

Report of the UCMA Benchmarking Group



“Our wish... is, that the public efforts may be directed honestly to the public good...”
Thomas Jefferson

UCMA Spring Conference
April 10, 2007
St. George, UT
Revised April 11, 2007



Utah City Management Association
Professional Managers of Local Government

I. The Motivation and Expectations

This report follows up on a presentation made by Mark Christensen at the 2006 November meeting of the Utah City Management Association. In that presentation, efforts to benchmark municipal services in Park City and Washington Terrace were discussed. As a result of the discussion, the UCMA Board asked Mark to chair a group to develop a broader pilot demonstrating the potential of benchmarking to Utah's city managers. The participation of various cities was solicited, and 29 agreed to participate.

The purpose of this exercise is simply to demonstrate some of the potential that benchmarking municipal conditions and services has for informing senior managers in Utah's cities. The data presented here are as accurate as possible, but should be interpreted as illustrative. The perspective taken here is that benchmarking can be a valuable tool for at least the following purposes:

1. Descriptive data can be used to understand and monitor changes in the environment of a given city or across the state
2. Output and outcome data can be helpful in identifying best management practices
3. Benchmark data can be used as part of strategic planning efforts to identify strengths, weaknesses, opportunities and threats
4. Measuring and benchmarking performance can enable the celebration of successes
5. Measuring and benchmarking performance can help managers promote change and monitor progress toward city goals
6. Benchmarking is recognized as a best practice norm by GFOA, GASB, ICMA and other professional organizations.

Our hope is that as a result of this pilot effort, UCMA will undertake a broader and more sustained effort to parallel the efforts of ICMA and various state city management groups and develop an ongoing data development and reporting system. Such a system should clearly build on existing data collection efforts and should focus on those areas that UCMA considers most relevant for management. Our intent is to further stimulate and support that discussion.

In developing the pilot, the benchmarking group also assembled an advisory board from Utah State University¹, the University of Utah², Brigham Young University³ and the Utah League of Cities and Towns⁴. We also like to acknowledge research assistance of Melinda Frandsen and Holly Hilton from the Center for Public Policy and Administration (University of Utah), and Duane Huffman, Aaron Smith and Jed Briggs from the Romney Institute of Public Management (BYU).

II. UCMA Benchmark Participants

As mentioned 29 cities agreed to participate in this pilot, and their cooperation is gratefully acknowledged. The participating cities included:

Alpine
Bountiful
Cedar City

Marriott-Slaterville
North Ogden
Ogden

South Weber
Tremonton
Vernal City

-
1. Patria de Lancer Julnes
 2. Ken Embley, David Patton, Angela Stefaniak
 3. Larry Walters
 4. Neil Abercrombie

Woodrow Wilson:
It is the object of administrative study to discover, first, what government can properly and successfully do, and secondly, how it can do these proper things with the utmost possible efficiency and at the least possible cost either of money or energy.

Cedar Hills
 Centerville
 Clearfield
 Farmington
 Ivins
 Layton
 Lehi

Orem
 Park City
 Riverdale City
 Sandy
 Santa Clara
 South Jordan
 South Ogden

Washington City
 Washington Terrace
 West Jordan
 West Point
 West Valley
 Woods Cross

To the extent possible, data for these cities were assembled from already existing sources. The cities were contacted for additional data on the number of sworn police officers, the lane miles of roads maintained by the city, the number of developed and undeveloped park acres, and a summary of city and managerial goals.

Since we were using existing data sources whenever possible, it should also be recognized that any errors in those sources would be carried forward to this presentation. In addition, it is quite possible that the team made unintentional errors in interpreting and presenting the data. We apologize in advance for any anxiety that we might inadvertently cause. We stress again that this effort is intended to be illustrative.

One important point is that it makes little sense to compare all Utah cities since they differ so much in size and economic conditions. To facilitate the presentation here, we make use of a clustering scheme developed by the Utah League of Cities and Towns that attempts to group “comparable” Utah cities. The methods employed by ULCT to develop these clusters are shown in the appendix to this report. We note that the ULCT effort is still subject to further development and refinement. UCMA will have to decide whether the ULCT clusters are the most appropriate for its purposes.

Based on the ULCT clusters, we divide the 29 participating cities into the clusters shown in Table 1. The text, tables and figures which follow are organized by cluster.

Table 1: Participating cities grouped by ULCT cluster

Cluster	City	Cluster	City
A Major Cities	Layton Ogden Orem Sandy West Jordan West Valley	D Residential Transitioning	Ivins Santa Clara West Point
		E High Income Residential	Alpine Bountiful Farmington North Ogden South Jordan South Weber
B Commercial Centers	Cedar City Clearfield Lehi Vernal City Washington City	F Urban Edge Cities	Marriott-Slaterville Riverdale City South Ogden Tremonton Washington Terrace Woods Cross
C High Growth Communities	Centerville Cedar Hills	G Resort Communities	Park City

III. The Management Environment

Benchmarking data can be organized a variety of ways. In this pilot, we have elected to focus on indicators which describe the managerial environment that city leaders face, both the current situation and recent growth trends. We also present descriptive data on some aspects of the financial structure of the participating cities. In the next section we will shift attention to three common municipal services.

A. Demographic Information

Tables 2 and 3 present basic demographic and economic information on each city and show both the similarities and differences across these 7 clusters and 29 cities. Table 2 focuses purely on population characteristics. It shows that cities vary substantially in size, population density and the age distribution of their population. It seems likely that the challenges of managing a city with 19% of the population over 65 are quite different from those in cities with only 3% of the population over 65.

Table 2: Demographics Part A

Cluster	City	2005 Population	Land Area, Square Miles (2000)	Population Density	Percent School Age (2000)	Percent Over 65 (2000)
A	Layton	61,782	20.7	2,985	25%	6%
	Ogden	78,309	26.6	2,944	19%	11%
	Orem	89,713	18.4	4,876	25%	7%
	Sandy	89,664	22.3	4,021	27%	5%
	West Jordan	91,444	30.9	2,959	27%	3%
	West Valley	113,300	35.4	3,201	23%	5%
B	Cedar City	23,983	20.1	1,193	19%	8%
	Clearfield	27,413	7.8	3,514	24%	6%
	Lehi	31,370	20.3	1,545	25%	5%
	Vernal City	7,960	4.6	1,730	23%	12%
	Washington City	13,669	31.5	434	21%	19%
C	Cedar Hills	7,790	2	3,895	35%	3%
	Centerville	14,898	6	2,483	28%	7%
D	Ivins	6,738	10.2	661	22%	12%
	Santa Clara	5,864	4.9	1,197	31%	9%
	West Point	7,650	7.2	1,063	29%	5%

Table 2: Demographics Part A

Cluster	City	2005 Population	Land Area, Square Miles (2000)	Population Density	Percent School Age (2000)	Percent Over 65 (2000)
E	Alpine	9,063	7.2	1,259	35%	5%
	Bountiful	41,085	13.5	3,043	22%	14%
	Farmington	14,357	7.8	1,841	29%	5%
	North Ogden	16,542	6.5	2,545	27%	8%
	South Jordan	40,209	20.9	1,924	31%	5%
	South Weber	5,593	4.6	1,216	31%	4%
F	Marriott-Slaterville	1,446	7.3	198	24%	11%
	Riverdale City	7,934	4.4	1,803	20%	9%
	South Ogden	15,195	3.7	4,107	19%	16%
	Tremonton	6,286	5.2	1,209	28%	9%
	Washington Terrace	8,352	1.9	4,396	19%	15%
	Woods Cross	8,019	3.6	2,228	25%	4%
G	Park City	8,066	9.4	858	18%	5%

Table 3 adds additional insight in the socioeconomic conditions in these cities. While most cities do not differ much in a resident's average travel time to work, there are marked differences in the percent of the population speaking a language other than English at home, in median income, poverty rates, homeownership rates.

Table 3: Demographics Part B

Cluster	City	Mean Travel Time to Work (minutes)	Speak a language other than English at home (%)	Median Household Income	Families Below Poverty Level (%)	Home ownership rate
A	Layton	24.4	8.8	52,128	5.0	74.5
	Ogden	19.9	21.4	34,047	12.6	61.2
	Orem	16.8	13.4	47,529	5.8	67.1
	Sandy	24	8.8	66,458	2.8	84.3
	West Jordan	24.6	11.4	55,794	4.1	81.9
	West Valley	22.7	22.5	45,773	6.7	72.6

Table 3: Demographics Part B

Cluster	City	Mean Travel Time to Work (minutes)	Speak a language other than English at home (%)	Median Household Income	Families Below Poverty Level (%)	Home ownership rate
B	Cedar City	12	8	32,403	14.5	55.1
	Clearfield	20.2	11.5	38,946	8.7	55.1
	Lehi	23.7	7.1	53,028	5.0	81.5
	Vernal City	16	4.4	30,357	14.7	64.3
	Washington City	13.6	6.2	35,341	7.5	82.5
C	Cedar Hills	24.3	5.3	62,688	3.8	95.4
	Centerville	23.4	5.1	64,818	1.4	89.4
D	Ivins	21	7.7	41,297	4.9	88.3
	Santa Clara	17.5	4.8	52,770	2.7	89.1
	West Point	23.5	4.3	56,985	2.9	93.1
E	Alpine	27.3	8.4	72,880	3.5	89.0
	Bountiful	20.8	6.9	55,993	3.0	77.7
	Farmington	24.9	5.6	74,250	1.6	87.3
	North Ogden	23	7.1	59,556	3.1	90.4
	South Jordan	26.1	6.2	75,433	0.9	89.7
	South Weber	23.7	5.3	70,656	0.0	93.1
F	Marriott-Slaterville	19.1	5	49,732	3.1	85.8
	Riverdale City	19.1	8.1	44,375	6.9	71.5
	South Ogden	20.5	9.1	46,794	3.1	76.7
	Tremonton	19.1	11.6	44,784	8.3	76.6
	Washington Terrace	19.1	7.6	42,243	5.5	72.7
	Woods Cross	17.9	9.4	46,271	4.0	72.6
G	Park City	17.9	21.9	65,800	5.3	61.4

B. Growth

Table 4 also provides useful information on the growth in these communities, and again helps us anticipate growth-related challenges in several cities. Cedar Hills, for example, has experienced a 913% increase in population between 1990 and 2005. While this is clearly a daunting extreme, communities seeing their housing stock increase by 2% to 3% or more in a single year also face substantial challenges.

Table 4: Growth

Cluster	City	2005 Population	Population change: 1990-2005	New Dwelling Units Authorized (2006)	Number of Housing Units	2006 Permits as% of existing housing units	Value of New Non-Residential permits (2006, \$1,000s)
A	Layton	61,782	48%	469	19,139	2.5%	\$10,854
	Ogden	78,309	23%	330	29,723	1.1%	\$41,545
	Orem	89,713	33%	458	24,111	1.9%	\$62,521
	Sandy	89,664	19%	520	26,548	2.0%	\$77,821
	West Jordan	91,444	113%	633	19,597	3.2%	\$79,152
	West Valley	113,300	30%	708	33,488	2.1%	\$28,539
B	Cedar City	23,983	78%	570	7,113	8.0%	\$21,848
	Clearfield	27,413	28%	42	8,429	0.5%	\$11,387
	Lehi	31,370	270%	1,649	5,274	31.3%	\$67,809
	Vernal City	7,960	20%	155	2,968	5.2%	\$7,161
	Washington City	13,669	226%	499	3,197	15.6%	\$18,430
C	Cedar Hills	7,790	913%	100	733	13.6%	\$3,030
	Centerville	14,898	30%	84	4,253	2.0%	\$16,713
D	Ivins	6,738	313%	131	1,598	8.2%	\$3,639
	Santa Clara	5,864	153%	98	1,299	7.5%	\$1,500
	West Point	7,650	80%	160	1,704	9.4%	\$366
E	Alpine	9,063	160%	66	1,733	3.8%	\$3,436
	Bountiful	41,085	12%	77	13,846	0.6%	\$2,611
	Farmington	14,357	59%	284	3,235	8.8%	\$2,427
	North Ogden	16,542	42%	64	4,560	1.4%	\$47
	South Jordan	40,209	229%	1,088	7,733	14.1%	\$54,329
	South Weber	5,593	95%	51	1,104	4.6%	\$2,074

Table 4: Growth

Cluster	City	2005 Population	Population change: 1990-2005	New Dwelling Units Authorized (2006)	Number of Housing Units	2006 Permits as% of existing housing units	Value of New Non-Residential permits (2006, \$1,000s)
F	Marriott-Slaterville	1,446	N/A	N/A	474	N/A	N/A
	Riverdale City	7,934	24%	12	2,946	0.4%	\$4,083
	South Ogden	15,195	26%	157	5,503	2.9%	\$170
	Tremonton	6,286	47%	114	1,808	6.3%	\$12,005
	Washington Terrace	8,352	2%	19	3,146	0.6%	\$3,765
	Woods Cross	8,019	49%	71	2,021	3.5%	\$3,866
G	Park City	8,066	81%	243	6,637	3.7%	\$23,027

C. Financial Structure

Of keen interest to most managers is the financial structure and condition of their city government. In Tables 5 through 9 we present some basic descriptive information on our 29 participants. These tables are supplemented with several graphs that help to demonstrate the potential of this type of benchmarking information.

One important indicator of fiscal health is known in the public finance literature as “tax capacity,” which refers to a community’s potential to generate tax revenue. Table 5 shows the property tax base in each city, both in total and on a per capita basis. In addition to overall totals, this base is further broken down by primary residential and commercial and industrial (including centrally assessed property). It is no surprise that Park City differs quite substantially from all other cities with a per capita property tax base. For this reason, they are omitted from several of the graphs shown below.

One way to think about property tax capacity is to compare the total tax base per capita with the primary residential tax base per capita. Such a comparison is shown in Figure 1. In the graph, the vertical and horizontal lines represent the cross-city averages. Thus cities to the right of the vertical line have above average assessed value per capita, while cities to the left of the same line have below average assessed value per capita. It will be noted that cities with higher total assessed value per capita also tend to have a lower percentage of that value in primary residential real estate. One would anticipate that cities with below average total values and relatively high percentage of value in primary residential property might have a more difficult time adopting potential tax increases.

Whatever the tax philosophy, it is useful to understand both the property tax capacity and who bears the burden of the property tax in a community.

Figure 1

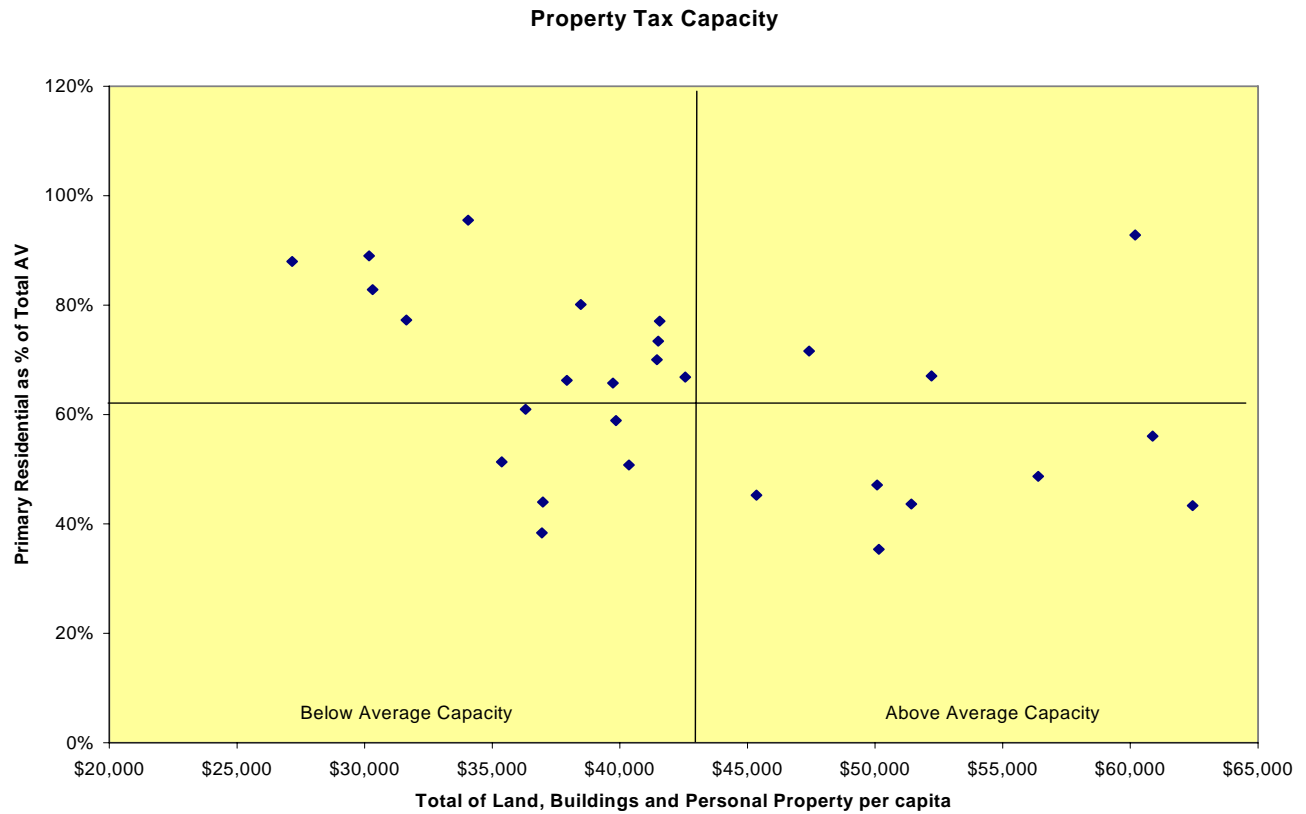


Table 5: Property Tax Base

Cluster	City	2005 Population	Total Primary Residential Land & Buildings	Primary Residential Value per capita	Total commercial, industrial and Centrally Assessed Value	Total commercial, industrial and Centrally Assessed Value per capita	Total of Land, Buildings and Personal Property	Total of Land, Buildings and Personal Property per capita
A	Layton	61,782	\$1,449,446,895	\$23,461	\$853,203,298	\$13,810	\$2,461,875,271	\$39,848
	Ogden	78,309	\$1,421,562,510	\$18,153	\$981,506,680	\$12,534	\$2,770,191,519	\$35,375
	Orem	89,713	\$1,985,725,225	\$22,134	\$1,098,217,142	\$12,241	\$3,257,574,580	\$36,311
	Sandy	89,664	\$3,137,712,576	\$34,994	\$1,322,362,675	\$14,748	\$4,681,325,196	\$52,210
	West Jordan	91,444	\$2,296,945,210	\$25,119	\$914,987,617	\$10,006	\$3,467,958,472	\$37,924
	West Valley	113,300	\$2,321,816,688	\$20,493	\$1,775,689,344	\$15,672	\$4,573,152,718	\$40,363
B	Cedar City	23,983	\$492,033,760	\$20,516	\$386,619,486	\$16,121	\$1,087,793,820	\$45,357
	Clearfield	27,413	\$388,573,586	\$14,175	\$225,778,524	\$8,236	\$1,012,867,544	\$36,948
	Lehi	31,370	\$892,316,110	\$28,445	\$325,342,790	\$10,371	\$1,335,181,395	\$42,562
	Vernal City	7,960	\$129,503,805	\$16,269	\$124,212,084	\$15,605	\$294,401,023	\$36,985
	Washington City	13,669	\$375,321,980	\$27,458	\$119,753,466	\$8,761	\$770,789,434	\$56,390
C	Cedar Hills	7,790	\$253,476,513	\$32,539	\$5,368,511	\$689	\$265,303,645	\$34,057
	Centerville	14,898	\$432,257,693	\$29,014	\$155,019,119	\$10,405	\$617,491,782	\$41,448

Table 5: Property Tax Base

Cluster	City	2005 Population	Total Primary Residential Land & Buildings	Primary Residential Value per capita	Total commercial, industrial and Centrally Assessed Value	Total commercial, industrial and Centrally Assessed Value per capita	Total of Land, Buildings and Personal Property	Total of Land, Buildings and Personal Property per capita
D	Ivins	6,738	\$229,961,955	\$34,129	\$17,481,897	\$2,595	\$410,202,931	\$60,879
	Santa Clara	5,864	\$180,709,385	\$30,817	\$8,517,589	\$1,453	\$225,588,343	\$38,470
	West Point	7,650	\$182,750,415	\$23,889	\$8,742,280	\$1,143	\$207,734,341	\$27,155
E	Alpine	9,063	\$506,328,301	\$55,868	\$22,503,314	\$2,483	\$545,484,188	\$60,188
	Bountiful	41,085	\$1,316,059,732	\$32,033	\$303,860,921	\$7,396	\$1,707,524,294	\$41,561
	Farmington	14,357	\$437,458,577	\$30,470	\$97,178,364	\$6,769	\$595,920,294	\$41,507
	North Ogden	16,542	\$444,262,793	\$26,857	\$45,577,293	\$2,755	\$499,156,531	\$30,175
	South Jordan	40,209	\$1,364,447,114	\$33,934	\$390,139,711	\$9,703	\$1,906,456,120	\$47,414
	South Weber	5,593	\$140,440,137	\$25,110	\$24,191,761	\$4,325	\$169,527,148	\$30,311
F	Marriott-Slaterville	1,446	\$39,117,062	\$27,052	\$42,551,878	\$29,427	\$90,290,654	\$62,442
	Riverdale City	7,934	\$177,947,897	\$22,429	\$196,381,557	\$24,752	\$407,967,805	\$51,420
	South Ogden	15,195	\$397,043,379	\$26,130	\$179,102,879	\$11,787	\$603,762,177	\$39,734
	Tremonton	6,286	\$111,463,742	\$17,732	\$113,363,936	\$18,034	\$315,187,240	\$50,141
	Washington Terrace	8,352	\$204,190,091	\$24,448	\$46,209,856	\$5,533	\$264,218,567	\$31,635
	Woods Cross	8,019	\$189,182,277	\$23,592	\$178,057,012	\$22,204	\$401,564,759	\$50,077
G	Park City	8,066	\$912,718,521	\$113,156	\$427,895,880	\$53,049	\$3,946,502,260	\$489,276

Increasingly, cities are being forced to develop new resources and in many instances to reduce their reliance on the property tax. In Utah, there is tremendous focus on, and competition for, local option sales tax revenue. Table 6 reports the 2005 gross taxable sales in each city, along with the change in taxable sales since 2001 and the taxable sales per capita. It will be noted that while the average increase in taxable sales was 21.5%, some cities more than doubled their sales tax base, while others actually lost sales. At the same time, the cross-city average of \$16,459 per capita was quadrupled or more in three cities.

It is useful to ask whether taxable sales can substitute for real property value as a tax base. Figure 2 suggests that rather than substitute they appear to complement each other, and in general cities with higher taxable sales per capita also tend to have higher total assessed value per capita. (Vernal, Riverdale, Ivins and Alpine appear to be exceptions to this rough pattern.)

Figure 2

Tax Capacity

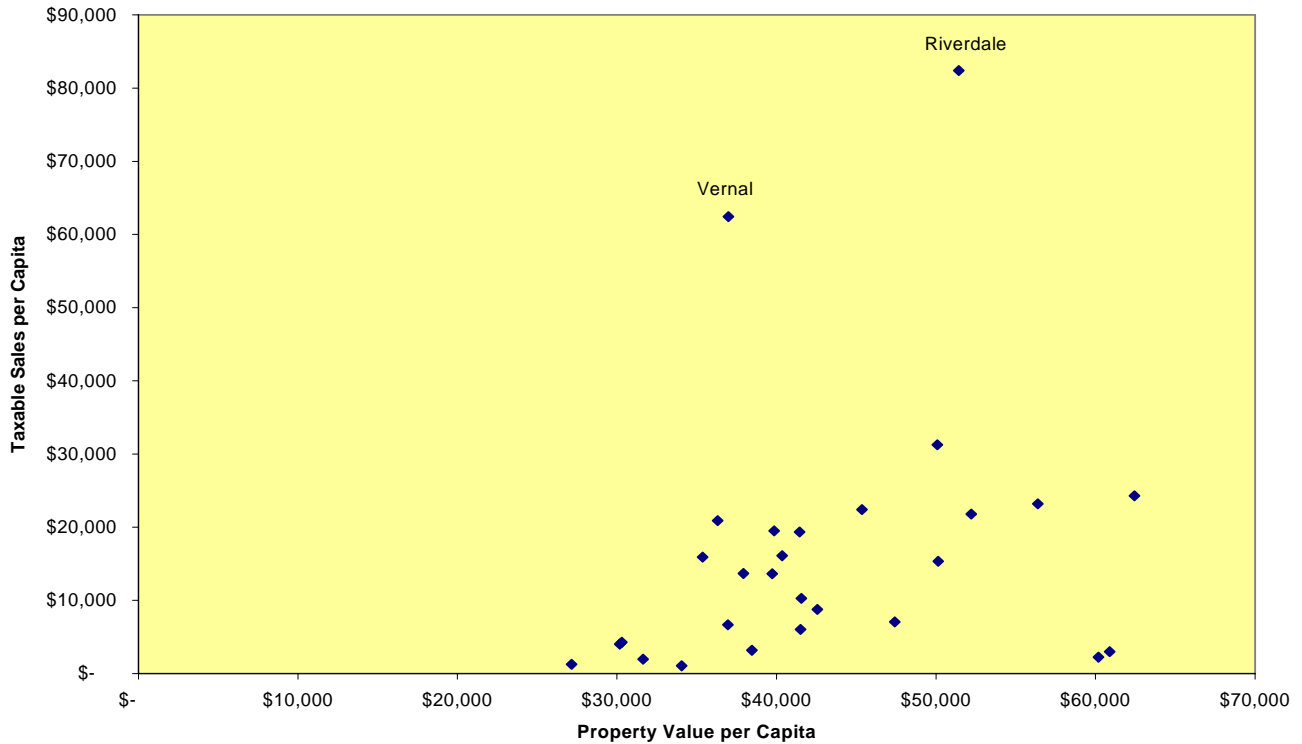


Table 6: Taxable Sales Base

Cluster	City	Gross Taxable Sales 2005	Percent change in taxable sales: 2001-2005	Taxable Sales per capita: 2005
A	Layton	\$1,203,960,067	16.7%	\$19,487
	Ogden	\$1,247,413,452	-4.8%	\$15,929
	Orem	\$1,875,074,236	17.7%	\$20,901
	Sandy	\$1,955,113,555	14.7%	\$21,805
	West Jordan	\$1,250,397,539	47.4%	\$13,674
	West Valley	\$1,822,870,938	17.9%	\$16,089
B	Cedar City	\$537,130,383	42.3%	\$22,396
	Clearfield	\$182,980,409	11.7%	\$6,675
	Lehi	\$274,862,816	50.0%	\$8,762
	Vernal City	\$497,014,064	42.7%	\$62,439
	Washington City	\$316,995,508	106.8%	\$23,191
C	Cedar Hills	\$8,202,564	121.5%	\$1,053
	Centerville	\$288,215,850	26.2%	\$19,346

Table 6: Taxable Sales Base

Cluster	City	Gross Taxable Sales 2005	Percent change in taxable sales: 2001-2005	Taxable Sales per capita: 2005
D	Ivins	\$20,134,676	59.6%	\$2,988
	Santa Clara	\$18,682,933	104.3%	\$3,186
	West Point	\$9,704,164	22.3%	\$1,269
E	Alpine	\$20,208,892	65.7%	\$2,230
	Bountiful	\$422,232,089	4.1%	\$10,277
	Farmington	\$86,567,261	-5.4%	\$6,030
	North Ogden	\$66,683,701	33.5%	\$4,031
	South Jordan	\$284,501,501	111.6%	\$7,076
	South Weber	\$23,837,835	39.3%	\$4,262
F	Marriott-Slaterville	\$35,114,013	-1.1%	\$24,284
	Riverdale City	\$653,568,197	37.5%	\$82,376
	South Ogden	\$207,464,103	30.9%	\$13,653
	Tremonton	\$96,448,114	5.3%	\$15,343
	Washington Terrace	\$16,464,169	15.3%	\$1,971
	Woods Cross	\$250,669,801	18.1%	\$31,259
G	Park City	\$549,215,965	22.8%	\$68,090
Average			21.5%	\$16,459

In addition to considering the tax capacity of a city, it is important to look also at what tax professionals refer to as “tax effort,” or the amount of tax actually collected. Table 7 reports the total 2005 taxes collected by each city in property, sales and franchise taxes. For comparison purposes, we also show the State Tax Commission’s reported Sales and Use Tax Distribution for both 2005 and 2006. While these numbers are important for absolute comparisons, it is also very helpful to consider the collections per capita, as shown in Table 8.

It will be noted in Table 8 that there are substantial variations across the cities in per capita tax collections. The cross-city average property tax per capita was \$152 (\$103 without Park City), the range was from \$0 to \$1,514 (\$237 without Park City). Similarly, there appears to be a very wide range in the degree to which cities rely on the property tax as a source of revenue. And there are wide variations in both sales tax revenue and franchise tax collections. Combined collections from these three taxes do show somewhat less variation than the individual taxes.

Table 7: Tax Revenue

Cluster	City	Local Sales Tax and Use Tax Distribution FY 2005	Local Sales Tax and Use Tax Distribution FY 2006	Property Tax (2005)	General Sales Tax (2005)	Total Franchise Tax (2005)	Total Taxes (2005)
A	Layton	\$10,249,747	\$11,043,415	\$4,837,193	\$10,369,287	\$1,510,662	\$17,396,624
	Ogden	\$12,009,089	\$12,779,905	\$16,244,222	\$11,977,693	\$6,594,454	\$37,894,893
	Orem	\$15,162,913	\$17,012,663	\$7,489,433	\$15,373,690	\$5,970,186	\$29,011,309
	Sandy	\$15,687,181	\$17,352,034	\$11,363,637	\$15,857,517	\$6,284,135	\$34,324,194
	West Jordan	\$12,237,435	\$13,533,077	\$9,675,062	\$12,329,909	\$3,793,487	\$26,823,344
	West Valley	\$16,598,466	\$18,746,452	\$15,629,067	\$16,954,599	\$7,246,471	\$41,066,776
B	Cedar City	\$3,847,900	\$4,577,496	\$3,664,720	\$3,847,900	\$1,816,001	\$9,737,462
	Clearfield	\$2,727,480	\$3,041,477	\$4,082,324	\$2,745,620	\$891,121	\$7,719,065
	Lehi	\$2,608,032	\$3,696,183	\$4,557,879	\$2,688,208	\$1,864,640	\$7,025,240
	Vernal City	\$3,162,192	\$4,099,736	\$179,005	\$3,276,544	\$234,024	\$3,752,409
	Washington City	\$2,106,711	\$2,620,392	\$976,303	\$2,106,711	\$245,012	\$3,501,092
C	Cedar Hills	\$353,228	\$518,712	\$464,866	\$367,099	\$221,327	\$1,053,292
	Centerville	\$2,464,102	\$2,688,152	\$1,349,705	\$2,515,294	\$799,195	\$4,821,829
D	Ivins	\$490,287	\$579,968	\$452,927	\$490,287	\$275,247	\$1,282,476
	Santa Clara	\$450,403	\$512,757	\$307,127	\$450,403	\$160,763	\$973,182
	West Point	\$470,227	\$567,576	\$297,389	\$470,227	\$97,322	\$928,537
E	Alpine	\$1,140,615	\$1,301,048	\$587,639	\$674,049	\$472,953	\$1,816,180
	Bountiful	\$4,938,165	\$5,412,521	\$2,512,652	\$5,029,511	\$970,548	\$8,845,599
	Farmington	\$1,327,419	\$1,512,790	\$1,651,447	\$1,342,693	\$583,867	\$3,771,975
	North Ogden	\$1,408,050	\$1,566,740	\$1,457,053	\$1,414,811	\$819,995	\$3,937,546
	South Jordan	\$3,566,851	\$4,536,810	\$5,592,564	\$4,024,453	\$573,778	\$10,190,795
	South Weber	\$472,540	\$573,272	\$207,025	\$472,540	\$249,322	\$960,248
F	Marriott-Slaterville	\$271,795	\$308,831	\$0	\$277,627	\$3,083	\$280,710
	Riverdale City	\$4,562,943	\$4,939,651	\$1,360,172	\$4,531,545	\$0	\$5,948,341
	South Ogden	\$1,999,796	\$2,254,779	\$1,882,535	\$1,999,796	\$335,854	\$4,473,211
	Tremonton	\$891,200	\$989,818	\$1,490,434	\$923,831	\$8,471	\$2,530,282
	Washington Terrace	\$655,940	\$711,445	\$1,186,371	\$641,925	\$520,298	\$2,486,918
	Woods Cross	\$1,703,381	\$1,960,085	\$896,631	\$1,707,379	\$67,108	\$2,671,118
G	Park City	\$3,892,101	\$4,267,017	\$12,209,344	\$3,892,401	\$1,487,349	\$17,808,380

Table 8: Tax Revenue per Capita

Cluster	City	Property Tax per Capita	Property Tax as Percent of Total Taxes	General Sales Tax per Capita	Franchise Tax per Capita	Total Taxes per Capita
A	Layton	\$78	28%	\$168	\$24	\$282
	Ogden	\$207	43%	\$153	\$84	\$484
	Orem	\$83	26%	\$171	\$67	\$323
	Sandy	\$127	33%	\$177	\$70	\$383
	West Jordan	\$106	36%	\$135	\$41	\$293
	West Valley	\$138	38%	\$150	\$64	\$362
B	Cedar City	\$153	38%	\$160	\$76	\$406
	Clearfield	\$149	53%	\$100	\$33	\$282
	Lehi	\$145	65%	\$86	\$59	\$224
	Vernal City	\$22	5%	\$412	\$29	\$471
	Washington City	\$71	28%	\$154	\$18	\$256
C	Cedar Hills	\$60	44%	\$47	\$28	\$135
	Centerville	\$91	28%	\$169	\$54	\$324
D	Ivins	\$67	35%	\$73	\$41	\$190
	Santa Clara	\$52	32%	\$77	\$27	\$166
	West Point	\$39	32%	\$61	\$13	\$121
E	Alpine	\$65	32%	\$74	\$52	\$200
	Bountiful	\$61	28%	\$122	\$24	\$215
	Farmington	\$115	44%	\$94	\$41	\$263
	North Ogden	\$88	37%	\$86	\$50	\$238
	South Jordan	\$139	55%	\$100	\$14	\$253
	South Weber	\$37	22%	\$84	\$45	\$172

Table 8: Tax Revenue per Capita

Cluster	City	Property Tax per Capita	Property Tax as Percent of Total Taxes	General Sales Tax per Capita	Franchise Tax per Capita	Total Taxes per Capita
F	Marriott-Slaterville	\$0	0%	\$192	\$2	\$194
	Riverdale City	\$171	23%	\$571	\$0	\$750
	South Ogden	\$124	42%	\$132	\$22	\$294
	Tremonton	\$237	59%	\$147	\$1	\$403
	Washington Terrace	\$142	48%	\$77	\$62	\$298
	Woods Cross	\$112	34%	\$213	\$8	\$333
G	Park City	\$1,514	69%	\$483	\$184	\$2,208
Average		\$152	36%	\$161	\$43	\$363
Average without Park City		\$103	35%	\$149	\$37	\$297

The concept of tax effort is often related to the income of taxpayers. In the following figures for each cluster, we show total tax revenue from property, sales and franchise taxes as a percent of local revenue. Local revenue figures for 2005 were obtained from Federal data sources whenever possible, and were estimated from state trends for remaining cities.

Figure 2

Cluster A: Tax Effort, 2005

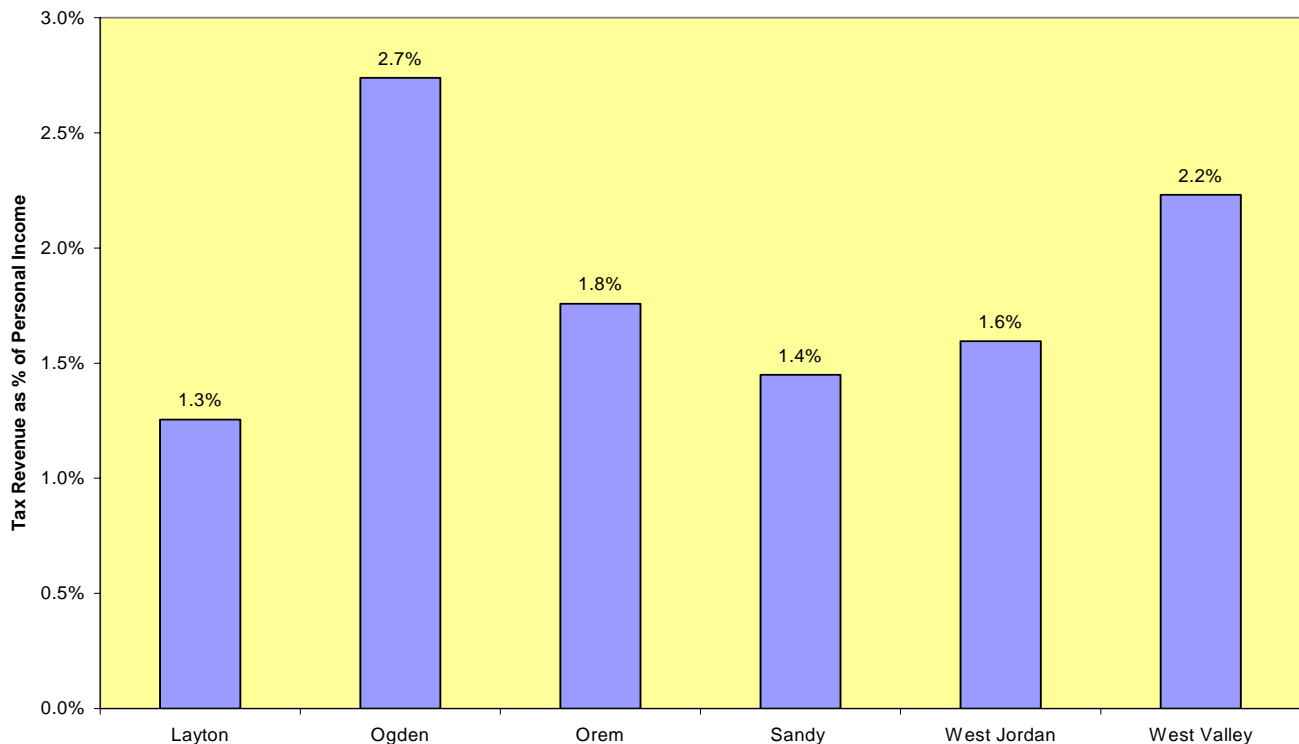


Figure 3

Clusters B, C & D: Tax Effort, 2005

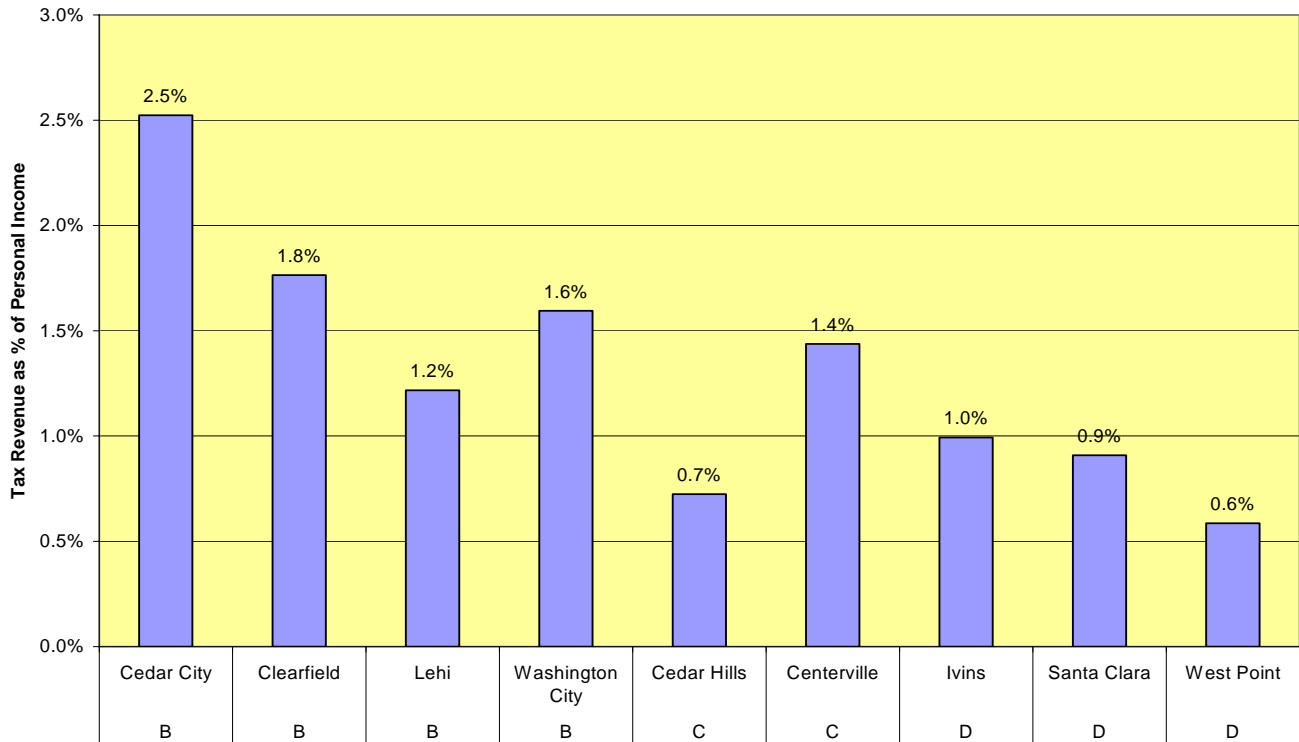


Figure 4

Cluster E: Tax Effort, 2005

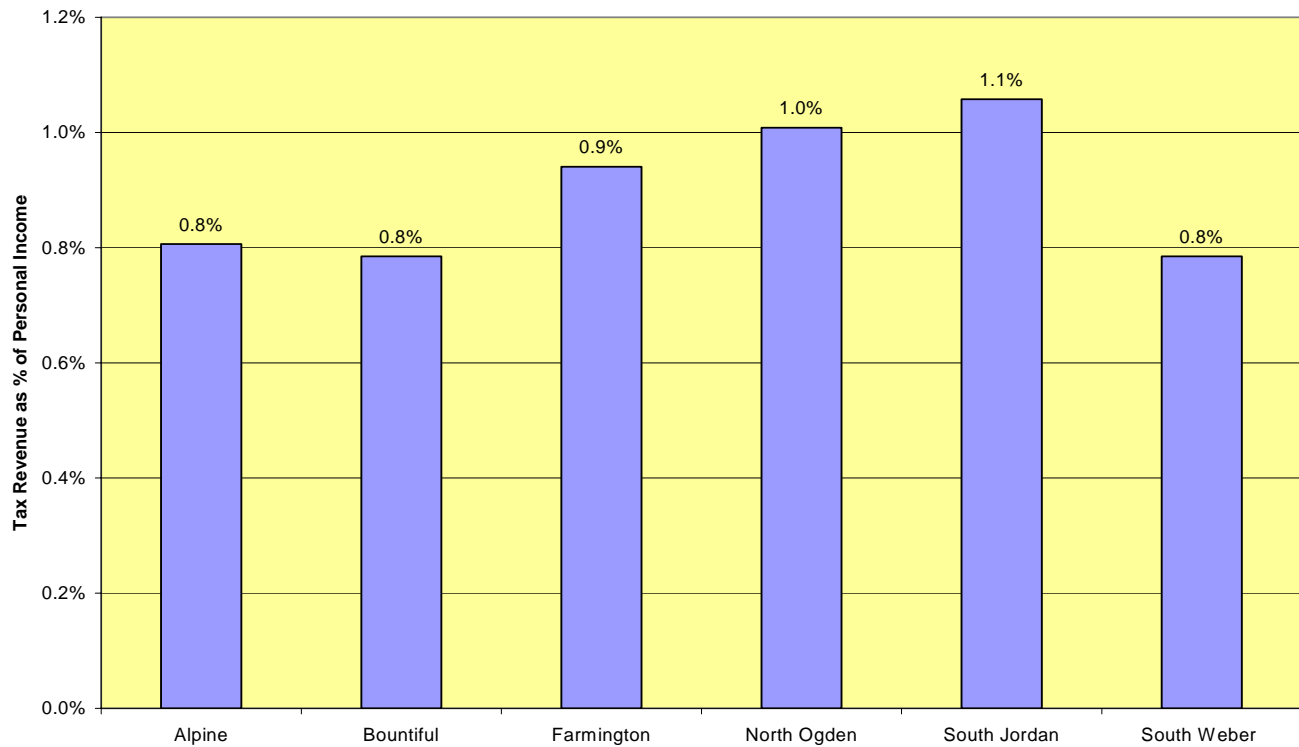
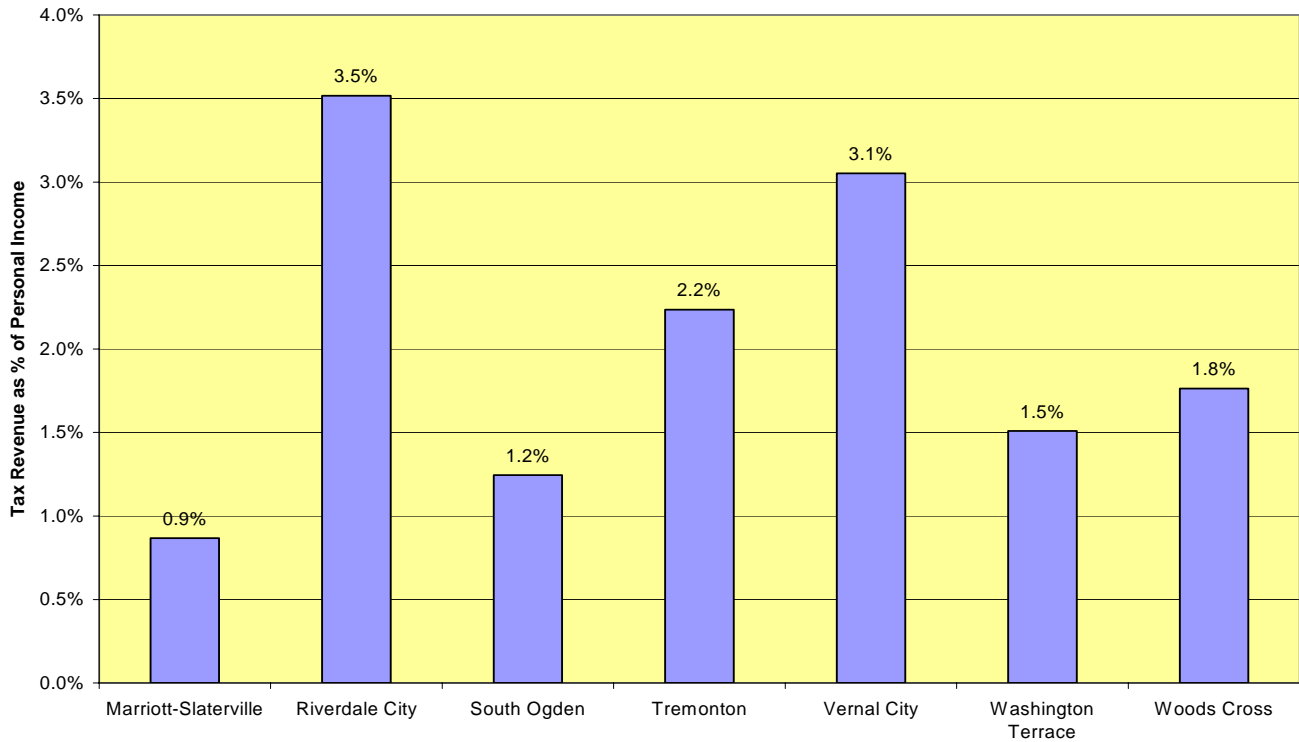


Figure 5

Cluster F: Tax Effort, 2005



Since Park City is alone in its cluster, we simply report that their ratio was 4.3%. After Figure 5 was created, ULCT moved Vernal City to cluster B.

Another important aspect of fiscal condition is the level of debt in a city. Table 9 reports the outstanding long-term debt at the end of FY 2005 for each city, along with a debt per capita ratio and total debt as a percent of total assessed property value. While all long-term debt is not general obligation debt and is therefore not secured by a community's property value, it is still helpful to consider the size of a city's debt in relation to the property assets in that city.

Table 9: Long-term Debt Outstanding

Cluster	City	2005 Population	Total Debt, 2005	Total Debt per capita	Total Debt as Percent of Assessed Property Value
A	Layton	61,782	\$7,237,931	\$117	0.29%
	Ogden	78,309	\$51,098,410	\$653	1.84%
	Orem	89,713	\$64,090,119	\$714	1.97%
	Sandy	89,664	\$60,628,000	\$676	1.30%
	West Jordan	91,444	\$45,955,690	\$503	1.33%
	West Valley	113,300	\$155,784,084	\$1,375	3.41%

Table 9: Long-term Debt Outstanding

Cluster	City	2005 Population	Total Debt, 2005	Total Debt per capita	Total Debt as Percent of Assessed Property Value
B	Cedar City	23,983	\$33,360,024	\$1,391	3.07%
	Clearfield	27,413	\$30,000,443	\$1,094	2.96%
	Lehi	31,370	\$77,795,611	\$2,480	5.83%
	Vernal City	7,960	\$9,404,844	\$1,182	3.19%
	Washington City	13,669	\$33,589,346	\$2,457	4.36%
C	Cedar Hills	7,790	\$13,322,636	\$1,710	5.02%
	Centerville	14,898	\$5,184,000	\$348	0.84%
D	Ivins	6,738	\$2,946,149	\$437	0.72%
	Santa Clara	5,864	\$3,937,000	\$671	1.75%
	West Point	7,650	\$1,375,000	\$180	0.66%
E	Alpine	9,063	\$7,600,000	\$839	1.39%
	Bountiful	41,085	\$8,626,000	\$210	0.51%
	Farmington	14,357	\$9,045,000	\$630	1.52%
	North Ogden	16,542	\$3,880,000	\$235	0.78%
	South Jordan	40,209	\$71,819,965	\$1,786	3.77%
	South Weber	5,593	N/A		
F	Marriott-Slaterville	1,446	\$0	\$0	0%
	Riverdale City	7,934	\$1,675,000	\$211	0.41%
	South Ogden	15,195	\$10,420,000	\$686	1.73%
	Tremonton	6,286	\$2,353,515	\$374	0.75%
	Washington Terrace	8,352	\$10,961,950	\$1,312	4.15%
	Woods Cross	8,019	\$555,000	\$69	0.14%
G	Park City	8,066	\$53,860,244	\$6,677	1.36%
Average				\$1,036	1.97%

IV. Three Municipal Services

In this section we turn our attention to three services provided by cities in Utah: police, city streets and parks and recreation. We have selected these three largely for convenience, illustration and ease of data collection for purposes of this report. We certainly have no particular reason to focus on these. As performance indicators the data we report here leaves a good deal to be desired. The measures are largely input metrics, with a few work load indicators. They say little about what cities are actually accomplishing with their spending.

Table 10 reports data for police services in the 28 of the 29 participating cities (we were unable to obtain some data items for Cedar City). We have some concerns about the consistency of data reporting across the multiple data sources we used. For example, Marriott-Slaterville reports in their UT-2 form submitted to the State Auditor that they spent \$133,000 for police services, but they were unable to specify how many sworn officers that represented. We also had a good deal of difficulty identifying the number of crimes reported in jurisdictions that contract with another agency for their police services. Given more time, this break down would be possible, but in several instances the figures reported here are estimated. So we caution against placing too much confidence in the numbers shown here.

Table 10: Police Services

Cluster	City	Police expenditures 2005	Sworn or contracted officers	Total expenditures per officer	Total (estimated) crime index	Crimes/ officer	Officers/ 1,000 pop	Expenditures/ capita	Crimes/ 1,000 pop
A	Layton	\$7,689,834	76	\$101,182	2,002	26.3	1.23	\$124.47	32.40
	Ogden	\$12,799,940	132	\$96,969	5,316	40.3	1.69	\$163.45	67.88
	Orem	\$11,108,656	87	\$127,686	3,549	40.8	0.97	\$123.82	39.56
	Sandy	\$9,828,143	117	\$84,001	3,398	29.0	1.30	\$109.61	37.90
	West Jordan	\$10,845,453	96	\$112,973	3,485	29.0	1.05	\$118.60	38.11
	West Valley	\$16,562,261	199	\$83,227	7,472	37.5	1.76	\$146.18	65.95
B	Cedar City	\$2,702,797	N/A		725			\$112.70	30.23
	Clearfield	\$3,031,510	32	\$94,735	919	28.7	1.17	\$110.59	33.52
	Lehi	\$3,570,135	30	\$119,005	728	24.3	0.96	\$113.81	23.20
	Vernal City	\$1,763,045	18	\$97,947	327	18.2	2.26	\$221.49	41.08
	Washington City	\$541,874	16	\$33,867	217	13.6	1.17	\$39.64	15.91
C	Centerville	\$1,634,497	17	\$96,147	357	21.0	1.14	\$109.71	23.96
	Cedar Hills	\$498,830	4	\$124,708	255	63.8	0.51	\$64.03	32.75
D	Ivins	\$429,535	8	\$53,692	1	0.1	1.19	\$63.75	0.15
	Santa Clara	\$456,004	8	\$57,001	93	11.7	1.36	\$77.76	15.91
	West Point	\$61,886	0		183			\$8.09	23.96
E	Alpine	\$646,747	20	\$32,337	297	14.8	2.21	\$71.36	32.75
	Bountiful	\$4,454,855	34	\$131,025	1,112	32.7	0.83	\$108.43	27.07
	Farmington	\$1,136,036	12	\$94,670	220	18.3	0.84	\$79.13	15.32
	North Ogden	\$1,329,985	16	\$83,124	269	16.8	0.97	\$80.40	16.26
	South Jordan	\$2,857,069	44	\$64,933	917	20.8	1.09	\$71.06	22.80
	South Weber	\$102,290	1.225	\$83,502	134	109.4	0.22	\$18.29	23.96

Table 10: Police Services

Cluster	City	Police expenditures 2005	Sworn or contracted officers	Total expenditures per officer	Total (estimated) crime index	Crimes/officer	Officers/1,000 pop	Expenditures/capita	Crimes/1,000 pop
F	Marriott-Slaterville	\$133,003	0		43		0.00	\$91.98	29.42
	Riverdale City	\$2,108,463	18	\$117,137	529	29.4	2.27	\$265.75	66.68
	South Ogden	\$2,142,046	27	\$79,335	532	19.7	1.78	\$140.97	35.01
	Tremonton	\$786,386	10	\$78,639	266	26.6	1.59	\$125.10	42.32
	Washington Terrace	\$715,600	10.5	\$68,152	246	23.4	1.26	\$85.68	29.42
	Woods Cross	\$1,086,017	11	\$98,729	256	23.3	1.37	\$135.43	31.92
G	Park City	\$3,274,612	28	\$116,950	500	17.9	3.47	\$405.98	61.99

Even with the limitations listed above, the data shown in Table 10 are very suggestive. For example, consider the relationship shown in Figure 6 between the number of sworn officers and total police expenditures (excluding construction). The line shown represents a fitted trend. It suggests that the cost of adding an additional officer is not constant across all sizes of departments. For an average size department of just over 37 officers, the expected cost of an additional officer (in 2005) was about \$110,000. For a small department of 10 officers, the cost would have been \$121,000, while for a department of 100 officers, the cost would be about \$85,000. With more cities participating and more confidence in the data, this kind of information would certainly be useful in planning future operations.

Figure 6

Cost of Police Services

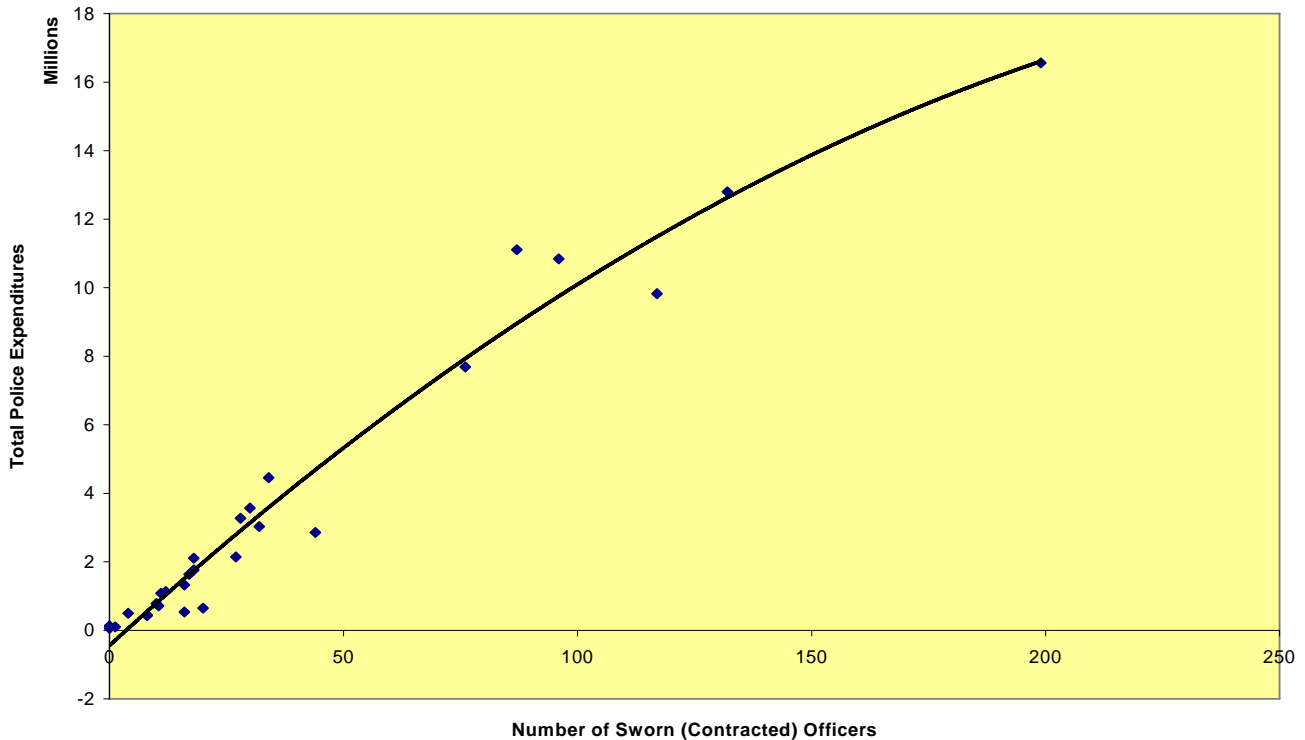


Table 11 reports on the cost of maintaining city roads. The expenditure figures reported here are taken from the UT-2 forms submitted to the State Auditor, and include the values reported in Part IV (Direct Expenditures by Purpose and Type), items 4.1 and 4.2 in the column headed “Current Operation Direct Expenditures.” It deliberately does not include construction expenditures or equipment and land purchases listed in the adjacent columns, since these can be very distorting without a longer time series. The table also reports the number of lane-miles maintained by each city, and the class C road money received from the state. Both the expenditures and the class C revenue are reported on a per mile basis. It will be noted that there is substantial variation both across and within clusters in the expenditures per lane mile. (We wonder if all cities are counting road miles and others are reporting lane miles.) If the miles reported are reasonable, it appears the average cost of road maintenance among these cities was just over \$7,500 per mile in 2005, with some cities spending twice that amount and others substantially less. Further, there appears to be very little relationship between the class C road revenue and actual expenditures. Clearly, some cities are using some of this money for construction projects not included in these figures, and it would not be unheard of to reduce maintenance in some areas in order to free up monies for important construction projects. Understanding the implications of these numbers will require development of time-series data and very likely a number of conversations between the participating cities.

Table 11: Roads Services

Cluster	City	2005 road expenditures	Lane miles	Expenditures per Mile	“C” Road Revenue	“C” Revenue per Mile
A	Layton	\$3,513,616	260	\$13,514	\$1,734,881	\$6,673
	Ogden	\$3,672,784	273	\$13,453	\$2,149,715	\$7,874
	Orem	\$1,281,808	518	\$2,475	\$2,131,082	\$4,114
	Sandy	\$3,273,921	828.1	\$3,954	\$2,828,925	\$3,416
	West Jordan	\$2,852,314	827	\$3,449	\$2,357,115	\$2,850
	West Valley	\$1,455,209	293	\$4,967	\$3,009,108	\$10,270
B	Cedar City	\$1,862,607	N/A		\$800,692	
	Clearfield	\$427,238	160	\$2,670	\$629,873	\$3,937
	Lehi	\$1,218,590	170	\$7,168	\$791,544	\$4,656
	Vernal City	\$667,837	86	\$7,766	\$252,603	\$2,937
	Washington City	\$902,472	89.15	\$10,123	\$434,977	\$4,879
C	Centerville	\$727,528	118	\$6,165	\$383,923	\$3,254
	Cedar Hills	\$136,746	22	\$6,216	\$0	\$0
D	Ivins	\$200,760	113	\$1,777	\$228,366	\$2,021
	Santa Clara	\$372,963	40.24	\$9,268	\$171,239	\$4,255
	West Point	\$175,713	36	\$4,881	\$176,533	\$4,904

Table 11: Roads Services

Cluster	City	2005 road expenditures	Lane miles	Expenditures per Mile	“C” Road Revenue	“C” Revenue per Mile
E	Alpine	\$238,065	90	\$2,645	\$260,773	\$2,897
	Bountiful	\$2,445,682	158	\$15,479	\$1,097,065	\$6,943
	Farmington	\$438,514	71.858	\$6,103	\$399,464	\$5,559
	North Ogden	\$354,888	73.6	\$4,822	\$451,879	\$6,140
	South Jordan	\$1,907,373	216	\$8,830	\$1,415,026	\$6,551
	South Weber	\$150,545	18.6	\$8,094	N/A	
F	Marriott-Slaterville	\$53,892	15.3	\$3,522	\$70,009	\$4,576
	Riverdale City	\$363,284	56	\$6,487	\$212,648	\$3,797
	South Ogden	\$361,770	51	\$7,094	\$490,787	\$9,623
	Tremonton	\$493,556	33.51	\$14,729	\$202,585	\$6,046
	Washington Terrace	\$597,768	53.61	\$11,150	\$218,347	\$4,073
	Woods Cross	\$184,797	62	\$2,981	\$225,037	\$3,630
G	Park City	\$1,703,426	104	\$16,379	\$564,864	\$5,431
Average				\$7,553		\$5,026

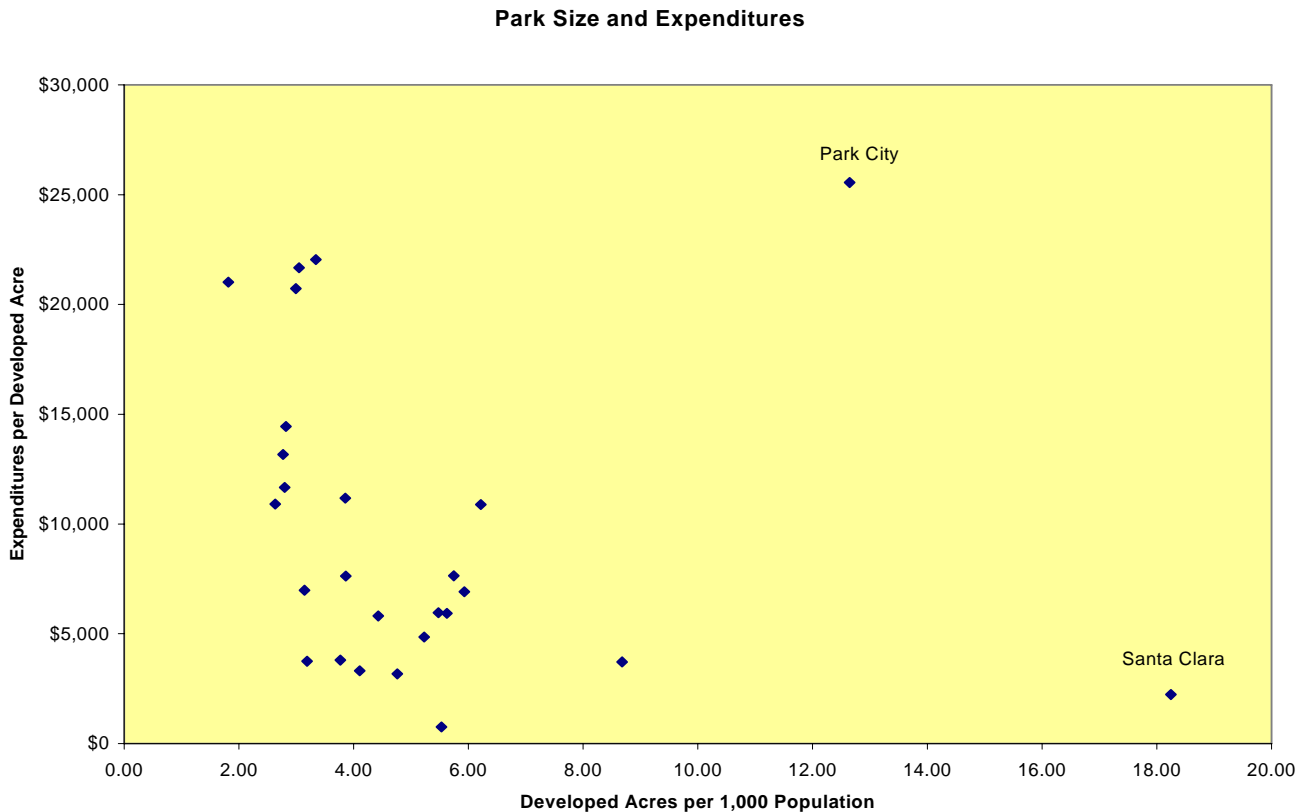
The final service area covered in this pilot is parks and recreation services. The basic data are reported in Table 12, which shows total expenditures (UT-2, Part IV, item 3.7, Current operation direct expenditure), acreage, the ratio of expenditures per acre, the number of developed acres per 1,000 population, and expenditures per capita. (Cedar City acreage was not available, and we were unable to verify South Weber’s spending level, so there are some holes in the table.) It will be noted that the average 2005 expenditures among these cities was \$11,771 per developed acre (\$6,861 per total acre). Further, these cities have an average of 4.88 developed acres of park land per 1,000 population, and spend an average of \$51 per capita in maintaining their parks. As in the other areas discussed above, the averages mask important differences across cities.

For example, consider the pattern shown in Figure 7, which graphs the park acreage per 1,000 population and the total cost per acre. With the notable exceptions of Park City and Santa Clara, it appears that as cities acquire more park land, they also reduce the money they spend to maintain each acre. This may be due to economies of scale in park maintenance, or it may be due to budget priorities. Again, it would be useful to have several years of data and to consider in greater detail how the park systems in Ogden and West Valley compare to those in West Jordan and Orem, to pick just one example. All of these cities have park systems with over 200 acres, but their reported spending is very different. Why the spending patterns differ and whether the results differ are not known at this time.

Table 12: Parks and Recreation Services

Cluster	City	2005 Parks & Rec Expenditures	Parks Acreage Developed	Parks Acreage Undeveloped	Expenditures per developed acre	Expenditures per total acre	Developed Acres per 1,000 Pop	Expenditures per capita
A	Layton	\$2,252,053	171	343	\$13,170	\$4,381	2.77	\$36
	Ogden	\$5,173,238	238.76	70	\$21,667	\$16,755	3.05	\$66
	Orem	\$1,969,626	282	5	\$6,984	\$6,863	3.14	\$22
	Sandy	\$2,925,111	250.8	874	\$11,663	\$2,601	2.80	\$33
	West Jordan	\$1,381,745	442		\$3,126		4.83	\$15
	West Valley	\$4,320,814	205.6	51.4	\$21,016	\$16,813	1.81	\$38
B	Cedar City	\$436,155	N/A	N/A				\$18
	Clearfield	\$1,699,251	82	30	\$20,723	\$15,172	2.99	\$62
	Lehi	\$2,123,016	195	20	\$10,887	\$9,874	6.22	\$68
	Vernal City	\$114,119	30	60	\$3,804	\$1,268	3.77	\$14
	Washington City	\$600,139	78.5	26	\$7,645	\$5,743	5.74	\$44
C	Centerville	\$606,712	42	16	\$14,446	\$10,461	2.82	\$41
	Cedar Hills	\$68,311	-	-			0.00	\$9
D	Ivins	\$276,093	39.95	71	\$6,911	\$2,488	5.93	\$41
	Santa Clara	\$239,316	107	32.7	\$2,237	\$1,713	18.25	\$41
	West Point	\$193,974	40	0	\$4,849	\$4,849	5.23	\$25
E	Alpine	\$295,918	49.65	45.75	\$5,960	\$3,102	5.48	\$33
	Bountiful	\$491,351	131	1.5	\$3,751	\$3,708	3.19	\$12
	Farmington	\$369,636	63.6	16	\$5,812	\$4,644	4.43	\$26
	North Ogden	\$552,537	93.05	85.8	\$5,938	\$3,089	5.63	\$33
	South Jordan	\$1,298,475	349	108	\$3,721	\$2,841	8.68	\$32
	South Weber	N/A	22.5	20			4.02	
F	Marriott-Slaterville	\$6,087	8	4	\$761	\$507	5.53	\$4
	Riverdale City	\$584,068	26.5	94	\$22,040	\$4,847	3.34	\$74
	South Ogden	\$436,442	40	99.7	\$10,911	\$3,124	2.63	\$29
	Tremonton	\$271,144	24.25	0	\$11,181	\$11,181	3.86	\$43
	Washington Terrace	\$113,844	34.29	17.14	\$3,320	\$2,214	4.11	\$14
	Woods Cross	\$236,431	31	7	\$7,627	\$6,222	3.87	\$29
G	Park City	\$2,606,744	102	2400	\$25,556	\$1,042	12.65	\$323
Average					\$9,837	\$5,820	4.88	\$44

Figure 7



V. Summary and recommendations for next steps

In presenting this report of the benchmarking pilot project we seek to demonstrate the viability and potential of developing a benchmarking system for cities across the state. Building on existing data, using resources from three universities across the state and the ULCT we developed a process for collecting, analyzing, and communicating performance data across municipalities. The benefits of such a system include providing city managers and other stakeholders with information to

- monitor their environment;
- identify smart practice;
- inform their strategic planning processes; and
- celebrate and promote progress toward stated city goals and objectives.

An attractive feature of the approach used in this pilot project is that it relied on existing resources to build the pilot benchmarking system. Past benchmarking efforts have struggled because of the difficulty in gathering timely information, the time demands placed on staff to produce information, and skepticism over how data will be used or presented. While these concerns are real, it is our view that they do not pose an insurmountable barrier that would prevent the full implementation of a benchmarking program among all cities that are interested in participating. By utilizing existing data collection efforts, university and other resources we believe that we can minimize the burden on the cities involved.

The Benchmarking group has largely tried to not burden cities for information in this stage of the project. The goal was to demonstrate the availability of existing data and to provide a framework for this project. By utilizing the university resources across the state this project was largely framed using a sustainable

model with minimal impact on the participating cities. Through the continued utilization of the university resources this project will be able to continue through the development phase. Nonetheless, if the effort is to be sustained over time, the cities involved will need to be engaged in the process and will need to commit some resources. While much relevant data is currently collected, there is reason to believe that it is not always consistent across jurisdictions. Reconciling these differences will require the involvement of city staff. In addition, moving beyond resource and workload indicators to identify key output and outcome measures will require discussion, agreement and potentially additional data tracking.

At the same time, we are well aware that past efforts have often failed because the data collection effort became too cumbersome for participating cities. It is essential that the benchmarking effort remain focused on key indicators with real relevance for management. Determining what to benchmark, and how, will require the participation of senior managers from the participating cities. It seems clear from a review of similar efforts from around the country that there will need to be a relatively senior champion in each city to provide focused support for the initiative if it is to be sustained over time.

Thus, while existing data can be used, and UCMA can draw on the support of university and other resources across the state, UCMA leadership and cities desiring to participate in this initiative need to recognize that it will require a serious commitment of support from top management, and some city resources.

At this point we anticipate that our university partners will continue to be involved as the project develops. This is important not only because of the valuable resources that they bring to the table, but also because their involvement fulfills several critical goals of the UCMA mission including:

1. Preparing a future generation of managers through the creation of an ongoing study of municipal performance.
2. Providing an intellectual incubator that will allow the UCMA to conduct longitudinal studies of the effects of policy implementation.
3. Identifying best practices throughout the state.
4. Providing data critical to helping UCMA members to better manage their municipalities.

Should UCMA and Cities across the state of Utah be interested in participating in a statewide benchmarking program, we propose the following steps and suggest possible date ranges for their completion:

1. Identify all cities or towns that are interested in participating. (April-May)
2. Hold a meeting with project participants to determine what items should be measured for the next stage of this project. (May -July)
 - a. Formalize ground rules
 - b. Create project definitions
 - c. Form a steering committee
 - d. Consider adding other professional groups to the consortium.
3. Continue to gather, clean, and analyze the data (July - September)
4. Discuss issues related to sustainability of project over time. (October)
5. Present findings at the November UCMA Conference.

As is evident in the steps suggested, the next phase of this project will require much more involvement from the participating cities. Their input and commitment to follow through are necessary to make this a successful project. We hope that this report will elicit city managers' and UCMA's interest in being part of building a benchmarking system that could become exemplary practice in local government in the nation.