



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: DECEMBER 14, 2021
FROM: CITY MANAGER'S OFFICE WARDS: ALL
SUBJECT: PERFORMANCE ASSESSMENT AND FINANCIAL REVIEW OF THE
COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

ISSUES:

Receive a report from Matrix Consulting Group regarding the performance assessment and financial review of the Community and Economic Development Department.

RECOMMENDATION:

That the City Council receive and file a report from Matrix Consulting Group regarding the performance assessment and financial review of the Community and Economic Development Department.

COMMITTEE RECOMMENDATION:

On November 3, 2021, the Inclusiveness, Community Engagement and Governmental Processes Committee met with Chair Cervantes, Member Conder and Member Perry present. Following discussion, the Committee unanimously recommended that the City Council receive and file a report from Matrix Consulting Group on the performance assessment and financial review of the Community and Economic Development Department.

BACKGROUND:

On September 17, 2019, City Council approved a Professional Consultant Services Agreement (Agreement) with Matrix Consulting Group from Request for Proposals (RFP) 1928 to conduct a Performance Assessment and Financial Review of the Community and Economic Development Department in the amount of \$84,500. The scope of the Agreement includes:

1. Performance Assessment:
 - a. Strategic planning – future direction; effective partnerships
 - b. Organizational structure and potential for consolidation of administrative functions; opportunities to outsource certain functions/activities/services; effectiveness of staffing levels; succession planning; project management
 - c. Economic impact – special/cultural events, permitting practices, practices related to attracting businesses to the City, revenue generation opportunities

- d. Fee calculation, assessment, and collection practices
 - e. Asset management – real property inventory/management
 - f. Programs and services – offerings; measures of success; targeting the customer base
 - g. Management systems – effectiveness of current resources; enhancements.
 - h. Interdepartmental communication and collaboration.
 - i. Benchmarks, best practices and other performance indicators of program and service effectiveness
 - j. Compliance with applicable local, state and/or federal regulations; comparison of applicable City Ordinances to local, state and/or federal laws
2. Financial Expenditures Review:
- a. Review of overtime expenditures over the three-year period of Fiscal Years 2016, 2017 and 2018. Assess compliance with relevant City overtime policies and internal controls.
 - b. Review specific non-personnel expenditure transactions over the three-year period of Fiscal Years 2016, 2017, 2018. Assess compliance with relevant City procurement policies for professional services contracts and maintenance services contracts.

DISCUSSION:

Matrix Consulting Group will provide a presentation to the City Council of their findings during the performance assessment and financial review of the Community and Economic Development Department.

STRATEGIC PLAN ALIGNMENT:

This item aligns with Strategic Priority 5 – High Performing Government and the following strategic goals:

- Goal 5.2 – Utilize technology, data and process improvement strategies to increase efficiencies, guide decision making and ensure services are accessible and distributed equitable throughout all geographic areas of the City.
- Goal 5.4 – Achieve and maintain financial health by addressing gaps between revenues and expenditures and aligning resources with strategic priorities to yield the greatest impact.

The item also aligns with each of the Cross Cutting Threads as follows:

- Community Trust – The ongoing assessment and evaluation of our departments' performance and financial expenditures and the public presentation of these findings helps promote transparency and ensure community trust.
- Equity – Department audits are performed on a rotating basis to ensure all City departments are evaluated in an equitable manner.
- Fiscal Responsibility – The evaluation of departments' financial expenditures helps ensure the City is acting as a responsible steward of our public resources.

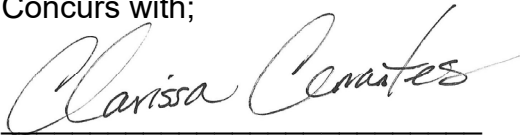
- Innovation – The final performance report includes recommendations on how departments can improve their processes and be more innovative and efficient to meet the current and future needs of the public.
- Sustainability and Resiliency – Ongoing assessments of our City departments' activities and operations helps ensure that the City is able to evolve to meet the needs of our resident and is resilient to future changes and challenges.

FISCAL IMPACT:

There is no fiscal impact related to the receipt of this informational report.

Prepared by: Donna Finch, Principal Management Analyst
Certified as to availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Concurs with;



Clarissa Cervantes, Chair
Inclusiveness, Community Engagement and Governmental Processes Committee

Attachment:

1. Matrix Consulting Report
2. Presentation