



City of Arts & Innovation

Inclusiveness, Community Engagement and Governmental Processes Committee

TO: INCLUSIVENESS, COMMUNITY ENGAGEMENT AND GOVERNMENTAL PROCESSES COMMITTEE MEMBERS **DATE: NOVEMBER 3, 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 on the performance assessment and financial review of the Community and Economic Development Department.

RECOMMENDATIONS:

That the Inclusiveness, Community Engagement and Governmental Processes Committee receive and forward to the City Council 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, the 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 Inclusiveness, Community Engagement and Governmental Processes Committee on 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 – Citywide department audits are performed on a rotating basis to ensure all City departments are assessed 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 the City is able to evolve to meet the needs of our residents and is resilient to future changes and challenges.

FISCAL IMPACT:

There is no fiscal impact related to this 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

Attachment:

1. Audit Report
2. Presentation