

Position control refers to a system of tracking information based on positions, rather than employees, to create a framework for all jobs within an organization regardless of whether they are filled or vacant. Lower Paxton does not regularly perform position control or accounting activities and no annual report lists any detailed staffing information or narrative. Although the Human Resources Manager compiled a one-time, comprehensive report for the Township Board several years ago, it is not a recurring responsibility. Additionally, no formal Board resolution is required to create new positions, and the Human Resources Manager is frequently caught by surprise when a new position is created. This is problematic because it limits the Township's ability to appropriately prepare for a new employee's

arrival, from making onboarding arrangements to procuring resources new hires will need to successfully do their jobs.

In addition to fostering internal communication, adopting and following position control procedures helps public organizations track FTEs and budgets and maintain data for use in operational decision-making and regulatory reporting. Accordingly, a lack of position controls can have negative financial implications; personnel costs represent most of the Township's operating expenses, making strategic hiring practices an essential component of effective financial management. Township leaders and the Human Resources Manager should work closely with Department heads to design a policy that incorporates the budgeting process and performance data to justify the need for additional positions or to recommend changes to existing positions. Although Board approval is not currently needed to create new positions, a data-informed and financially conscious approach will ensure any new positions or staffing changes can be reasonably defended from any public scrutiny that may arise.

Successfully implementing data-informed position control procedures requires thorough performance measurement and reporting in each department. As outlined in Recommendation 2, departmental performance reporting is currently limited; that capacity will need to be expanded before data can be consistently used to justify new positions. The Township will also need to commit to more thorough position accounting, including not only tracking FTEs but also compiling and regularly updating a comprehensive list of which positions are filled or vacant. These practices will not require any financial resources but will take time and energy to implement. However, effective position control practices will ultimately provide long-term financial benefits and maximize the impact of the Township's human capital.

Recommendation 17: Review and update Township position descriptions and the employee handbook.

According to the Human Resources Manager, the Township's position descriptions have not been updated since approximately 2004. In the 18 years since, the duties and requirements of many positions have changed considerably, and their descriptions no longer reflect current operating realities. Updated position descriptions are needed to support effective recruitment and retention efforts, as potential employees must clearly understand their responsibilities before they accept employment offers to prevent later dissatisfaction. Existing employees would also benefit from updated descriptions, especially those who interact with colleagues in other departments and rely on position descriptions to identify responsible parties or points of contact.

Similarly, the Township's employee handbook has not been updated since 2017, and it is possible some content is no longer relevant. To ensure the policies and practices contained in the handbook reflect current operational approaches and desired results, the Township should update it promptly following any changes. Regularly updating the handbook supports more effective communication of employee relationship with Township, including policies, practices, and discipline, and ensures staff are knowledgeable of the rules and expectations they must abide by.

Updating position descriptions and the employee handbook may demand significant time and energy from the Human Resources Manager and other staff but is worthy of the effort. Although the greatest investment of time and energy may be needed during the initial phase of the update, keeping position descriptions and the handbook current will require ongoing attention as well. In addition to making updates on an as-needed basis, the Township should develop a schedule to periodically review all job descriptions and the entire handbook in the future to determine the need for additional updates. These efforts should also include any necessary employee communications, such as updates to the handbook's personnel policies, to ensure staff throughout the organization are informed of any changes.

An alternative approach can support both reviews in an accelerated timeframe by combining them with the recommended position classification and compensation review proposed in Recommendation 6. Expanding the scope of consultant services can leverage their knowledge, skills, and abilities to complete the initial review effort as

well as develop a recommended review schedule for classification system maintenance. Combining these related activities into one overarching initiative may move them forward more efficiently.

Recommendation 18: Develop procedures to communicate and advise management and staff regarding personnel changes.

The Township does not currently have formal procedures in place to communicate personnel changes to relevant internal parties. For instance, when a position is backfilled, the Human Resources Manager often does not know who is being replaced or how a new position originated, as no formal Board resolution is required to create new positions. Additionally, several processes that support and facilitate personnel changes are not formalized, such as the onboarding process for new employees. Although the Human Resources Manager helps all new hires fill out their initial employment paperwork, new staff are not oriented to the Township in the same manner and each department is responsible for getting any resources new hires need. This lack of standardization and thorough communication poses various risks to the Township, from having staff who lack the necessary resources to fulfill their duties to internal stakeholders continuing to rely on colleagues who are no longer with the organization.

Accordingly, the Township should create and adhere to a policy governing the communication of personnel changes (new hires, separations, retirements, etc.) to ensure key stakeholders are made aware of these developments. Similarly, formal onboarding and offboarding processes should be developed to ensure a consistent employee experience. Providing the same orientation to all new employees is critical for various reasons, such as ensuring all employees have a consistent on-boarding experience and introducing them to the many legal requirements (e.g., right-to-know) they are subject to. Creating these policies and processes will require time and collaboration between administrative staff, including executive leadership, the Human Resources Manager, and representatives from various departments.

Recommendation 19: Assess employee training needs and develop a list of recommended training programs and resources to implement.

Although the Township provides in-house training for staff in certain departments, training opportunities appear to be lacking in several key areas. For example, the Human Resources Manager coordinates with the Public Works Department to provide Commercial Driver's License (CDL) and safety training for Township truck drivers, but this is one of the few examples of recurring training opportunities for employees. Although the Township supports opportunities for employees to improve communication and technological skills, there are no formal programs in place. Employees are taking advantage of training opportunities on a case by case basis. This limits the organization's ability to adopt electronic practices that increase operational efficiency, which is the subject of several recommendations in this report. Similarly, a lack of training offerings presents various risks to the Township, from causing employee dissatisfaction at the lack of professional development opportunities to data security.

The Township should assess the gaps in its current offerings and identify training opportunities and resources it can deploy. The highest priority needs are areas where failing to provide training exposes the Township to organizational risk, such as workplace harassment and cybersecurity awareness training. These types of courses are widely offered in a variety of professional settings and should be required annually for all Township employees. The next highest level of priority should be given to training opportunities which teach skills that enhance operational efficiency or the quality-of-service delivery. For instance, providing appropriate foreign language training to publicly facing employees can make Township services more accessible to residents from linguistically diverse backgrounds. Additionally, helping administrative staff develop proficiency in Microsoft Office applications, such as Excel, can aid the transition from physical to electronic recordkeeping. It may be beneficial to make certain types of skills-based training mandatory for all employees within a certain function, whereas other types of training can be offered on a voluntary basis.

To the extent possible, Lower Paxton should strive to leverage internal resources to provide training; however, an effort should also be made to fund external training opportunities and resources for employees looking to develop new skills or knowledge. Area colleges and universities often provide training and certification courses in a variety of subjects and could be good partners to the Township. These opportunities may require waiting until the next budget cycle to secure any necessary funding for external training. The Human Resources Manager will also need to communicate these opportunities to staff and possibly create policies for participants, such as reimbursing the Township for any enrollment fees if an employee leaves within one year of completing an external training course.

INFORMATION TECHNOLOGY

Information Technology is run by an IT Manager who is a part of the Administration Department, reporting directly to the Township Manager. The IT Manager is responsible for all computer workstations, networks, servers, equipment, and associated systems in all Township departments as well as managing the contract with Appalachia Technologies, LLC. Appalachia Technologies, LLC provides cloud-based monitoring and management capabilities to proactively monitor the agreed-to Client Network, Server, and Workstation devices. They also collect detailed information in real-time, including alert-based notifications specific to the overall health and availability of the technology environment.

Recommendation 20: Review resource allocation and service approach for Township information technology services.

Information technology services and resources at the Township are currently supported through a joint effort. The Township has contracted with Appalachia Technologies, LLC for over eight years for both off-site managed IT services as well as recurring on-site services.

In the last year, the Township has hired the long-tenured contract staff member as a full-time IT Manager for the Township. While the new position has assumed responsibility for computer workstations, networks, servers, equipment, and associated systems in all Township departments, the Township continues to retain Appalachia Technologies for the off-site management role.

While this working relationship provides valued services in a technical and time-sensitive environment supporting all elements of Township operations, the Township should engage in a comprehensive and critical review to determine continued cost effectiveness. This approach can identify the IT services best provided through in-house resources and those services best provided through contract providers.

To shift to a more strategic approach for IT services, the Township should transition from the existing tactical project management focus to a focus on the products and services provided, as well as the value produced and supported by the products and services. The following summarizes various actions related to the product/service delivery cycle of Identify, Plan, Deliver, and Report:

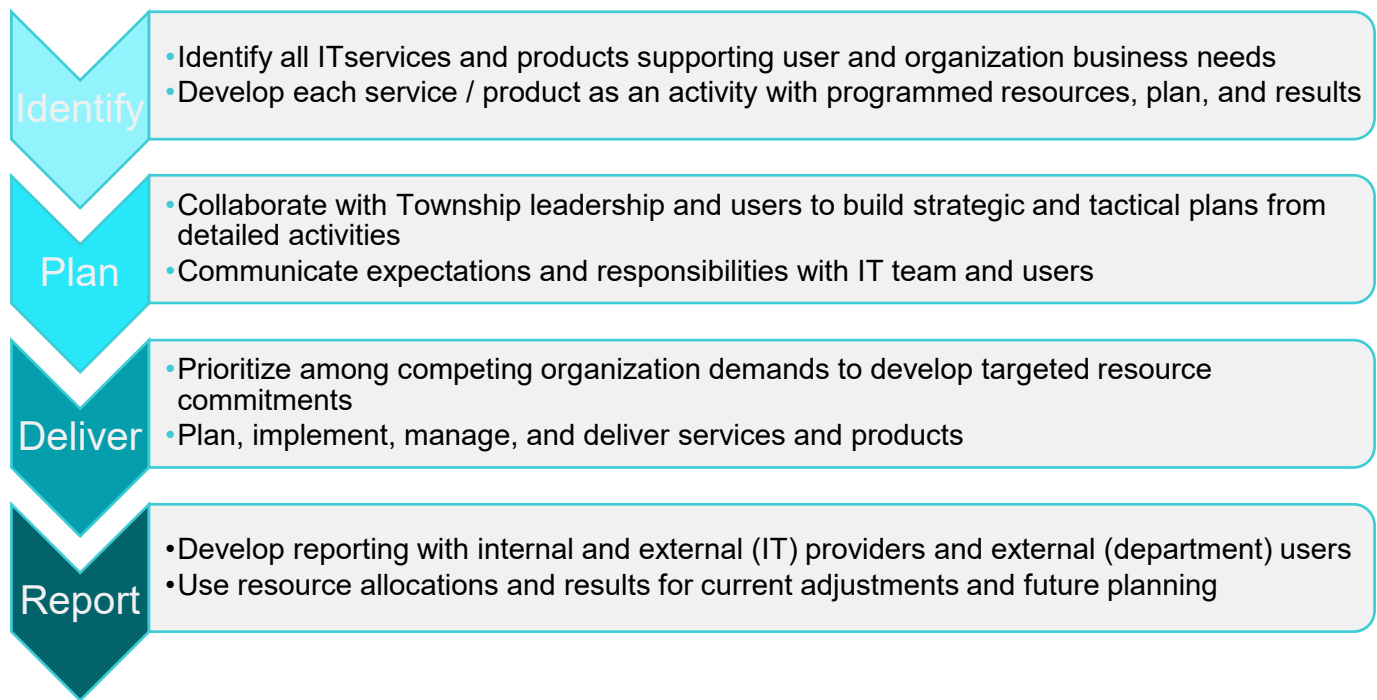


Figure 6: Township IT Service and Resource Approach

By shifting the focus to strategic thinking around products, services, and the value that each provides there is more support for dynamic and effective decision making as leadership allocates increasingly scarce resources to provide necessary IT services. The shift in focus will also support consideration and use of alternative resources for service delivery. This approach will support a cost-benefit assessment of alternative resources for IT service provision that can better match service requirements (knowledge, time commitment, difficulty, ad hoc vs continuing effort, etc.) with the appropriate resources available to meet needs.

Recommendation 21: Enhance cybersecurity program to safeguard Township data systems, data security, and operational sustainability.

This shared responsibility and effective working relationship is particularly important in regards to system and data security. Access to and effective use of information is the lifeblood supporting organizational performance. Automated systems make this information readily available and support its use to leverage greater efficiency and effectiveness. However, this information also has value to other nefarious users who will use the information for their own purposes or to damage the operations of the organization.

The security of an organization’s information has always been important, but the relative ease in accessing this information has increased focus on effective cybersecurity measures to safeguard the data and associated operations. The Gartner Group has identified that, while approximately 15% of organizations actively addressed new cybersecurity issues in 2021, approximately 75% of organizations will restructure risk and security governance to address new cybersecurity issues by 2023.⁷

Cybersecurity generally refers to the practice of defending computers, servers, mobile devices, electronic systems, networks, and data from malicious attacks. It is also known as information technology security or electronic

⁷ “IT Roadmap for Cybersecurity”, Gartner, Inc., p.2, 2021.

information security. The term applies in a variety of contexts, from business to mobile computing, and can be divided into some common categories:

- **Network security** is the practice of securing a computer network from intruders, whether targeted attackers or opportunistic malware.
- **Application security** focuses on keeping software and devices free of threats. A compromised application could provide access to the data its designed to protect. Successful security begins in the design stage, well before a program or device is deployed.
- **Information security** protects the integrity and privacy of data, both in storage and in transit.
- **Operational security** includes the processes and decisions for handling and protecting data assets. The permissions users have when accessing a network and the procedures that determine how and where data may be stored or shared all fall under this umbrella.
- **Disaster recovery** and business continuity define how an organization responds to a cybersecurity incident or any other event that causes the loss of operations or data. Disaster recovery policies dictate how the organization restores its operations and information to return to the same operating capacity as before the event. Business continuity is the plan the organization falls back on while trying to operate without certain resources.
- **End-user education** addresses the most unpredictable cybersecurity factor: people. Anyone can accidentally introduce a virus to an otherwise secure system by failing to follow good security practices. Teaching users to delete suspicious email attachments, not plug in unidentified USB drives, and various other important lessons is vital for the security of any organization.

The Township has taken some broad steps to address cyber security through the continuing contract for IT management services with Appalachia Technologies. As an additional service provided 4-5 years ago, the vendor conducted a vulnerability and risk assessment as well as penetration testing for the Township. The resulting efforts have focused on technology solutions to stop intrusion efforts to the Township systems. The internal IT staff are also interested in supporting efforts to improve end-user education given the continuing attempts to gain access through contacts with Township leadership and staff using “phishing” inquiries seeking to learn system security information and gain access. Proactive staff education and training regarding phishing and the risks associated with Township leadership and staff accessing nefarious links is an area to both initiate and continue efforts to meet growing and more sophisticated phishing attempts to access government systems.

The Commonwealth of Pennsylvania has established the Pennsylvania Information Sharing and Analysis Center (PA-ISAC) to address cyber security readiness and critical infrastructure coordination.⁸ Membership in PA-ISAC is open to elected and administrative officials of city, town, village, township, county, and other Pennsylvania government jurisdictions. The mission of PA-ISAC, consistent with the objectives of the National Strategy to Secure Cyberspace, is to provide a common mechanism for raising the level of cyber security readiness and response within the Commonwealth of Pennsylvania. The PA-ISAC acts as a central resource for gathering information on cyber threats to critical infrastructure throughout Pennsylvania and sharing of information between and among local governments. While the Township does not appear to belong to this effort, it should investigate PA-ISAC as a resource to keep abreast of cybersecurity threats and effective actions to mitigate and address those threats.

To combat these threats, PA-ISAC provides the following benefits to members:

⁸ PA Information Sharing and Analysis Center (PA-ISAC), Commonwealth of Pennsylvania, <https://www.oa.pa.gov/Programs/Information%20Technology/cybersecurity/localgov/Pages/PA-ISAC.aspx#>

- Direct access to cyber security threat information from the Commonwealth
- Access to security awareness materials, including computer-based training modules
- Access to a security assessment toolkit
- Access to security policy templates
- Access to security related solutions at enterprise price points negotiated by the Commonwealth
- Regular meetings to promote peer networking and information sharing

The Township should work with its contracted vendor to support identification of next steps to address cybersecurity issues while leveraging readily available information to plan and prioritize efforts. The contracted vendor offers a suite of data security services that may complement or expand existing efforts. Some additional publicly available guidance can be found with other state cybersecurity agencies.

Washington Technology Solutions (WaTech) is the State of Washington’s consolidated technology systems agency and was charged by the State to create the Office of Cybersecurity (OCS) as the state’s lead agency to combat cyber threats. WaTech has identified some high-level best practices to support protection of state and local governments’ information technology systems and infrastructure.⁹ Incorporating these industry best practices can support the Township to identify necessary changes to its existing cybersecurity efforts and support more effective operations:

- **Centralize and Standardize Security Data Governance and Use** – Standardize how data is developed and used to identify and prioritize desired cybersecurity outcomes at both the department and Township level. Understanding where risks exist using analytical data from a security tool can provide both comprehensive as well as comparative information to understand why and how one system may prove more vulnerable than another. Centralizing and standardizing how risk data is developed, understood, used, and tracked can support a well-understood and coordinated cybersecurity approach across the Township enterprise. To maximize program effectiveness, this effort should be complemented by an associated reporting dashboard to communicate status, progress, and cybersecurity program success.
- **Implement Enterprise Identity and Access Management (IAM)** – Per the National Institute of Standards and Technology (NIST), this approach ensures that only the right people and things have the right access to the right resources at the right time.¹⁰ An effective IAM solution can improve the digital experience for Township users while also securing the access to applications, services, and data from nefarious parties. OMB Policy Memo M-19-17 enabled and supported IAM initiatives. To paraphrase the Policy Memo, the purpose was to ensure the secure and efficient operations of government agencies by identifying, credentialing, monitoring, and managing subjects that access government resources, including information, information systems, facilities, and secured areas across their respective enterprises. This could specifically involve how governments conduct identity proofing, establish enterprise digital identities, and adopt sound processes for authentication and access control.¹¹
- **Adopt Zero Trust Architecture** – Information technology and systems have become increasingly complex. As presented by NIST, the resulting complexity “has outstripped legacy methods of perimeter-based network

⁹ “Privacy and Cybersecurity Best Practices”, Washington Technology Solutions (WaTech), December 2021.

¹⁰ “Identity and Access Management”, National Institute of Standards and Technology (NIST), <https://www.nist.gov/identity-access-management>

¹¹ “Enabling Mission Delivery through Improved Identity, Credential, and Access Management, OMB Policy Memo M-19-17, Office of Management and Budget, May 2019, www.whitehouse.gov/wp-content/uploads/2019/05/M-19-17.pdf

security as there is no single, easily identified perimeter for the enterprise.”¹² A “zero trust” (ZT) approach is primarily focused on data and service protection but can be expanded to include all enterprise assets (devices, infrastructure components, applications, virtual, and cloud components) and subjects (end users, applications, and other nonhuman entities that request information from resources). In this new approach, an enterprise assumes no implicit trust and continually analyzes and evaluates the risks to its assets and business functions and then enacts protections to mitigate these risks. In zero trust, these protections usually involve minimizing access to resources (such as data and computer resources and applications/services) to only those subjects and assets identified as needing access. The approach also continually authenticates and authorizes the identity and security of each request for access. While an “implicit trust” approach may have been effective in a data center (on-premises environment), that is no longer true given today’s hybrid workforce and the use of cloud services. The “zero trust” approach can provide greater security controls necessary to respond to malware infections and the potential for an attack to spread.

- **Modernize Security Operations** – Organizations need to improve their ability to identify and respond to threats. They can achieve this objective by adopting modern, enterprise methods of data collection and analysis that can improve detection capabilities against changing and more elusive attacks. One effective approach is to partner with service providers who can accelerate change and improve response through proven, mature, and advanced capabilities. To reduce the average time necessary to detect and respond to incidents, the organization should augment its operations with security monitoring, alerting, and remediation systems that can enhance existing capabilities and move from a reactive to a more proactive security approach. To be most effective, these efforts also require collection of metrics that measure the effectiveness of the security efforts. The level of effort should be at the enterprise level and include information from all systems, devices, and applications used by the organization. The effort should continue beyond implementation with rigorous threat hunting, controls validation, and penetration testing in order to proactively identify gaps in its detection and operational readiness.
- **Develop a Security Risk Management Program** – An effective Security Risk Management Program can support the organization by identifying, evaluating, and mitigating the likelihood and impacts of different security risks. In this approach, risks are identified, quantified, and prioritized in terms of the organization’s mission and objectives to support appropriate security risk management decisions. This approach supports more effective interactions between security professionals/contractors, program leaders, and the agency leaders to support provision of the following results:
 - **Identification and prioritization of the organization’s technology assets.** These assets should be prioritized in the context of the organization’s mission and in the context of the government services provided.
 - **Risk prioritization.** Not all risks have the same impact on business operations. Risks should be prioritized based on the asset value and the value of this asset to the organization.
 - **Risk mitigation.** This approach should establish a process to mitigate the risks by starting with the most serious security threats and risks to the business operations of the organization.
 - **Process for continuous improvement.** Risk management should be a continuous process that identifies and mitigates risks to improve an organization’s security position over time. Risks should be continuously mitigated and minimized to support the organization’s operations and mission.

¹² “Zero Trust Architecture”, NIST Special Publication 800-207, National Institute of Standards and Technology, August 2020, <https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.800-207.pdf>

Adopting new and updating existing cybersecurity practices can improve the Township's cybersecurity position and safeguard the Township's significant and continuing technology asset investments. Given the relative expenses associated with an enhanced cybersecurity effort, the Township should consider available resource options. Employing a full-time certified information security officer (CISO) can prove very expensive with the desired incumbents proving difficult to attract and retain. An alternative approach would involve securing these services from a third party, either through a service sharing agreement or through contracting with a vendor. This approach can provide an opportunity to tailor the services to meet varying needs throughout the security development lifecycle while providing surge capacity, if necessary, to respond to specific security issues or threats.

Recommendation 22: Develop a proactive replacement cycle and funding plan for Township IT equipment.

Managing capital assets effectively requires understanding their respective operating criteria, maintenance requirements, warranty periods, and escalating costs associated with repair and maintenance over time. These criteria are also important for information technology equipment in the Township. All areas of Township services are directly and indirectly impacted by the availability and use of technology to support their operations.

Technology and associated equipment typically have accelerated depreciation periods and limited warranty periods due to the aging of the technology and requirements to replace to maintain capability and services. For example, the total unit costs associated with computer technology (desktops/laptops) over a three-year replacement cycle with warranty coverage can increase when extending the warranty period by one year and using a four-year replacement cycle. The technology market recognizes the increased incidence of component failure between years three and four and these costs are represented in the additional amount required to extend the warranty period from three years to four years. In addition, the organization will experience additional technology downtime and the need for an expanded loaner pool to keep government staff productive.

The Township has not traditionally used a set period in a technology equipment replacement program. Instead, the Township typically buys components in bulk purchases when necessary. For example, the Township plans to replace computer workstations (approximately 130 units) over the next two years that are now out of warranty.

The Township should apply the program elements associated with the capital asset management recommendation to technology equipment to factor in useability, reliability, age, warranty, and relative need, and apply these with cost estimates to develop a comprehensive understanding of requirements and plan to meet current and future needs. The benefits of planning replacements include minimizing downtime, securing better unit costs, smoothing fiscal requirements across time to minimize shocks to the Township budget, and leveraging warranty coverage to minimize downtime and additional expense with component failure.

Operating Departments

The following sections of the report develop information and recommendations regarding the Township’s operating departments. The operating departments comprise responsibility for providing direct services to the community as well as health and safety regulation. These Township departments include the Parks & Recreation Department, Community Development Department, Police Department, Public Works Department, and the Sewer Authority.

PARKS & RECREATION

The Township's Parks & Recreation Department is responsible for the development and administration of 382 acres of parkland, and a wide variety of recreation programs and special events offered year-round. The Department’s staff includes one Director, who works closely with three volunteer committees appointed by the Board of Supervisors: the Parks & Recreation Board, Arts Advisory Council, and Greenway Committee. Recreation programming, events, and leagues are administered by two Program Managers with the support of over 400 seasonal and part-time employees. The Department also has one Business Office Supervisor who manages all program registrations and transactions with the assistance of one Clerk. Parks and Recreation is one of the few Township departments that allows residents to register and pay for services online, which is done through a recreation management software program called CivicRec.

The figure below shows the organizational chart for Lower Paxton Township Parks and Recreation Department.

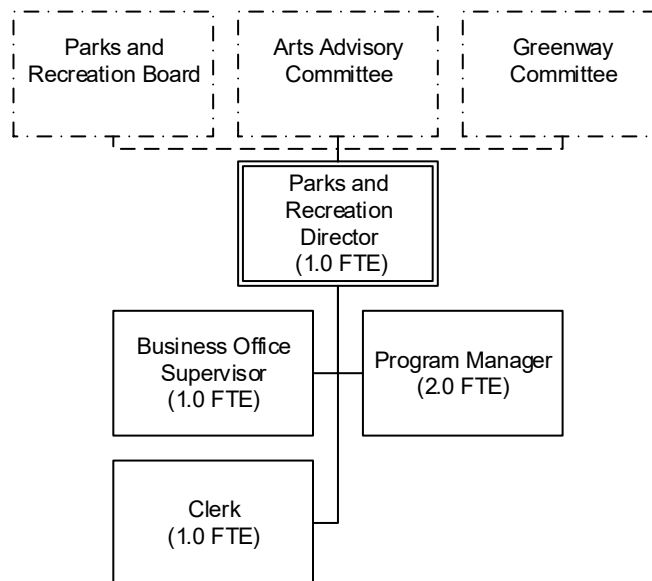


Figure 7: Department Organizational Structure, FY2022

Recommendation 23: Conduct a salary study of seasonal Parks employees and adjust wages to align with market rates.

The Parks and Recreation Department typically hires dozens of temporary employees (coaches, instructors, referees, etc.) in the spring and summer to fill seasonal custodial and recreation program roles. However, the Department has struggled to attract seasonal employees in recent years, a challenge staff believe is caused by low pay and a surge in demand for many outdoor recreation programs. In particular, the Township’s outdoor sports leagues are very popular among residents, especially following the closure of the Friendship Center, a municipally owned and operated indoor

recreation facility, in 2020. The resulting shift to predominantly outdoor recreation offerings has been a significant transition for Parks & Recreation staff and residents alike, and places even greater emphasis on temporary staffing.

Either as part of the contracted class and compensation study outlined in Recommendation 3, or by conducting a targeted analysis in-house, the Parks & Recreation Department should conduct a market study of wages for similar positions in the Harrisburg region. The study should also explore other part-time and temporary positions which compete for the same pool of talent, such as restaurants and big box retail stores, to gauge the various options available to typical applicants for seasonal Parks & Recreation positions. If the study finds that current seasonal employee wages are low, the Department should work to align them with current market rates. However, adjusting wages may require waiting until the next budget cycle, which would not ease the strain of this year's hiring efforts, but would position the Department for more successful hiring efforts in future years.

Recommendation 24: Elevate the visibility of Parks & Recreation programs.

As mentioned previously, the Township's approach to Parks & Recreation has changed considerably since the closure of the Friendship Center in late 2020. Without indoor recreation facilities, Lower Paxton's current recreation programs are primarily held outdoors at various municipal parks and are open to residents and non-residents alike. Although some programs, such as the outdoor basketball league, are very popular, staff shared that other Department programs are not garnering as much interest or attention. This issue may be caused, in part, by the Department's recent relocation to the Township's administrative building; previously, the public had easier access to Parks & Recreation staff and information about various programs at the Friendship Center compared to their current location.

Department leaders confirmed there are plans to move additional staff down to the administration building's front counter to provide resources and process recreation program registrations, which will help promote greater public awareness. However, because residents can enroll in programs online through the Township's recreation software, CivicRec, additional strategies are needed to elevate the visibility of all recreation offerings. Previously, the Township would mail brochures and other materials detailing recreation offerings to Friendship Center members, however these mailings were discontinued following the center's closing. The Department should resume print and electronic mailings to previous recreation program participants using addresses and emails captured during the registration process, as well as make print materials available at Township parks and other municipal events. This approach will help the Department reach residents who do not regularly come to the administrative building where staff and recreation resources are readily available. Although totaling approximately \$10,000 per year, the costs of printing and mailing physical brochures will need to be accounted for, as well as any costs associated with email marketing services and software, if used. These costs may ultimately be recovered, however, through additional recreation fees resulting from this outreach.

COMMUNITY DEVELOPMENT

The Community Development Department oversees all planning, zoning, building permitting and inspections, code compliance, and economic development activities in the Township. It also administers Lower Paxton's franchise agreement with Waste Management to provide solid waste and recycling collection services. The Department is led by a Community Development Director who oversees one Economic Development Coordinator, two Code Enforcement Officers (one of which is also the Zoning Officer), and one Secretary. One of the two Code Enforcement Officers focuses primarily on investigating an estimated 550 code complaints per year. Code enforcement activities are currently reactive with residents submitting most complaints for investigation and remediation. The other Code Enforcement Officer participates in some code enforcement activities but primarily processes building permit applications and responds to applicant inquiries.

The figure below shows the organizational chart for Lower Paxton Township Community Development Department.

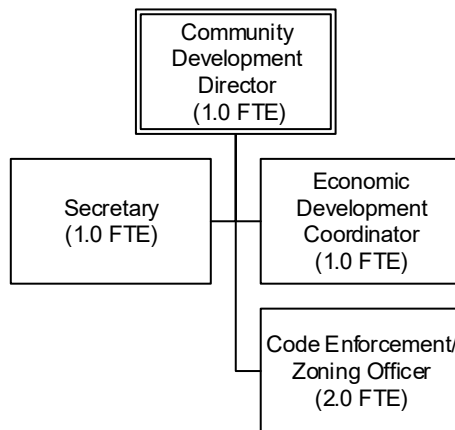


Figure 8: Department Organizational Structure, FY2022

Recommendation 25: Conduct a software evaluation to determine if Muncicity is meeting the Community Development Department’s needs.

The Township has sought out technology applications to support government operations and performance. In 2021, Lower Paxton Township implemented a cloud-based software, Muncicity, to facilitate the Township’s Community Development, Code Enforcement, Zoning, and Permitting processes. In addition to Community Development, the original intent for the software was to provide support to the Public Works Department as well as the Sewer Authority; however, only the Community Development Department eventually adopted the software.

Township staff identified the total acquisition and implementation cost of the Muncicity program to total approximately \$120,000 with licensing and maintenance fees of approximately \$50,000 per year. An informal comparison of other software options by Township staff identified similar software programs used by other Pennsylvania municipalities with maintenance costs of approximately \$10,000 per year.

In addition to the limited use of the program by Township departments and the relatively higher cost of acquiring and maintaining the program, Township staff relate that the current version of the program can be difficult to use:

- Software customer service can prove inadequate – Muncicity staff are not as responsive as needed, leading to delays in resolving even minor issues for Township staff members (e.g., it can take weeks to fix a typo in a permit template uploaded by Muncicity)
- The software is not intuitive to use and can require opening multiple pages to support use and data entry
- The software requires excess resources in terms of bandwidth on Township computers and networks given the number of open screens necessary to process information (e.g., uploading permit information requires opening multiple pages within Muncicity, causing it to slow down and impact staff productivity)
- Software reports can differ from other staff-generated reporting on a process and require reconciliation (e.g., Permit staff run reports from Muncicity, but the resulting data may not match financial data collected and developed by staff in spreadsheets)

The Township should objectively review the relative costs, effective use, and performance of the existing software to determine if enhancement of the program or replacement with an alternative system will better support Township

data processing needs. While there are multiple available approaches for software review, a useful general approach has been codified by the International Organization for Standardization (ISO). ISO has developed the “Systems and software Quality Requirements and Evaluation (SQuaRE) – System and Software Quality Models” to support ad hoc and comparative software evaluation.¹³

The ISO approach applies both a “quality in use model” as well as a “product quality model” to identify relevant characteristics that support specifying, measuring, and evaluating software product quality. The “quality in use model” identifies whether the product or system can be used by specific users to meet their needs to achieve specific goals. The primary categories in this model include:

- **Effectiveness** – Identifies whether users can achieve specified goals with accuracy and completeness
- **Efficiency** – Measures the resources necessary to support users to meet their goals
- **Satisfaction** – Measures whether the user needs are satisfied when a product or system is used
- **Freedom from Risk** – Measures the degree to which the product or system mitigates potential risks to the user from the use of the product or system

The “product quality model” considers eight characteristics that relate to the properties of the software or system. These characteristics include:

- **Functional Suitability** – Degree that the product or system provides the functions that meet the stated needs of the user that are complete, correct, and appropriate
- **Reliability** – Degree that the product or system performs specified functions under specified conditions for a specified period of time (mature, available, and recoverable)
- **Performance Efficiency** – The level of performance relative to the amount of resources necessary to use and support the software (including factors such as response time, resource use, and total processing capacity)
- **Usability** – The degree that the product or system can be used to meet goals with effectiveness, efficiency, and satisfaction by users (recognized, easy to learn, easy to operate, mitigates user errors, satisfying interface, and is accessible to a wide variety of users)
- **Security** – Product or system protects information that matches data access with authorization (confidentiality, integrity, accountability, and authenticity)
- **Compatibility** – The ability of a product, system, or component to exchange information with other products, systems, or components without negatively impacting other products, systems, or components
- **Maintainability** – Level of effective and efficient modification or maintenance of the product or system (modular, reusable, modifiable, and testable)
- **Portability** – Ability of the product or system to transfer to another hardware, software, or operating environment (adaptable, installable, and replaceable)

Conducting a software product or service assessment will require staff time, effort, and possible external support. Identifying both the immediate and identifiable operating costs as well as the indirect system use costs can provide a comprehensive understanding of the resources necessary for system access, use, and maintenance. These total costs can then be measured against the identified benefits provided by the product or system.

¹³ “Systems and software engineering — Systems and software Quality Requirements and Evaluation (SQuaRE) — System and software quality models” (ISO/IEC 25010:2011(en)), International Organization for Standardization, <https://www.iso.org/obp/ui/#iso:std:iso-iec:25010:ed-1:v1:en>

The software assessment can provide a static, point-in-time result, as well as a comparison to other points in time to understand how system demand, supply, costs, and performance can be compared over time. The information can help to identify additional service and support needs to improve effectiveness of the current system such as training, product development, or report development. Finally, the information can also form the basis for consideration of alternative solutions. The software assessment can also provide a baseline for a qualitative Request for Qualifications process with other system providers or a quantitative Request for Proposals process with defined service requirements identified for comparison and decision support.

The Township should conduct a comprehensive software assessment of the Muncity program to identify necessary changes to improve operational support. This effort should be inclusive of the Public Works Department and Sewer Authority to ensure Muncity can be implemented and used by these departments, as was the original intent. This approach can support a range of actions from existing system correction/enhancement to alternative system acquisition, implementation, and use.

Recommendation 26: Provide appropriate and effective technology resources to support Community Development field operations.

Community Development's two Code Enforcement Officer positions are responsible for enforcing the Township's residential and building codes for over 23,000 single and multi-family dwellings. These two staff receive and investigate code complaints submitted by residents, primarily during the warmer months spanning March to October, and issue approximately 550 violation notices annually. The officers receive code complaint notices by phone, record details of the complaint, and add it to their investigation schedule. When investigating in the field, these officers rely on photographs and handwritten notes which they upload to Muncity upon returning to the office.

The manual nature of the current code enforcement approach limits both Code Enforcement Officers' abilities to efficiently investigate possible code violations, and a surge in code complaints since the onset of the COVID-19 pandemic has imposed further constraints on existing staff capacity. As a result, very little proactive code enforcement is being conducted and most activities are reactive. Furthermore, staff shared that the Muncity software used to process and track code complaints and violations is prone to glitches and slow processing times, further limiting staff capacity to perform proactive enforcement. To streamline staff and promote proactive enforcement, the Department can implement process improvements and technology resources to support field operations.

A key process improvement the Department can implement is shifting code complaint submissions to an online platform. Staff currently receive complaints via phone and email, which they frequently answer in the field to record information about the complaint. Other municipalities have electronic submission platforms that allow the public to submit information about possible code violations without needing to speak directly to staff. Adopting a similar approach would allow Lower Paxton's Code Enforcement Officers to perform investigations and other tasks with fewer disruptions. Another opportunity to streamline these employees' duties and increase their capacity to perform proactive investigations is through appropriate field technologies. Taking handwritten notes and uploading them to Muncity later requires twice the amount of time as recording the notes electronically; ideally, this would be done in Muncity directly while in the field, but if the tool is incapable of supporting timely data entry, staff could also record the notes into a document and paste them into Muncity when back in the office. One such solution involves using tablets equipped with a stylus that allows staff to write notes by hand, which are then automatically converted into typed text for easy copying and pasting.

Adding a code complaint submission portal to the Lower Paxton website may require a financial investment and should be discussed with the Township's IT Manager. The website may already be equipped to accommodate this functionality, or the Township's IT contractor, Appalachia, would likely be able to build in a custom submission portal for a fee. The Department should also procure two camera-equipped tablets for the two Code Enforcement

Officers to use, with one acting as a spare in the event another is lost or damaged. Using the devices in the field will require an unlimited data plan or a mobile hotspot device for each employee, both of which carry a monthly fee. However, investing in these technologies will increase the productivity of code enforcement staff and reduce the need for additional positions to address elevated workloads.

Recommendation 27: Address handling of customer service issues with Waste Management.

The Township currently provides trash, recycling, and yard waste collection services to residents through a franchise agreement with a private solid waste contractor, Waste Management (WM). Per the terms of the agreement, WM is supposed to field customer service phone calls from Township residents for issues such as missed collections, with an expected response time of 24 hours or less. However, WM is experiencing staffing shortages and their responsiveness varies; when residents are unable to get through to WM, they begin reaching out to the Township to voice their issues and frustrations. Lower Paxton staff, in turn, have included WM's contact information on the township's website to prompt residents to continue trying to get through to them directly and when residents call the Township's main line, they are redirected to WM. According to Community Development staff, Lower Paxton previously threatened WM with legal action, but it doesn't seem to have inspired any lasting change and customer service issues continue to arise.

The Township should reengage WM on the issue and explore the various options at its disposal (legal action, terminating the agreement, etc.) if a satisfactory resolution cannot be achieved. Additionally, with the current agreement set to expire in July 2023, the Township should define specific customer service requirements and penalties to include in its next contract – either with WM or another hauler. Doing so will establish appropriate expectations from the start of the next agreement and give the Township sufficient legal leverage to hold the hauler accountable. However, a short-term solution is needed to ensure WM meets its existing obligations for the remainder of its current contract.

Recommendation 28: Develop a business plan for the Township compost facility.

The Lower Paxton Compost Facility is sited atop a former landfill at 6613 Conway Road in the southeastern part of the Township. The compost facility is open from April to December and accepts yard waste items including branches, tree trimmings, leaves, garden waste, and untreated wood mulch. This facility is not currently permitted to accept food scraps, biosolids, or other types of organic waste. In addition to providing Township residents with unlimited yard waste collections performed by WM, residents may also purchase an annual permit (\$50) or day pass (\$15) to self-dispose of yard waste items at the Township's compost facility. Contractors are also allowed to purchase annual permits at a cost of \$690, or day passes for \$75. The Township itself also uses the compost facility to dispose of branches, leaves, and other materials collected by the Parks & Recreation Department, Public Works Department, and Stormwater Authority.

Although several hundred permits are sold annually, no formal business plan currently exists to guide the Township's composting operations. To maximize the value of its composting infrastructure, the Township should consider leveraging Phase II STMP funding to develop a business plan that incorporates cost recovery strategies, local applications of finished compost products, and environmental stewardship. For example, one revenue generation strategy to help recover the cost of operating the compost facility is selling finished compost products like soil and wood mulch. In addition to marketing these products to residents and local businesses, the Township can reach a wider market by becoming an approved seller with the Pennsylvania Department of Transportation's Strategic Recycling Program.¹⁴ Further, the Township can save money by applying composted soils and wood mulch on municipal properties, such as public parks.

¹⁴ <https://www.dep.pa.gov/Business/Land/Waste/Recycling/Composting/Pages/default.aspx>

This business plan should also incorporate environmental outcomes that increase waste diversion from local landfills and support other efforts to protect Lower Paxton's environment. For instance, the Township can consider expanding the type of waste the compost facility accepts to include food waste, although this will require additional permits and infrastructure. Additionally, compost is emerging as a powerful tool for detaining stormwater and combating erosion when applied near construction sites and on sloped natural surfaces.¹⁵ The Pennsylvania Department of Environmental Protection provides specific guidance for using compost as an erosion and sediment control agent in the local watershed.¹⁶ However the Township ultimately determines its finished compost products should be used, a carefully created business plan for the composting facility and operations will help maximize the value of this community asset.

Recommendation 29: Improve building permit processing by incorporating online application components.

Permit applicants cannot currently apply and pay for a building permit online; all applications must be delivered via mail or in person to the Community Development Department, and all payments must be made via cash or check. The Department typically processes 3,000 physical permit applications per year, which consumes significant staff capacity due to the manual nature of the current process. The two receptionists must receive and upload each permit into Muncipity, which interferes with their ability to quickly answer permit applicant phone calls and attend to walk-in visitors. One of the Department's two Code Enforcement Officers must also review each permit and follow up with applicants to inform them of any errors and updates, limiting their ability to participate in other code enforcement activities. To promote high levels of customer service to permit applicants and increase staff capacity to perform proactive code enforcement, the Department should explore online solutions to streamline the permitting process.

Implementing an online permit application would significantly reduce the number of manual entries performed by the two receptionists, allowing them to respond more quickly to phone calls and visitors. Additionally, an online application can include required fields that must be completed before it can be submitted, reducing the number of errors and omissions the Department must address with applicants. Adding an electronic payment capability would further reduce receptionists' manual workload and provide a convenient payment option for permit applicants, many of whom are reported to be interested in paying via credit card. Other conveniences to applicants include the ability to log into their application online, save their progress and resume completing it at a later time, and receiving status updates from the Township via the applicant portal.

Implementing an online application would require collaborating with the Township's IT manager and Finance staff to determine the necessary software and financial requirements. Similarly, adding an online payment feature introduces additional software requirements, and the Township would also have to conform to payment card industry (PCI) standards. The timeframe to secure the necessary resources, build the online application portal, train staff, and market the new process to residents and contractors prior to deployment could take several months. Given the efficiency gains the Department would achieve through making this effort, the Township should begin evaluating the feasibility of this approach as soon as possible.

If incorporating online application components is not feasible, the Township will need to consider addition staffing or outside support.

¹⁵ <https://archive.epa.gov/region5/waste/solidwaste/compost/web/html/webinars.html>

¹⁶ <https://files.dep.state.pa.us/Waste/Recycling/lib/landrecwaste/composting/363-2134-008page136a.pdf>

Recommendation 30: Explore options to better resource the Department’s building inspection function.

Community Development previously had a permanent building inspection employee who performed inspections throughout the Township. However, after that individual retired several years ago, the Township has since outsourced all building inspections to a third party, Approved Code Services (ACS). Although Community Development staff are pleased with ACS’s performance, the Department’s lack of in-house building inspection expertise presents frequent customer service challenges. Specifically, the Department receives numerous inquiries from building permit applicants that are best suited to a building inspector, which existing Community Development staff struggle to answer as they lack expertise.

Although applicants receiving inspections can reach out directly to ACS to pose certain questions, ACS’s inspectors are primarily in the field and not well positioned to meet customer service demands. One solution to consider is creating a position within Community Development for someone with building inspection credentials and experience, similar to how the Department used to be staffed. This would ensure a dedicated customer service contact for technical inquiries and also provide a natural contract administrator for the current agreement with ACS, relieving the Community Development Director of those duties. However, creating a full-time position specifically for this purpose would be expensive and may not be as high of a priority as creating new code enforcement or permitting positions.

Another option to consider is expanding the current agreement with ACS to include more dedicated support for customer service. While the cost would likely vary based on the level of commitment, it would likely be less expensive and administratively complex than creating an in-house position. If expanded customer service support is not a service ACS can provide, there may be other organizations the Township can partner with. The Department should analyze the frequency of building inspection related inquiries to estimate the necessary level of contract support before exploring options with ACS or other providers. Ultimately, if amending the current contract with ACS is not possible, the Department may have to put the service to a bid in accordance with applicable procurement requirements.

Recommendation 31: Re-frame economic development approach and business plan for economic development function.

As previously noted, the Community Development Department oversees all planning, zoning, building permitting and inspections, code compliance, and economic development activities in the Township. In recognition of continuing economic and business environment challenges, the Township committed operational resources to create an economic development position in the last year. The general objective of the effort was to guide economic development projects as well as serve as a contact and resource to the business community in the Township.

As a relatively new function in the Community Services Department, the economic development effort currently lacks clear definition of goals and objectives, a vision and schedule for activities and achievements, as well as associated performance measures and benchmarks to assess effectiveness. These are all necessary elements to ensure that program efforts reflect community concerns and objectives, as well as provide expected and reasonable results that reflect the level of community investment. As economic development issues or initiatives develop into more fully defined programs and projects, Department staff will need direction to prioritize and plan their work. Lacking priorities and a plan, the combined effort necessary to support new and developing initiatives as well as continuing responsibilities can exceed the capacity of the Department to provide results.

There is no formal method used by the Township to direct the Community Development Department and the economic development function regarding either continuing assignments or new initiatives. As new issues arise and assignments are made, the required effort will be layered onto existing project or program workloads. The net effect

is that adjustments must be made to existing assignments to accommodate the new work. This leads to extended timeframes to complete work, a lower quality product in terms of depth and rigor of review, and/or abandoned assignments.

The Township would derive greater value and return on its investment by re-framing its effort to meet the business environment in the Community with clear goals and objectives and an associated business plan to move economic development activities and results forward. Township management and the Community Development Department should work collaboratively to ensure that appropriate and required resources are applied to the highest priority economic development programs and projects. This should result in development of a project planning and prioritization approach to align project scope and objectives with stakeholders, participants, and resources in order to better assess relative costs and benefits associated with an initiative.

Each proposed initiative should be supported with a comprehensive program or project charter. A charter formally outlines a proposed program or project in an organization. The charter identifies the scope of what the effort should achieve, as well as the people involved, milestones, budget, and possible risks. An effective program or project charter should do the following:

- Outline the effort scope and objectives
- Ensure that sponsors and all stakeholders are in alignment regarding the effort
- Provide a clear, single reference for all involved in the effort
- Help project sponsors get the approval of stakeholders when buy-in is still needed

Program or project charters can vary depending on the type of effort and organization, but the basic elements usually include the background, stakeholders, budget, risks, milestones, and approvals:

- **Background** – Includes basic information such as the name of the effort, the sponsors, and manager, as well as a general statement regarding the purpose. The section should identify why the effort is important to the organization.
- **Stakeholders** – Identifies the individuals and organizations involved in the effort in terms of general roles and expectations.
- **Objectives** – Identifies what the effort should deliver as well as the method and responsibility for determining that the effort has met the objectives.
- **Budget** – Considers known budget constraints in the organization that could impact the effort and a gross estimate of costs.
- **Risks** – Identifies any known or anticipated project risks to support responses as the effort moves forward.
- **Effort Milestones** – Includes the start and end dates as well as any constraints identified by date. This information is used as a starting point when developing the detailed program or project plans.
- **Charter Approvals** – Identifies approval of the charter by the manager and the sponsor. This can be used as a reference point for other participants to communicate executive support of the initiative, initial allocation of resources and participants, and expected results (including eventual ownership of the initiative).

The program or project charter becomes the basis for the development of the detailed plan that identifies questions to be answered, necessary data development and sources, the process to achieve the desired results, and the resources itemized that are necessary to support the effort, including both development support and continuing operational support. The program or project charter supports the effort by formally aligning an issue with participants and resources to develop a desired result. The plans used for prioritization and decision making can be summarized at a higher level through the charter or through detailed plans. The important element is that the plan includes an

assessment regarding the effort objectives and requirements to provide a point of comparison against the other efforts competing for limited resources.

Developing and implementing a program or project charter approach to economic development efforts in the Township will provide the necessary rigor to support choices among competing demands. As additional program or project charters and plans are created and reviewed, Township management, and any other departments contributing to the project or assigned ownership of the initiative, can review commitments, and make proactive, understood, and acceptable decisions to rebalance workload while maintaining quality and timetables. The approach will also better support stakeholder involvement by standardizing the often-nebulous concepts surrounding economic development with factual and data-driven performance objectives and associated measures. The net result will be greater understanding of objectives, approaches, and expected results to support a program that meets community expectations.

Recommendation 32: Pursue a customer relationship management (CRM) system to better manage community and stakeholder engagement.

The Township pursues a wide portfolio of responsibilities, connecting with and impacting many different elements in the community. In the course of its responsibilities and assignments, the Township, through the Community Development Department, develops tactical information regarding the metropolitan area through its continuing interactions with residents and businesses and its continuing program management and new program development. However, this information is not effectively shared or leveraged, either internally by staff in Community Development or with other Township departments.

A strategic CRM approach supports an organization to share relevant and important information within and among various operating units in order to support more effective program development and service delivery. While most frequently associated with private business, sales, and marketing functions, CRM can support customer contact and response in any setting. CRM improves interactions with customers in three general ways:¹⁷

- **Learning** – CRM helps organizations learn about their customers, why they take the actions that they do, and what they will want next.
- **Organization** – CRM allows organizations to become more efficient by organizing and automating certain aspects of their operations.
- **Optimization** – CRM allows organizations to simplify customer interactions and increase customer satisfaction.

By further developing and maintaining this type and range of customer or client information, the Township can better learn, organize, and optimize to support and streamline operations involving outreach, program management, and community communication.

Community Development should consult with the Township's information and technology provider to request support with determining organizational demand for the customer relationship management software, as well as assistance with requirements definition, vendor selection, and implementation. The effort should initially focus on developing information and supporting operations in the community development and economic development functions. The effort should also leverage any CRM information developed to date by other Township departments

¹⁷ Whys is Customer Relationship Management so Important?, Forbes Magazine, <https://www.forbes.com/sites/forbesagencycouncil/2017/10/24/why-is-customer-relationship-management-so-important/?sh=205bb8fb7dac>

as well as information developed through other informal efforts as a starting point to understand potential uses and extensions to other Township departments and operations.

POLICE DEPARTMENT

The Lower Paxton Police Department is responsible for providing core public safety services including patrol, responding to service calls, and investigating crimes for a population of approximately 54,000¹⁸ residents within the 28 square mile¹⁹ Township.

The mission of the Lower Paxton Police Department is to “Respect all; be ever faithful to Duty; develop meaningful Partnerships; and constantly Learn to better serve.”²⁰”

The Department employs a total of 71.0 FTEs. The figure below shows the organizational chart for Lower Paxton Township Police Department.

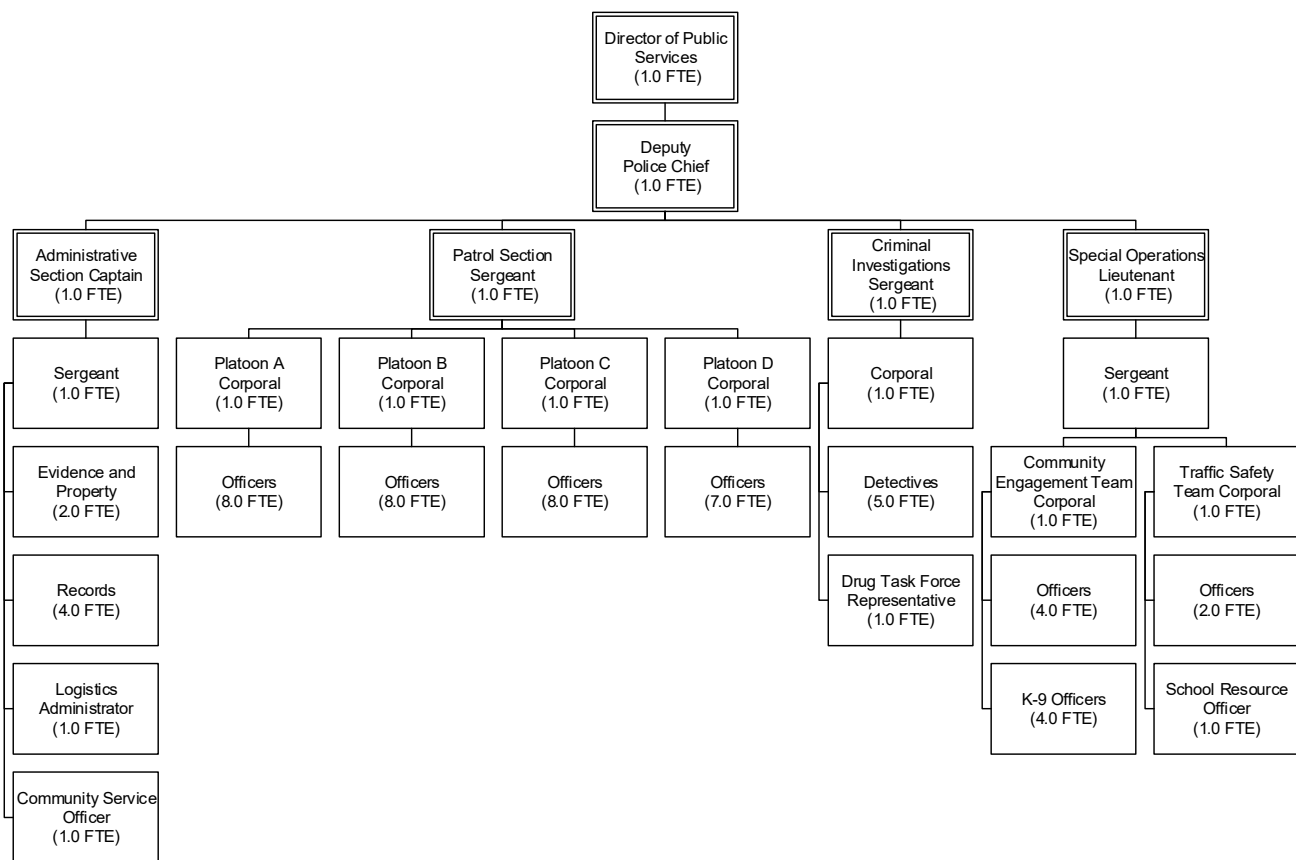


Figure 9: Police Department Organizational Structure, FY2022

The Department is led by a Director of Public Services who ensures the Department operates within the framework of long-range planning and goals set by Township leadership, directing law enforcement efforts to uphold public safety.

¹⁸ US Census Bureau, QuickFacts,

<https://www.census.gov/quickfacts/fact/table/lowerpaxtontownshipdauphincountypennsylvania/INC110220>

¹⁹ <https://dauphin.crimewatchpa.com/lowerpaxtonpd/3730/content/mission-vision-and-values>

²⁰ <https://dauphin.crimewatchpa.com/lowerpaxtonpd/3730/content/mission-vision-and-values>

The Director of Public Services has one direct report, the Deputy Police Chief, who helps manages daily operations and activities of the Department. The Deputy Police Chief also coordinates activities with outside agencies and provides administrative support to the Director of Public Services.

The Patrol Division is the largest division in the Department. It is staffed with four patrol platoons and one traffic safety platoon. Under the Patrol Division is also the K-9 Unit and a Community Service Officer. Patrol officers respond to emergency and non-emergency calls for service, investigate traffic accidents, enforce laws, and handle other requests for police services²¹.

The Criminal Investigation Division includes the Criminal Investigation Unit (Detectives), Property and Evidence Unit, Community Policing Unit, School Resource Officers, Records and Administrative Unit, and the Warrant Unit. Detectives within the Criminal Investigation Unit conduct initial investigations of serious crimes and conduct follow up investigations when Patrol officers are unable to. The Property and Evidence Unit oversees collected evidence and property including maintaining the chain of custody in accordance with state and federal standards and conduct crime scene processing²². The Community Policing Unit establishes relationships throughout the Township. They are responsible for Citizen's Policy Academy, Neighborhood Watch, Certified Child Safety Seat Installations, School Lunch Program, Crime Prevention Presentations, and Police Department Tours.²³ School Resource Officers are assigned to Dauphin County Technical School and Central Dauphin East Sr. High School. The Records and Administrative Unit is responsible for maintaining the records management system and the Warrant Unit works closely with the US Marshall Joint Fugitive Task Force and serves the Department's arrest warrants.²⁴

The Administration Division is responsible for²⁵:

- Policy development and review
- Training coordination
- Internal investigations
- Accreditation
- Equipment upgrades and maintenance
- Human Resources
- Fitness program
- Scheduling and invoicing
- Audits and inspections
- Police Academy liaison
- Employee discipline
- Coordination of Safe Schools-School Report and police incident data
- Honor Guard
- Planning and research
- Performing executive functions when the Public Safety Director is unavailable
- Emergency Operations Center

²¹ <https://dauphin.crimewatchpa.com/lowerpaxtonpd/3730/content/patrol-division>

²² <https://dauphin.crimewatchpa.com/lowerpaxtonpd/3730/content/criminal-investigation-division>

²³ <https://dauphin.crimewatchpa.com/lowerpaxtonpd/3730/content/community-policing-unit-0>

²⁴ <https://dauphin.crimewatchpa.com/lowerpaxtonpd/3730/content/community-policing-unit-0>

²⁵ <https://dauphin.crimewatchpa.com/lowerpaxtonpd/3730/content/administrative-division>

From the field work performed by the project team, it is clear that morale throughout the Department is high, reflecting prioritized investment in the Department as well as strong leadership. The Department, with the support of the community, has made a number of investments in Department staffing and resources and Department leadership has focused effort on creating opportunities for professional growth in the Department. Broadly speaking, the Department is operating at a high level; however, there are some opportunities to consider regarding resource allocation and process improvement.

Recommendation 33: Utilize Community Engagement Team (CET) towards minimum staffing during peak leave periods to maintain minimum staffing.

To evaluate the current staffing level of the Police Department, the project team analyzed data provided by the Department regarding Directed Calls for Service (DCFS) from FY2019-FY2021. This information is the primary driver of patrol activity. The analysis determined how much of an officer’s time is absorbed responding to calls for service by the hour of the day and day of the week.

Between FY2019 and FY2021, the Department has averaged approximately 30,000 calls for service annually. The project team categorized these calls into three categories: Administrative (report preparation), Reactive (emergency response), and Proactive (Community policing, business checks, patrol activities).

Based on the data provided, reactive calls for service represented an average of 89% of DCFS. The following figure illustrates the number of DCFS by category.

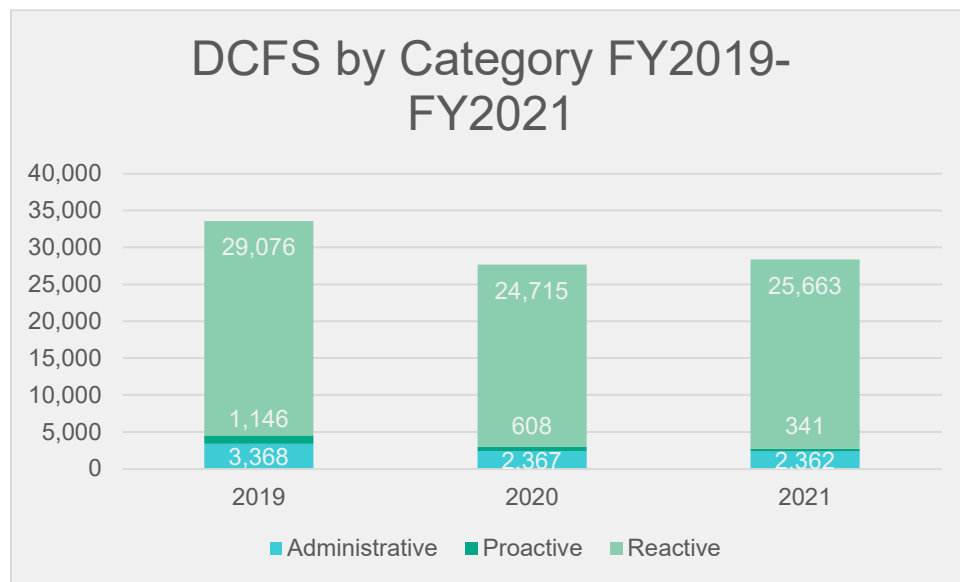


Figure 10: DCFS by Category FY2019-FY2021

Each time a DCFS is fielded, an officer is dispatched to respond and the Department’s ability to react to additional calls is impacted. For this reason, it is also important, when evaluating staffing levels, to understand the amount of time officers spend responding to these calls for service. The following figure shows the total amount of time officers spent in the field responding to these call types between FY2019 and FY2021.

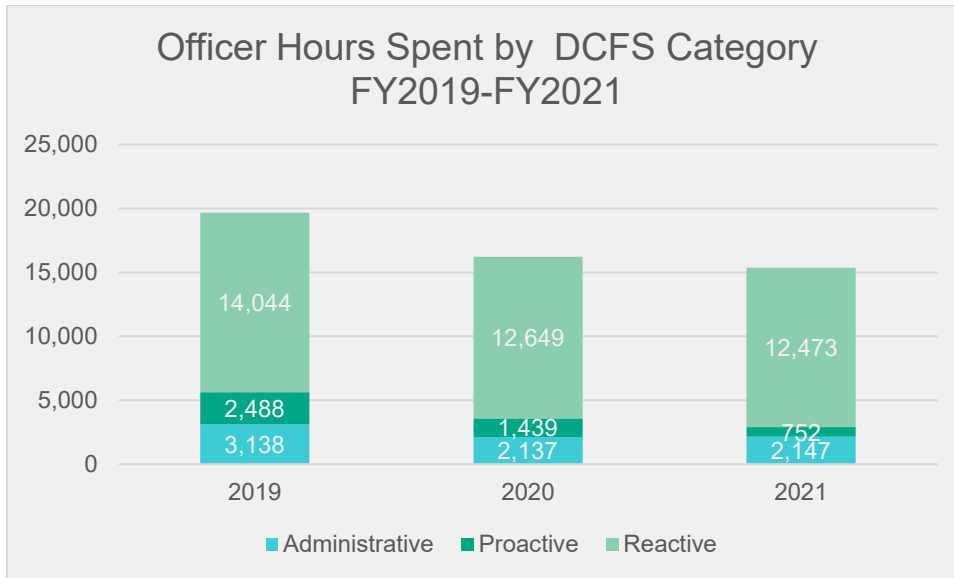


Figure 11: Officer Hours Spent by DCFS Category FY2019-FY2021

Next, the project team analyzed the call data to understand when the Department experiences DCFS on average throughout a 24-hour day. The data provided showed activity is lowest in the early morning hours and peaks around midday. The following figure illustrates the average amount of time officers spend responding to calls on an hourly basis.

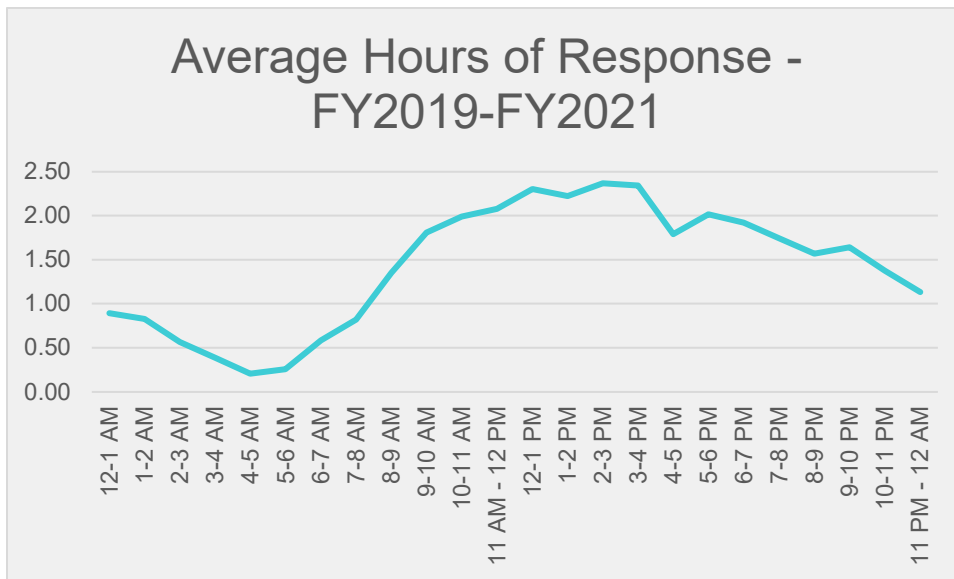


Figure 12: Average Hours of Response– FY2019 – FY2021

Currently, the Department’s minimum staffing level is five patrol officers between the hours of Midnight to 8:00 AM and six between the hours of 8:00 AM to Midnight. Traffic Safety Officers, of which there are two in the Department, also count towards minimum staffing and work 10-hour shifts.

The widely accepted industry best practice in patrol is to ensure time is available for officers to perform proactive policing. This contrasts with reactive police activities such as responding to an incident after it has occurred. The goal of analyzing staffing levels within a police department is to identify the appropriate staffing level that balances reactive policing with proactive activities.

The International Association of Chiefs of Police (IACP) has established general best practice guidelines that equally balances the DCFS categories of administrative activities (33%), proactive policing (33%), and reacting to calls for service (33%). This is known as the 33% rule.

In Lower Paxton Township, the Department has chosen to address proactive policing in a different manner than the 33% guideline. Instead of exclusively relying on patrol to drive proactive policing, the Department has an established dedicated team, the Community Engagement Team (CET), that is tasked with proactive policing efforts.

The CET consists of a Corporal, four sworn Officers, and four sworn K-9 Officers. The officers work on a 10-hour shift schedule and do not currently count towards the Department’s minimum staffing.

The current organizational chart for the CET Team is as follows:

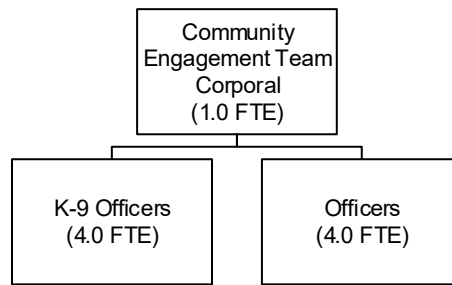


Figure 13: CET Organizational Chart

Having a dedicated team to proactive policing allows the Department to strategically deploy the CET to focus on identified trends and high crime areas. This can help prevent and reduce crime within the Township and is generally considered a best practice.

The presence and use of the CET within the Department’s deployment strategy means that staffing levels of patrol and traffic safety officers are sufficient to meet the needs of minimum staffing. With that said, during staff interviews, it was reported that the Department can struggle to meet minimum staffing levels due to officer leave time.

Based on the data provided by the Department, the annual average of leave used per officer between FY2019 and FY2021 was 239.96 hours. The average annual leave per officer is summarized in the table below.

Table 8: Officer Leave FY2019-FY2021

Leave Category	Total
Sick Time	6,378.25
Vacation	9,001.50
Personal	3,713.50
Holiday	6,732.00
Comp Time	810.00

Leave Category	Total
Total Leave Used (FY2019-FY2021)	26,635.25
Average Annual Leave Used	8,878.42
Number of Officers	37
Average Annual Leave Used Per Officer	239.96

To help the Department maintain minimum staffing during peak vacation and leave periods, the CET should assist with the reactive policing efforts of the patrol and traffic safety officers during peak periods. This will ensure the Department can maintain levels of service to the community and maintain the balance between administrative, reactive, and proactive policing efforts.

Recommendation 34: Enhance data collection for Investigations.

Detailed investigative data can be invaluable to a Police Department. It provides a data-driven fact-based basis for:

- Performance evaluation
- Staffing and deployment
- Budget and funding requests
- Grant proposals

It also aids elected officials and department leadership in decision making and shows the return on investment of tax dollars.

The two primary measures used to assess investigative work include:

- Clearance Rate – the percentage of cases that are solved
- Caseload – number of open cases for an investigator at a given moment in time

The Department should ensure these two metrics are being collected and reviewed regularly (monthly and annually) to track short-term needs for adjusting deployment, long-term staffing needs, and overall performance. However, it is important to note that when reviewing these metrics, particularly caseload, the context of the data must be considered.

For example, the amount of effort for a given case or investigation can vary significantly. A complicated case can require a great deal of attention and work such as multiple interviews, evidence collection, surveillance, search warrants, etc. While a particular investigator’s caseload may not be large in terms of number, it could have complicated cases that require as much or more work than another investigator’s higher caseload number.

Recommendation 35: Conduct a facility and space needs assessment of the Police Headquarters.

The Police Department is located on first floor on the 52,000 square foot Municipal Center, which also houses the administrative offices on the second floor. Because the Department currently shares space with the administrative offices, there is no clear opportunity to accommodate future expansion in the number of sworn officers. Additionally, during interviews with the Project Team, staff indicated a lack of desired security measures including a privacy fence and screening around the property and more secure building entrances.

Although the analysis in this report indicates that police staffing is currently sufficient to meet service demand, the Township should consider utilizing Phase II SMTP funding to conduct a space needs assessment to plan for future growth whether through remodeling, reconfiguration, or expansion while also assessing the addition of security

measures in and around the facility. For this space needs assessment, the Department would need to work closely with Public Works to begin evaluating options and developing funding proposals for the budget development process.

Recommendation 36: Department should pursue process and technology improvements to increase productivity.

Officer productivity is something that is hard to properly measure, however it is vitally important to ensuring public safety and maintaining a positive perspective in the community. “A perceived misuse of time and resources may negatively impact public perceptions of law enforcement, and studies suggest that if citizens perceive police officers as incompetent or unproductive, their trust in and willingness to cooperate with officers may suffer considerably.”²⁶

During the project team’s assessment of the Township’s Police Department, there were several areas where staff indicated officer productivity was impacted that could be resolved through technology and process improvements. For example, staff indicated that a new records management system, CODY, was implemented approximately 12 months ago. It was reported that the new system has several issues that affect productivity including:

- System is difficult to navigate
- Past connectivity issues
- Lacks a case management function causing officers to manage cases by hand using varying methods
- Past case data was not mapped when the system was implemented
- No cell phone mapping
- Lacks access to outside jurisdictions, which affects the ability to track individuals of interest

While the CODY system is relatively new, the Department should work with the vendor to identify and implement features to address the staff’s concerns and ensure the system meets the needs of the Department.

Additional enhancements that the Department should pursue that would increase officer productivity include:

- Adding a second computer for evidence logging
- Enabling computers in vehicles to:
 - Access websites
 - Allow for report writing
 - Ability to rewatch body cam footage
- Implementing a computer-based payroll, leave management, and scheduling system
- Acquiring laptops for the Criminal Investigations Unit

These investments and process improvements should be prioritized for the department.

PUBLIC WORKS DEPARTMENT AND SEWER AUTHORITY

Public Works Department

The Public Works Department is led by a Director of Public Works who oversees a staff consisting of three administrative staff, an operations manager, two sign shop employees, a Foreman, and 25 laborers as illustrated in the following organizational chart.

²⁶ Officer Luke Bonkiewicz, “The IMPACTT of a Patrol Officer: Evaluating Productivity Metrics,” National Institute of Justice, <https://nij.ojp.gov/topics/articles/impactt-patrol-officer-evaluating-productivity-metrics>.

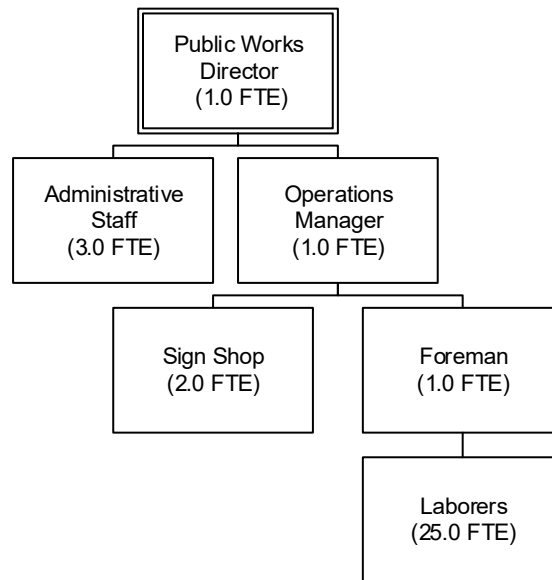


Figure 14: Public Works Department Organizational Structure, FY2022

The Public Works Director has been with the Department since January 2022 after serving the Township as the Sewer Department Engineer. According to interviews with the Project Team, the change in leadership has been viewed positively by staff and has helped increase overall department morale.

The Operations Manager is responsible for assigning jobs to the Public Works crew members each morning based on needs and the Department’s Foreman oversees field operations.

The Public Works Department is responsible for leaf and yard waste collection, fleet maintenance, stormwater enhancements/replacements, mowing, snow removal, roadway maintenance, park maintenance, and sign maintenance. Details regarding these activities are summarized in the table below.

Table 9: Public Works Department Core Services

Function	Summary
Leaf Collection	<ul style="list-style-type: none"> Perform roadside collection of leaves with vacuum trucks Starts the first full week of November Township is divided into four quadrants for crews to work Contract with Waste Management for pickup of bundled sticks and bagged yard waste
Fleet Maintenance	<ul style="list-style-type: none"> Perform maintenance on all township vehicles and equipment
Stormwater	<ul style="list-style-type: none"> Responsible for cleaning, repairing, and replacement of the Township’s stormwater system
Mowing	<ul style="list-style-type: none"> Township divided into north and south for mowing Perform mowing on a weekly cycle Also perform whipping, edging, pesticide application, and fertilizing
Snow Removal	<ul style="list-style-type: none"> Clear snowfall from roadways, sidewalks, and ramps according to designated routes. Apply deicer before winter storms. Prepare and maintain equipment for snow response.
Roadway Maintenance	<ul style="list-style-type: none"> Contract out large paving projects and crack sealing Utilize hot patching during warm weather months Utilize cold patching during cold weather months Weekly street sweeping
Sign Maintenance	<ul style="list-style-type: none"> Replace signs on an as-needed basis

In addition to these responsibilities, the Public Works Department performs snow and ice removal on portions of seven state routes under a Winter Traffic Services Agreement with the Commonwealth of Pennsylvania's Department of Transportation.

Sewer Authority/Sewer Department

The Lower Paxton Township Sewer Authority (Authority) was created in 1951. It is responsible for providing sanitary sewer service to the Township. The Authority owns an extensive collection and transmission system that consists of 250 miles of sanitary sewer lines and five pumping stations.

The Authority is overseen by a seven-member governing body appointed by a Board of Supervisors. The Township Manager serves as the Manager of the Authority and the Township and Authority have a management agreement in place that places the responsibility of the day-to-day operations of the system with the Township's Sanitary Sewer Department (Sewer Department).

Sanitary Sewer is an enterprise fund with operations supported by a sewer fee. The Sewer Department is responsible for sewer system repairs and replacement on projects that are dictated by consent decrees from the Commonwealth of Pennsylvania that go until 2033. Flow meters help prioritize projects by identifying target areas for the crews to address. The Sewer Department then works with a contractor to determine costs and take project budgets to the Board of Supervisors for approval with funding from the Township through bond funding. Recently, the Sewer Department has begun performing stormwater installation and reinstallation the Public Works Department is responsible for stormwater maintenance and repair.

The Sewer Department is led by a Sewer Department Director who has been with the Township since 1996. The Director oversees a staff that consists of 25 employees including an Engineer, Operations Division, and Business Services Division.

The figure below shows the organizational chart for Lower Paxton Township Sewer Department.

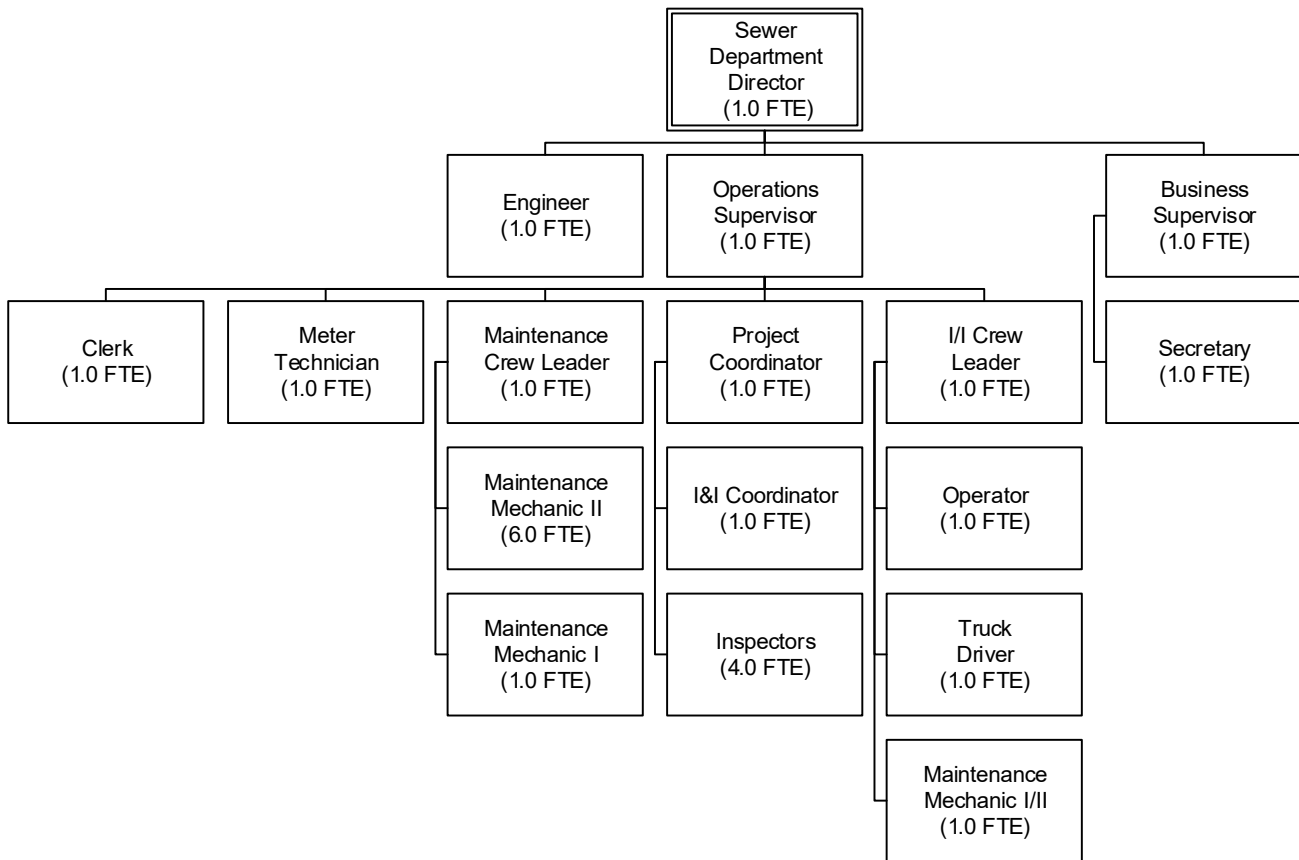


Figure 15: Sewer Department Organizational Structure, FY2022

Recommendation 37: Restructure the Sewer Authority and Public Works Department under a single entity.

The Public Works Department is responsible for performing much stormwater maintenance work for the Township. Crews perform routine maintenance activities including inlet/outlet cleaning, leaf and yard waste services, street sweeping, tree trimming, weeding, mulching, and replanting. They are also involved in repair and replacement activities including culvert and pipe replacement, ditch repair and regrading, sewer replacements in the road right of way, and inlet repairs.

The Sewer Department has begun to perform stormwater capital or maintenance projects when there is an alignment with a particular sewer project. The crews replace the stormwater infrastructure from the road to the catch basin. This work has created an overlapping of duties between the Sewer Department and the Public Works Department.

In addition to different approaches to stormwater projects, each Department has its own fleet and equipment. This equipment is minimally shared between the Departments despite the ability of each to benefit from one another's equipment. For example, the Public Works Department has dump trucks that the Sewer Department's infiltration and inflow (I&I) crew could utilize. Additionally, the Sewer Department has equipment that can dig deeper trenches and has larger trench boxes that would help the Public Works Department.

The Township should restructure the Sewer Department and Public Works Department under a single entity. It would also allow for stormwater projects to be performed more uniformly, efficiently, and effectively and improve communication and equipment sharing between crews.

Furthermore, the Sewer Authority is responsible for billing and collecting the stormwater fee and the sanitary sewer fee. Under a combined department the Township would ensure decisions made are best for the Township as a whole and not just for the enterprise fund. For example, under a combined Department, the stormwater fee could be utilized to fund additional services currently being performed by the Public Works Department, including some capital expenditures.

Utilizing the stormwater fee to help fund expenses that currently are paid for with general funding would help the Township realize cost savings. Additional cost savings that could be realized by combining the Departments include:

- Current fleet reduction based on the elimination of any duplicate equipment
- Reduction of future equipment purchases based on a combined fleet
- Flexibility of staff to perform various activities

The combined Public Works and Sewer Department Organizational chart is illustrated in the following figure:

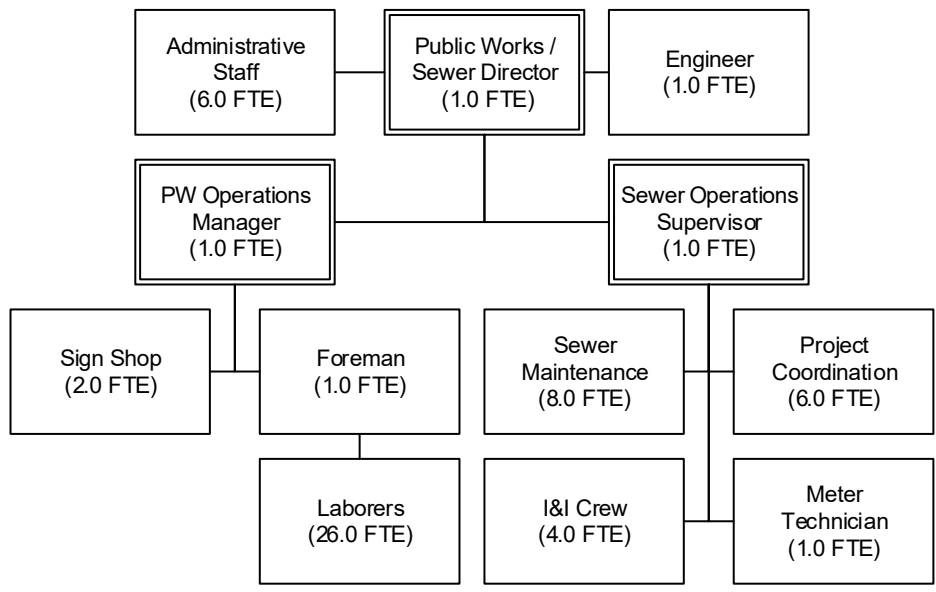


Figure 16: Combined Public Works and Sewer Department Organizational Chart

Recommendation 38: Pursue seasonal staffing or contracting opportunities for mowing services to reallocate Public Works staff towards roadway and stormwater projects.

Mowing services are done on a weekly cycle and include not only mowing of open spaces, but also weed eating, edging, pesticide application, and fertilizing. The current staffing configuration for these activities includes four full-time Public Works crew members.

Between April and October, in addition to mowing services, the Department is responsible for roadway projects, stormwater projects, and sidewalk maintenance. The majority of roadway and stormwater projects require between two and four crew members to safely complete. Taking into account the current staffing levels and normal leave time, there is a question of whether there is sufficient staff capacity to meet all the demands of all the services the Department is tasked with completing.

According to staff interviews, the Department staffing configuration is currently able to meet the Department’s primary workload demands; however, it is important to evaluate the available options to ensure there is not a more efficient approach. Two primary service alternatives include contracting for services and hiring seasonal employees.

The benefit of seasonal employees from April to October is that they can be dedicated to mowing services while the current full-time staff could be reallocated toward roadway and stormwater maintenance. Seasonal employees are typically able to work approximately 1,500 hours per year (an average of 30 hours per week) and are not paid employee benefits. Based on the current staffing levels dedicated to mowing services, the Department would need 5.3 seasonal employees per 30-hour week or 4.0 seasonal employees per 40-hour week to meet the workload demands and current service standards. The Department would allocate time and effort from the existing four full-time employees for stormwater or roadway projects. Creating the seasonal pool for mowing would therefore increase overall labor costs against the current mowing staffing model.

The Township could also contract for mowing services thereby allowing the current staff to focus on roadway and stormwater maintenance projects. However, similar to hiring seasonal employees, this would add additional costs to the Department.

The additional expenses could be offset by identifying costs that the stormwater fee could pay for such as capital expenditures related to the increased amount of roadway or stormwater projects able to be performed by the Department.

Recommendation 39: Evaluate adding staff to the Public Works Department dedicated to Township-wide capital planning and facility maintenance.

The Public Works Department currently has no dedicated staff performing facility maintenance. Without dedicated staff, individual Township Departments have become responsible for purchasing their own materials, performing minor maintenance activities, and pursuing contracting for larger projects.

This disjointed approach to facilities maintenance prevents the ability to implement a preventive maintenance plan that may lower costs related to repairs and materials.

The International Facility Management Association (IFMA) has benchmarking ratios that can help determine the appropriate number of facility maintenance staff organizations should employ based on facility size, age, condition, and the systems being maintained. The project team’s analysis of the benchmarking data identified one technician per 50,000 square feet of space as the appropriate ratio for the Township.

The Township currently has two primary facilities totaling approximately 93,000 square feet, as illustrated in the following table.

Table 10: Lower Paxton Township Facilities

Facility	Building Size
Municipal Center	52,000
Public Works	41,000
Total	93,000

Utilizing the one technician per 50,000 square foot ratio as guidance, the Township should add two dedicated facilities maintenance technicians to the Public Works Department. The addition of these employees would eliminate the need for individual departments to handle their own space needs and enhance the Department's ability to develop and implement a preventative maintenance plan.

With the additional staffing need having been identified, it will be important for the Township and Department to determine the proper set of skills these employees should have. Both employees should be general laborers with some basic knowledge of plumbing, electrical, and HVAC systems. This will enable the Department to handle common repairs and maintenance work. However, for larger more complex projects, the Department will still need to seek the use of contractors who are experts in electrical, plumbing, and HVAC systems.

Since the Department does not currently have facilities maintenance positions, the Township will need to work with the union to identify position classifications and compensation levels for the two new positions.

Recommendation 40: Develop a safety training program for Sewer Authority and Public Works staff.

The work performed by the Sewer Authority and Public Works has higher safety risks than many other Township functions. Excavating, working in trenches, and working with and around hazardous equipment are all common with the work performed by both the Sewer Authority and Public Works crews. Because of this, there should be a comprehensive safety program in place to ensure that working conditions are safe, crews are equipped with the proper safety gear, and all applicable standards are being met. Currently, there is no such safety program in place in Lower Paxton Township.

A comprehensive safety program should include the following elements:

Policies and Procedures – The first key component of a comprehensive safety program is a written manual of policies and procedures that covers the various hazards crews may encounter. The manual should detail the types of hazards, the responsibilities of crews for managing the hazards when they are encountered, and the use of mitigating measures such as protective equipment, signage, and appropriate training. These policies and procedures should also adhere to the appropriate standards and requirements from the State of Pennsylvania and Federal agencies.

Leadership – All staff members are responsible for managing safety as they perform their daily work, however, the duty of managing a comprehensive safety program should be the responsibility of designated, qualified crew members in both Public Works and the Sewer Authority. Furthermore, the designated individuals should be supported by Department and Township leadership. The responsibilities of the program leaders include:

- Arranging training
- Record keeping
- Maintaining up-to-date policies and procedures
- Understand the applicable State and Federal regulations
- Procurement of Personal Protective Equipment

To assist with these responsibilities, it may be beneficial to establish a safety committee consisting of several crew members from both Public Works and the Sewer Authority. The safety committee can then also promote safe working conditions and ensure work is being done appropriately.

Auditing – A comprehensive safety program should include regular audits of both the Township facilities and of the staff performing the hazardous duties. A qualified individual should do the audits. It is worth noting that the

Township should review their workers compensation insurance coverage, as sometimes the insurance providers have people that will conduct the audits at no additional cost to the Township. If the insurance provider does not provide such coverage, the American Public Works Association, or other such associations, can provide services providers for the auditing. The Township may also be able to partner with neighboring jurisdictions to perform that auditing.

To maintain safe operations, the results of any audits or inspections should be well documented, any deficiencies found should be mitigated immediately, and the inspections should be done on a regular basis.

Documentation – A key component of a comprehensive safety program is documentation. This documentation includes the policies and procedures and results of the auditing process previously stated. However, it also includes posting appropriate signage throughout employee areas and in high-hazard work areas, as well as training records and attendance at safety classes.

Training – Crews from the Sewer Authority and the Public Works Department require training on the various safety concerns and hazards they face as a part of their work. Formal training should be conducted by qualified instructors, documented with attendance being tracked, and done regularly based on the State of Pennsylvania and applicable federal regulations. Formal training can be done on-site, by sending staff to classes, online, or a combination of these. Informal training, such as safety-related reminders during work assignments or other regular meetings is also encouraged as it helps to remind people about the specific hazards related to the work they are performing.

Enforcement – If the safety program is going to be effective in ensuring safe working conditions and practices are followed, then it needs to be enforced. These programs are put in place to protect employees and violating them could lead to serious consequences for the Township or the employee. Enforcement should be commensurate with the violation and include termination for serious violations.

Equipment – A comprehensive safety program includes providing staff with the proper equipment. There are two types of equipment that are critical for the Sewer Authority and Public Works department to have. First is Personal Protective Equipment (PPE). Examples of PPE include:

- Hard hats
- Reflective vests
- Eye protection
- Boots
- Gloves

The second type of equipment includes items that do not fall into the PPE category such as traffic cones, signage, trench boxes, shields, guards, etc. The Township should provide this equipment to both Departments as well as provide training to ensure that it is being used properly.

All in all, if the Sewer Authority and Public Works Department are going to perform effectively, there needs to be a comprehensive safety program in place that is well documented, includes regular training and auditing, and provides all the necessary safety-related materials and equipment.

Recommendation 41: Develop a proactive sign replacement cycle and funding plan for signs throughout the Township including reflectivity standards.

Ensuring that signage throughout the Township is maintained and up to current reflectivity standards is an important function of the Public Works Department.

The Department’s Sign Shop is currently managed by two employees. Their current approach to replacing signs is completely reactive. Signs that are found to be faded, broken, or damaged are replaced. There is not plan in place to proactively maintain signs and current and new signs are not being checked for reflectivity to ensure they meet current standards. Additionally, there is no written inventory of signs throughout the Township.

It is important to note that staff indicated that there was a sign study done in the past, but the Department’s computers were unable to handle the amount of data being uploaded and the results of that study were discarded.

The current approach to sign maintenance in the Township is not adequate in ensuring traffic and pedestrian safety. Additionally, the current approach may be impacting costs and producing an inefficient use of staff time. Because of this, the Department should establish a proactive sign replacement cycle and funding plan. This plan would enable the Department to maintain a proper written inventory of signs, ensure each sign in the Township meets current and future reflectivity standards and can help staff justify budget requests.

According to the US Department of Transportation, the elements of proactive sign program include²⁷:

- Inventory
- Inspection
- Preventative Maintenance
- Repair and Replacement
- Reporting and Record Keeping

Additionally, any program should ensure that The Manual on Uniform Traffic Control Devices (MUTCD) is updated to ensure all signs throughout the township are meeting those current standards including reflectivity.

Inventory

A detailed inventory helps the Department understand sign life, prioritize replacement activities, minimize liability, assist with Department budgeting, and ensure efficient use of staff time. A computer-based inventory system would be the most effective means of developing an inventory system and would allow for the integration of mapping sign locations through GIS.²⁸

There are certain key data elements that should be included in a detailed inventory. This are summarized in the table below.

Table 11: Sign Inventory Data Elements²⁹

Data Element	Description
Identification Number	A unique number to identify the sign
Sign Location	The exact location of the sign (could be mapped with GIS)
Sign Code	MUTCD code
Sign Position	Location of sign relative to roadway
Offset	Distance from pavement edge
Height	Height above roadway

²⁷ [Maintenance of Signs and Sign Supports: A Guide for Local Highway and Street Maintenance Personnel, US Department of Transportation, January 2010](#)

²⁸ [Maintenance of Signs and Sign Supports: A Guide for Local Highway and Street Maintenance Personnel, US Department of Transportation, January 2010](#)

²⁹ [Maintenance of Signs and Sign Supports: A Guide for Local Highway and Street Maintenance Personnel, US Department of Transportation, January 2010](#)

Data Element	Description
Sign Size	Width and height of sign itself
Sheeting Type	Grade of retroreflective material
Installation Date	Date when the sign was installed
Post/Support Type	Type of support used to install the sign
Sign Condition	Condition of sign based on inspection
Retro reflectivity	Measured value of reflectivity
Maintenance History	List of any maintenance done to sign
Last Inspection Date	Date of when the sign was last inspected
Inspector Name	Name of crew member that performed the inspection
Comments	Any additional comments about the sign

Inspection

Signs should be inspected on a regular basis. All staff in the Department should be trained to perform the inspections enabling sign inspection to be done while crew members are out in the Township performing their other core responsibilities. The Department can also rely on its current method of reporting broken, damaged, or faded signs to the sign shop to ensure the deficient sign is addressed immediately. These reports and inspections should be recorded in the inventory management system to ensure that system stays up to date.

Each sign inspection should account for the following elements³⁰:

- Is the sign needed?
- Does the sign align with the MUTCD?
- Is the sign correctly positioned?
- Is the sign visible at the required distance during both day and night?
- Check that sign face is in good condition in terms of:
 - Condition
 - Fading
 - Retro reflectivity
 - Vandalism
- Is the sign support the proper one for the location of the sign?

Signs that are found to be deficient should be replaced or repaired by Public Works staff as quickly as possible.

Preventative Maintenance

In addition to sign inspections, preventative maintenance should be performed to ensure the maximum sign life and that it is clear of debris and visible. This includes trimming trees that could be blocking the sign from view or cleaning the surface of the sign.

Reporting and Record Keeping

Finally, all activities done as a part of the proactive sign replacement program should be recorded and tracked. By maintaining a detailed inventory of signs, performing regular inspections, and conducting preventative maintenance the Department will ensure traffic and pedestrian safety throughout the Township and make sure that all the signs in the Township meet current standards including reflectivity and according to the MUTCD.

³⁰ [Maintenance of Signs and Sign Supports: A Guide for Local Highway and Street Maintenance Personnel, US Department of Transportation, January 2010](#)

Recommendation 42: Implement a shared work order system between the Sewer Authority and Public Works Department that allows for the tracking of preventative maintenance.

Neither the Public Works Department nor Sewer Authority have a work order management system in place to track work performed and the amount of labor hours spend on tasks. Municipity was initially meant to support the Public Works Department as well as the Sewer Authority, however, since only the Community Development Department adopted the software, this information is currently being tracked on a paper-based system.

Implementing a shared work order system would provide a benefit to both the Public Works Department and Sewer Authority. For example, as detailed previously, both sets of crews are engaged in stormwater maintenance. Having a centralized work order system would enable better coordination between crews. Additionally, without a centralized system to document and track the work, it is difficult to plan and schedule activities. With a work order management system in place, the Department can perform annual work planning, define service level expectations, assign tasks, and schedule when maintenance activities will be performed. The Departments could also track performance against the annual work plans and adjust activities based on staff performance.

A centralized work order system will also help the Township balance proactive work against the reactive duties that stem from asset failures or requests for service that come in from the community and will improve the tracking of performance measures in a systematic manner. The paper-based systems currently utilized make tracking performance difficult and labor intensive. A work order management system would simplify that process and enhance the Township's ability to collect, track, and report on metrics on key performance metrics.

With that said, the Township should pursue the implementation of a software-based program to manage work orders and track labor hours for both the Sewer Authority and Public Works Department. This will help inform work planning, track work activity, and understand the maintenance needs of both Departments. Once implemented, leadership would have the ability to generate reports quickly, schedule needed repairs, forecast inventory levels, determine which assets need maintenance and when that maintenance should be done, and better quantify if service levels are meeting expectations.

It is important that the software selected meet the needs of both Departments, so the Township will need to evaluate the various options that exist to find the one most compatible with the work being done. Features to consider when evaluating software programs include:

- Asset inventory
- GIS integration
- Workflow management
- Project management
- Ability to assign work orders
- Automated work order generation based on preventative maintenance schedules
- Reminders if work orders are not completed

The implementation of a shared work order system will have a budgetary impact on the Township. Software system costs can vary based on a variety of factors including community size, number of users, and the customizations based on the features the Public Works Department and Sewer Authority determine meet their needs. For example, one of the common platforms used by Public Works Departments across the country is Cityworks®. For this system, Pearland, TX (population of 122,000) pays approximately \$81,000 annually and Dixon, CA (population of 20,000) pays approximately \$12,000 annually. Lower Paxton Township, with a population of approximately 53,000, could expect to pay somewhere between these amounts if they choose to pursue Cityworks® or a similar platform.

The Sewer Authority and Public Works Department should work with Community Development to conduct the comprehensive software assessment of the Municipity program to identify necessary changes to improve operational

support as previously recommended and provide a work order system for both Public Works and the Sewer Authority. Doing so would help identify a comprehensive system that meets the various needs of each Department. Any costs associated with the software, including those related to implementing changes and extending the Municipality software to the Public Works Department and Sewer Authority, should be split among the user Departments in a proportional manner in the annual budget process.

Conclusion

This organizational assessment was undertaken to review the Township's financial position and forecast future requirements, as well as identify key focus areas necessary to improve service delivery by providing guidance on staffing needs, structure, and business processes. Lower Paxton Township is fortunate to have a solid foundation upon which to develop additional best practices and strategic priorities to maintain its strong financial position.

The report recommendations were developed to support the Township's desire to address known issues and anticipate possible changes in the future. The recommendations are intended to enhance organizational resilience to identify issues, develop solutions, and implement change for effect. Specific guidance is provided on using the financial and performance data available to inform policy and resource allocation decisions, and to support the organization's efforts to provide high levels of service to the community over time within fiscal constraints.

Implementation of these recommendations will take time and hard work to be successful. They should be read as a roadmap that prepares the Township to handle change, not only through recommendations addressing immediate issues, but also by building capacity and systems to address new situations that arise and require a response.

Lower Paxton Township is fortunate to be staffed with employees who care deeply about the community and are committed to providing excellent services for the community. Using this report as a guide, Lower Paxton Township can become a more resilient organization capable of further improvements to its operations and services as it responds to changing community resources and demands.

Attachment A: Performance Measures

The following table illustrates an example of workload, efficiency, and outcome measures that should be implemented as part of the Township’s performance management program. These are not comprehensive but are intended to provide examples for each department or function.

Table 12: Example Measures by Department or Function

Department / Function	Sample Workload Measures	Sample Efficiency Measures	Sample Outcome Measures
Communications	<ul style="list-style-type: none"> Number of social media posts released Number of press releases drafted 	<ul style="list-style-type: none"> Average staff time spent managing social media per week Average staff time spent drafting each press release 	<ul style="list-style-type: none"> Number of engagements per social media post Number of news media mentions of Township initiatives or announcements
Finance	<ul style="list-style-type: none"> Total All Funds Revenue Total All Funds Expenses Number of Purchase Orders processed Number of Accounts Payable claims paid 	<ul style="list-style-type: none"> Financial administration cost per thousand dollars managed Average cost per processed Purchase Order Average cost per paid Accounts Payable claim 	<ul style="list-style-type: none"> Bond rating Percentage of audit findings addressed Percentage of budgeted revenue and expense to actuals Percentage of Accounts Payable transactions processed without errors
Human Resources	<ul style="list-style-type: none"> Number of recruitments completed Number of payroll disbursements processed Number of complaints investigated Number of union contracts negotiated 	<ul style="list-style-type: none"> Ratio of HR positions to Township positions Average time to fill vacant positions Average cost per payroll disbursement Staff hours per complaint investigated Staff hours spent per contract negotiation Staff hours per employee hired Staff hours per payroll cycle 	<ul style="list-style-type: none"> Staff turnover rates within one year of employment. Staff turnover and vacancy rates Response rate per job posting Percentage of payroll disbursements processed without errors
Information Technology	<ul style="list-style-type: none"> Number of help desk calls received Number of systems managed 	<ul style="list-style-type: none"> Total staff time per help desk call Staff hours per system managed 	<ul style="list-style-type: none"> System availability Help desk tickets resolved within target timeframes Number of cybersecurity incidents
Police	<ul style="list-style-type: none"> Number of calls for service by type Number of cases referred for investigation by type 	<ul style="list-style-type: none"> Average number of minutes spent on reactive calls per service by hour of the day and day of the week Average labor hours per investigation by type 	<ul style="list-style-type: none"> Percentage of calls for service where response time meets expected timeframes Percentage of cases successfully closed (case clearance rate) Percentage of cases closed within target timeframes

Department / Function	Sample Workload Measures	Sample Efficiency Measures	Sample Outcome Measures
Fire (contracted)	<ul style="list-style-type: none"> Number of occupancy inspections by type Number of calls received by type 	<ul style="list-style-type: none"> Cost per occupancy inspection Cost per call 	<ul style="list-style-type: none"> Total fires per capita Average call response time
Emergency Communications (contracted)	<ul style="list-style-type: none"> Number of calls received by type 	<ul style="list-style-type: none"> Cost per call 	<ul style="list-style-type: none"> Number of calls picked up within X seconds Average time between when a call is received and when services are dispatched
Public Works	<ul style="list-style-type: none"> Number of preventive and reactive tasks completed by location and type Number of facilities maintained and square footage 	<ul style="list-style-type: none"> Staff hours per maintenance task by type Energy cost per facility 	<ul style="list-style-type: none"> Changes in Pavement Condition Index Valuation of capital assets maintained Average number of calendar days to complete a work order by type Percentage change in the number and cost of repairs at each facility by year
Public Utilities / Sewer	<ul style="list-style-type: none"> Number of preventive and reactive tasks completed by location and type Miles of water main and sewer main maintained 	<ul style="list-style-type: none"> Staff hours per maintenance task by type Cost per gallon of water/wastewater treated 	<ul style="list-style-type: none"> Gallons of water used per household Number of water main breaks Water quality rating
Engineering	<ul style="list-style-type: none"> Total plans reviewed by type Total number of capital projects managed 	<ul style="list-style-type: none"> Staff hours per plan review, by type Staff hours per \$1,000 in capital projects 	<ul style="list-style-type: none"> Average number of calendar days to complete one round of plan review Percentage of capital projects milestones completed on schedule
Community Development	<ul style="list-style-type: none"> Number of inspections performed, by type Number of permits issued, by type 	<ul style="list-style-type: none"> Labor hours per inspection Labor hours per permit issued 	<ul style="list-style-type: none"> Percentage of permits and inspections completed within X business days of initial request Total valuation of permits, by type
Parks and Recreation	<ul style="list-style-type: none"> Number of recreation program attendees Number of acres of parks maintained 	<ul style="list-style-type: none"> Labor hours per recreation program Recreation program cost per attendee Labor hours per acre of parkland 	<ul style="list-style-type: none"> Customer satisfaction with program offerings Percentage of programs that meet attendance goals
Township Board Support	<ul style="list-style-type: none"> Number of Township Board agendas prepared Number of meetings staffed by type 	<ul style="list-style-type: none"> Average staff time spent preparing each agenda item Average staff time spent supporting each meeting, by type 	<ul style="list-style-type: none"> Percentage of Board packets published within X business days of a meeting
Township Attorney's Office	<ul style="list-style-type: none"> Number of litigation claims against the Township Number of legal opinions offered 	<ul style="list-style-type: none"> Cost per litigation claim 	<ul style="list-style-type: none"> Percentage of challenged lawsuits won by Township

