CITY OF OAKLAND
AGENDA REPORT

TO: Office of the City Administrator
ATTN: Dan Lindheim
FROM: Budget Office
         Finance and Management Agency
         Department of Human Resources
         Parking Operations
         Department of Information Technology
DATE: May 26, 2009

RE: **An Informational Report Regarding Performance Measures for Fiscal Years
         2009-2011 for Finance, Human Resources, Parking Operations, and Information
         Technology**

SUMMARY

At its March 24, 2009 meeting, the Finance & Management Committee of the City Council
accepted an informational report on citywide performance measurement from the Budget Office
and requested the following departments and units return with their specific measures for Fiscal
Years 2009-2011: Finance (Accounting, Revenue, Treasury, Risk Management), Human
Resources, Parking Operations, and Information Technology. This report contains brief
descriptions of department's goals for Finance, Human Resourses, Parking Operations, and
Information Technology with attachments listing specific performance measures for each group.
Also provided is a summary of performance measures discussions that have taken place in other
Council Committees earlier this year.

FISCAL IMPACT

This report is informational only, no fiscal impacts are included.

BACKGROUND

Staff presented an informational report on prior and current performance measures efforts at the
March 24, 2009 Finance and Management Committee meeting. The report discussed "best
practices" in performances measurement and outlined recommended improvements to the City's
performance measurement process, including:

- Review of FY 2009-11 proposed performance measures for thoroughness and
  applicability to current Mayor and Council priorities.

- Re-launch of systematic citywide data gathering and reporting of internal and external
  performance measures in an online system using available staff and technology resources
  (led by the Budget Office).

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- Convening of Task Force by Mayor and City Council to review performance measures and select community indicators; presentation of results to the City Council.

- Preparation of a Community Report Card for performance measures the Task Force deems meaningful to members of the public.

- The Committee directed staff to return at a later date with additional research and recommendations.

Performance measures also were or will be addressed at other Council committees, as follows:

Public Works Committee:

- Public Works Agency (PWA) staff will present its FY 2009-11 performance measures to the committee on June 9, 2009. The timing of PWA's performance measures report to this committee was designed to follow presentation of PWA's performance audit at the May 12, 2009 Public Works Committee meeting.

Community and Economic Development Committee:

- Community & Economic Development Agency (CEDA) staff presented performance measures to the committee on April 7, 2009. Staff were directed to include additional performance measurements reflecting business attraction and retention, blight reduction, zoning enforcement in commercial areas; and pedestrian "friendliness" of neighborhoods in future reports. The committee further requested that staff benchmark CEDA's performance measures against those of other cities in future reports. Additionally, the committee directed staff to use performance measures as tool for managing staff. The committee also requested an evaluation of the process of creating appointment-only and walk-in service at the Permit Counter. Finally, staff was asked to check the accuracy of current performance measures.

Public Safety Committee:

Both the Fire (OFD) and Police Departments (OPD) presented FY 2009-11 performance measures at the April 7, 2009 Public Safety (PS) Committee Meeting. Staff received the following direction on next steps:

- OFD staff were directed to include the following in a future report: information on emergency preparedness; 2) actual average fire fighting arrival time along with the benchmark best practice standard; ideal citywide goals for emergency preparedness training of all households; and youth program performance measures related to those receiving Fire Department-related Measure Y funding.

- OPD staff were directed to return with a report including the following: performance measures related to NCPCs; violent crimes/felony, vice and narcotics arrest tracking, including OPD follow-up, resolution/clearance rates and benchmarking against best

practices standards; target training rates; and presentation of Police Dispatch goals and priorities. The OPD report was continued to the June 23, 2009 Public Safety Committee.

Performance measures are included in the FY 2009-11 proposed City budget. In most cases, these measures are a continuation of performance measures that departments have collected in prior years. As mentioned above, the Budget Office team of analysts will work with departments to refine these measures. Staff recommended that this revived citywide performance measures and community scorecard effort be launched in August, after FY 2009-11 budget adoption and implementation. Review of performance measures, as well as development of a citywide scorecard would occur during the late summer and fall of 2009 and conclude by winter of 2010. Data collection would occur concurrently, with a report of both internal measures (through OakStat) and external measures (e.g. Community Report Card) expected by July 2010.

KEY ISSUES AND IMPACTS

Finance

The *mission* of the Finance and Management Agency (FMA) is to provide high quality direct services to Oakland residents and businesses; and provide support services to the Mayor, City Council, City Administrator, and all City agencies and departments. FMA Divisions include:

- *Accounting:* To safeguard the City's financial and material assets by maintaining strong internal controls: ensuring equity and transparency in Agency processes, adhering to established financial policies and procedures, and complying with all legal fiscal reporting requirements.

- *Revenue:* To review tax and fee ordinances and processes to ensure fair application of taxes and fees paid to the City by the business and residential community; and to collect and manage the City's tax revenues.

- *Treasury:* To effectively manage and safeguard the City's debt and investments to ensure the City's solvency; and to process payroll in an accurate, timely manner while adhering to federal, state, and local regulations.

- *Risk Management:* To support the health of the City's workers by managing worker safety; and by minimizing the financial risk associated with workplace injuries and claims against the City for harm to persons or property.

FMA's *performance measures* place an emphasis on the agency's core services and activities: the provision of financial controls; efficient collection and processing of revenue; minimizing the City's risk exposure; fiscally responsible asset and debt management; and customer service. A chart listing the specific proposed FMA Performance Measures for Fiscal Years 2009-2011 is included as *Attachment A.*

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Human Resources

The *mission* of the Department of Human Resources (a new department recommended in the FY 2009-11 budget) is to provide City agencies and departments with a competitive workforce through training, recruitment, hiring, and promoting qualified candidates; with an emphasis on outreach to and employment of Oakland residents.

Performance measures for Human Resources (HR) address each of HR's divisions: Recruitment & Classification, Labor Relations, Retirement & Benefits, HR Development, and Administration. The emphasis in the coming years will be on improved processes, strengthening the City's agreements with its workforce, providing timely and accurate information to employees and retirees regarding their benefits, instituting best practices with regard to workforce planning, and improving the department's business strategies and practices. A chart listing the specific proposed HR Performance Measures for Fiscal Years 2009-2011 is included as *Attachment B.*

Parking Operations

The *mission* of the Parking Operations Division (currently organized as a division of FMA, but reports directly to the City Administrator's Office) is to promote parking opportunities throughout the City by fairly enforcing parking regulations, maintaining parking equipment, and providing customer service related to parking and parking citations; and to effectively manage City revenues generated through the parking program.

Performance Measures for Parking emphasize timely customer service, effective parking equipment maintenance, and efficient management and processing of revenue collection. A chart listing the specific proposed Parking Performance Measures for Fiscal Years 2009-2011 is included as *Attachment C.* It is important to note that parking garage operations were recently reassigned from CEDA to Parking Operations and additional measures will be developed to track performance of these operations.

Information Technology

The *mission* of the Department of Information Technology (DIT) is to provide timely delivery of strategic, responsive, cost-effective technology solutions and quality services to meet the goals defined by the Mayor, City Council and Oakland's residents. DIT is dedicated to maintaining the highest standards of excellence in technical skills by providing quality work and expertise; by understanding the needs of the customer to facilitate the accomplishment of common objectives; and by always treating customers and staff with respect and dignity.

DIT's *performance measures* are aimed at measuring responsiveness, systems reliability, and efficient use of City resources. A chart listing the specific proposed DIT Performance Measures for Fiscal Years 2009-2011 is included as *Attachment D.*

SUSTAINABLE OPPORTUNITIES

There are no economic, environmental, or social equity opportunities associated with this report.

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DISABILITY AND SENIOR CITIZEN ACCESS

There are no benefits or impacts for the disability and senior citizen communities related to this report.
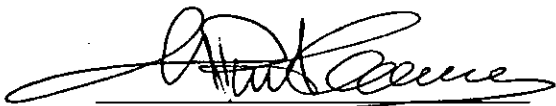
ACTION REQUESTED OF THE CITY COUNCIL

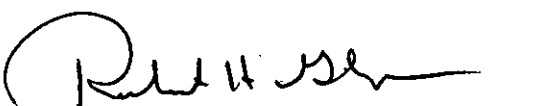Staff requests that the City Council accept this informational report.

Respectfully submitted,

Cheryl Taylor, Director
Budget Office

Joseph T. Yew, Jr.
Finance Director/City Treasurer

Wendell Pryor, Director
Department of Human Resources

Noel Pinto
Parking Manager

Robert Glaze, Director
Department of Information Technology

APPROVED AND FORWARDED TO THE
FINANCE AND MANAGEMENT COMMITTEE:

Office of the City Administrator

FINANCE AND MANAGEMENT AGENCY

DIVISION	MEASURE	FY 2006-07 ACTUALS	FY 2007-08 ACTUALS	FY 2008-09 TARGET	FY 2009-10 PROPOSED TARGET	FY 2010-11 PROPOSED TARGET	JUSTIFICATION FOR REPORTING PERFORMANCE MEASURE	Report* I	C	P
ACCTG	Comprehensive Annual Financial Report completed	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	Maintenance of City's compliance with Federal, State, and Local requirements	✓	✓	✓
ACCTG	City's State Controller's Report completed & filed	18-Oct	20-Oct	20-Oct	20-Oct	20-Oct	Maintenance of City's compliance with Federal, State, and Local requirements	✓	✓	✓
ACCTG	ORA's State Controller's Report completed & filed	31-Dec	31-Dec	31-Dec	31-Dec	31-Dec	Maintenance of City's compliance with Federal, State, and Local requirements	✓	✓	✓
ACCTG	Single Audit Report completed	31-Mar	31-Mar	31-Mar	31-Mar	31-Mar	Maintenance of City's compliance with Federal, State, and Local requirements	✓	✓	✓
REVENUE	Maintain Satisfactory Customer Service with customers rating service at 3.5 points or higher on a 5-point scale	4.03	3.5	3.5	3.5	3.5	Customer service is a core activity of the Revenue Division			✓
REVENUE	Maintain a "Revenue Efficiency" revenue-to-staff ratio of 20:1 or better	N/A	24:1	20:1	20:1	20:1	Revenue efficiency rating of 20:1 is an industry standard for public revenue management	✓	✓	
RISK	Percent change (from prior year) in Workers' Compensation Open Indemnity Claims	-9%	-19%	-5%	-5%	-5%	The number of open indemnity claims affects operational costs, efficiencies in claims handling activities, future (long-term) liabilities and the timeline for bringing claims to closure.	✓	✓	
TREASURY	Gross interest income per dollar managed	4.66%	3.98%	3.50%	2.00%	2.00%	Supports City solvency	✓	✓	
TREASURY	Net interest income per dollar managed	4.47%	3.75%	3.20%	1.90%	1.90%	Supports City solvency	✓	✓	✓
TREASURY	Gross interest income per dollar as % of benchmark	91.03%	90.75%	90.00%	90.00%	90.00%	Comparsion to similar benchmark portfolio for measure of efficiency	✓	✓	
TREASURY	Percentage of payroll processing with less errors	99.00%	99.00%	99.00%	95.00%	95.00%	Efficiency in payroll processing	✓		

*Report: I = Internal tracking; C = Report to Council; P = (Public) Community "Report Card"

DEPARTMENT OF HUMAN RESOURCES

DIVISION	MEASURE	FY 2006-07 ACTUALS	FY 2007-08 ACTUALS	FY 2008-09 TARGET	FY 2009-10 PROPOSED TARGET	FY 2010-11 PROPOSED TARGET	JUSTIFICATION FOR REPORTING PERFORMANCE MEASURE	Report* I	C	P
RECRUITMENT & CLASSIFICATION	Average number of days to complete a non-sworn recruitment from requisition to provision of eligible list			180	168	120	Demonstrates efficiency; recruitment services are a core activity of this division	✓	✓	
RECRUITMENT & CLASSIFICATION	Percent of classification studies (Desk Audits) completed within 12 months	N/A	N/A	N/A	90%	100%	Timely completion of class studies supports effective personnel management.	✓		
LABOR RELATIONS	Number of labor/employee relations training sessions provided to managers and supervisors	N/A	N/A	10	15	20	Resolution of labor issues at lowest level provides cost savings to the City and efficiency savings to involved departments.	✓		
LABOR RELATIONS	Percent of advice and information requests responded to within 2 weeks	N/A	N/A	238	200	200	Timely response on labor issues supports effective personnel management.	✓		
RETIREMENT & BENEFITS	Percent reduction of annual cost for medical benefits by increasing efficiency in timely reporting of separated/disqualified employees	N/A	N/A	N/A	0.5%	0.5%	Demonstrates efficiency; managing employee benefits are a core activity of this division.	✓	✓	
HR DEVELOPMENT	Number of department consultations regarding Equal Access Compliance	N/A	N/A	N/A	60	60	Access compliance in recruitment and hiring.	✓	✓	
HR DEVELOPMENT	Number of training classes provided	N/A	N/A	120	130	130	Workforce planning and development are core functions of this division.	✓		
ADMIN	Number of outdated Administrative Instructions brought into alignment with current MOUs	N/A	N/A	3	10	10	Alignment of all City policy and procedures documents with MOUs reduces the City's risks and improves communication with staff	✓	✓	

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PARKING OPERATIONS

DIVISION	MEASURE	FY 2006-07 ACTUALS	FY 2007-08 ACTUALS	FY 2008-09 TARGET	FY 2009-10 PROPOSED TARGET	FY 2010-11 PROPOSED TARGET	JUSTIFICATION FOR REPORTING PERFORMANCE MEASURE	Report* I	C	P
PARKING	Percent of properly working parking meters	N/A	N/A	95%	95%	95%	To ensure efficient operations and to reduce loss of revenue	✓	✓	✓
PARKING	Percent of Administrative Reviews Processed by Public Service Representatatives within two weeks from the date of receipt	N/A	N/A	95%	95%	95%	Customer service is a core activity of Parking Operations	✓	✓	✓
PARKING	Percent of mail-in payments (Lockbox) processed within 48 hours of receipt	N/A	N/A	95%	95%	95%	To ensure efficient and timely deposit of City revenue	✓		

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DEPARTMENT OF INFORMATION TECHNOLOGY

DIVISION	MEASURE	FY 2006-07 ACTUALS	FY 2007-08 ACTUALS	FY 2008-09 TARGET	FY 2009-10 PROPOSED TARGET	FY 2010-11 PROPOSED TARGET	JUSTIFICATION FOR REPORTING PERFORMANCE MEASURE	Report* I	C	P
Reprographic Services	Percentage of reproduction jobs processed in-house	N/A	N/A	N/A	75%	75%	Measure to address customer needs.	✓		
Application Support and Development Services	Availability of SUN Server and Oracle Databases	99%	99%	99%	99%	99%	Up-Time performance of all critical applications.	✓		
Application Support and Development Services	Availability of Oracle Applications	99%	99%	99%	99%	99%	Up-Time performance of all critical applications.	✓		
Application Support and Development Services	Availability of GIS to users	99%	99%	99%	99%	99%	Up-Time of critical applications for Police, Fire and CEDA Agencies.	✓		
Customer Support Services	Percentage of trouble calls resolved during initial call	60%	60%	60%	60%	60%	First response resolve best practices.	✓	✓	
Customer Support Services	Percentage of Desktop Support trouble tickets resolved within 72 hours	N/A	60%	60%	60%	60%	Desktop response and customer satisfaction.	✓	✓	
Customer Support Services	Availability of Telephone Systems	N/A	99%	99%	99%	99%	Total reliability assurance.	✓		
Customer Support Services	Availability of Application Servers	N/A	99%	99%	99%	99%	Total reliability assurance.	✓	✓	
Project Coordination and Engineering Services	Timely completion of well defined and budgeted projects	N/A	N/A	N/A	90%	90%	Staff efficiency on projects addressed	✓	✓	✓

Note: Attachment D header

DIVISION	MEASURE	FY 2006-07 ACTUALS	FY 2007-08 ACTUALS	FY 2008-09 TARGET	FY 2009-10 PROPOSED TARGET	FY 2010-11 PROPOSED TARGET	JUSTIFICATION FOR REPORTING PERFORMANCE MEASURE	Report* I	C	P
Project Coordination and Engineering Services	Customer satisfaction for all stakeholders and sponsors	N/A	N/A	N/A	90%	90%	Customer satisfaction guarantee	✓		
Project Coordination and Engineering Services	Availability of Data Network	99%	99%	99%	99%	99%	Network Infrastructure availability measure	✓		
Public Safety Support Services	Availability of 800 MHz radio system	N/A	99%	99%	99%	99%	Up-time of radio service to City of Oakland Police and Fire.	✓	✓	
Public Safety Support Services	Availability of Public Safety Servers and Systems	N/A	99%	99%	99%	99%	Assurance of up-time for most critical systems for Police and Fire.	✓	✓	

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