



Budget Engagement Commission

City of Arts & Innovation

TO: HONORABLE COMMISSIONERS DATE: JUNE 8, 2017

FROM: INTERNAL AUDIT DIVISION WARDS: ALL

SUBJECT: IMPLEMENTATION OF THE PERFORMANCE MEASUREMENT AND REPORTING PROGRAM: RECOMMENDED CHANGES TO THE CITY'S STRATEGIC GOALS (RIVERSIDE 2.0), AND PROPOSED NEW MEASURES TO ASSESS PROGRESS IN MEETING GOALS

ISSUE:

Receive and provide input on the essential components of the City's new Performance Measurement and Reporting Program, including: 1) changes to the strategic goals established in 2015 (through Riverside 2.0); and 2) performance measures to assess progress in meeting these goals.

RECOMMENDATION:

That the Budget Engagement Commission receive and provide input on the essential components of the City's new Performance Measurement and Reporting Program, including:

- 1) Changes to the strategic goals established in 2015 (through Riverside 2.0); and
- 2) Performance measures to assess progress in meeting these goals.

BACKGROUND:

On February 24, 2015 the City of Riverside adopted a strategic plan, Riverside 2.0. The purpose of the *Riverside 2.0 Strategic Plan* is to advance the City of Riverside's mission statement: *The City of Riverside is committed to providing high quality municipal services to ensure a safe, inclusive, and livable community.*

Through Riverside 2.0, the City Council established seven strategic priorities for the City:

1. Enhanced Customer Service and improved quality of life.
2. Economic Development - Continue to develop an economically vibrant City.
3. Community Services - Provide appealing, accessible and safe venues.
4. City Transportation - Continue to develop efficient transportation systems and provide affordable options for community mobility.
5. Improve Housing Diversity and Options.
6. Improve Teamwork and Communication.
7. Reduce Taxpayer Liability and Reduce Costs Whenever Possible.

For each of these seven priorities, City departments established more specific strategic goals. 2015 Riverside 2.0 department strategic goals are presented in Attachment 1.

In addition to the seven strategic priorities stated above (contained under the “City Leadership” pillar), Riverside 2.0 also outlined four focus areas aligned with community-wide Seizing Our Destiny visioning initiative (under the “Community” pillar), along with five effective government principles (under the “City Organization”) pillar. These are summarized in the chart below.

Key Elements of Riverside 2.0

COMMUNITY				CITY LEADERSHIP							CITY ORGANIZATION				
Alignment with Seizing Our Destiny				Advancement of City Council Strategic Priorities							Consistency with Effective Government Principles				
Intelligent Growth	Catalyst for Innovation	Location of Choice	Unified City	Enhanced Customer Service	Economic Development	Community Services	City Transportation	Improve Housing Diversity & Options	Improve Teamwork & Communication	Reduce Taxpayer Liability & Costs	Accountability	Transparency	Responsiveness	Financial Prudence	Decisiveness

On September 13, 2016 the City Manager introduced the City’s new Performance Measurement and Reporting Program to the executive leadership team. During November and early December, staff from each City department was trained on the development of effective performance measures. The departments were also asked to review, assess for relevance, and recommend any changes to the City’s existing strategic goals contained in Riverside 2.0.

On December 7, 2016 the Governmental Affairs Committee received presentation on the Performance Measurement and Reporting Program, including planned updates to Riverside 2.0. The City Council received the same presentation on January 10, 2017.

After the Budget Engagement Commission reviews and provides input on the recommended changes to Riverside 2.0 and new performance measures, the City Council will review the updated goals and new measures.

DISCUSSION:

Purpose of the Performance Measurement and Reporting Program

The goal of the Performance Measurement and Reporting Program is to:

1. Create meaningful, reliable and useful performance measures that will guide the City Council in making policy and budget decisions, and assist management in operational decisions;
2. Assess and, when necessary, correct performance of City departments, programs and services;
3. Provide meaningful information to the public on the quality and effectiveness of key City programs and services through easy to understand performance indicators; and

4. Consolidate multiple reports related to the Riverside 2.0 Strategic Plan achievements and operational and financial performance into one comprehensive report.

Program Accomplishments to Date

A strategic plan should be a living, breathing document that gets re-examined on a regular basis to determine if the established goals are still relevant and appropriate. To accomplish this with Riverside 2.0, each City department reviewed all of their 2015 **strategic goals**. For each goal, the departments had the following options:

- 1) delete the goal because it has been accomplished, or is no longer relevant;
- 2) change the goal to more accurately reflect today's priorities and realities; or
- 3) add a new goal to reflect new priorities.

After updating their Riverside 2.0 goals, each department developed **performance measures** for the most critical goals. The departments were asked to develop up to five measures, each linked to one of the updated strategic goals.

In addition to department-specific measures, a number of **Citywide vital indicators** were developed, and will be tracked by selected City departments. These Citywide vital indicators are intended to reflect the City's overall condition in key areas such as investments, level of financial reserves, and staff turnover rate. Departments collecting these Citywide vital indicators will not be solely responsible for the City's performance in these key areas – as opposed to performance measures, which will help to assess departmental performance.

The summary table below indicates the number of strategic goals per department, along with performance measures and Citywide vital indicators. Details for each department are presented in Attachment 2. Descriptions of Performance Measures are presented in Attachment 3.

Department	Strategic Goals	Performance Measures	Vital Stats
City Attorney's Office	2	3	
City Clerk's Office	5	1	
City Manager's Office	12	1	1
Community & Economic Development	10	5	
Finance	7	2	8
Fire	8	3	
General Services	5	5	
Human Resources	5	0	4
Innovation & Technology	5	2	
Library	3	3	
Live Nation	1	5	
Museum	7	1	
Park, Rec & Community Services	5	3	
Police	8	3	
Public Works	11	5	
Raincross Hospitality Group	5	4	
Public Utilities	6	4	1
Total	105	50	14

As Community & Economic Development continues to develop and implement a Homeless Program, performance measures and vital statistics will be defined, tracked and reported.

Future Enhancements to the Program

Performance Measurement Reporting

After the City Council reviews the updated Riverside 2.0 goals and new performance measures in June 2017, departments will begin collecting data on their measures in July 2017. For measures where data are available quarterly (as opposed to only once a year), first reporting will occur in November 2017 for the July-September 2017 period.

Staff's goal is to consolidate quarterly reporting on performance with the Riverside 2.0 Strategic Plan updates, City Management updates, and quarterly financial reports. We are looking to implement a dashboard-style reporting tool that would present the above consolidated information in an intuitive way, with charts and other visual indicators.

Review and Analysis of Performance Data

The City's management team will soon start discussing performance measures and associated data for each City department monthly, at the Executive Leadership Team meetings. The next step will be to open these discussions to public participation and input, through online dashboard reporting.



Performance-Based Budget

Performance-based budget incorporates performance data into the budget document and the policy making process. Both actual and anticipated performance of departments, programs and services are taken into account when budget allocations are made. The City will start including performance indicators into the budget document beginning with the FY 2018-2020 biennial budget, with full implementation of performance-based budget expected during the following biennial budget cycle.

Performance Measures Linked to Employee Performance Plans



Traditionally, an employee's performance plan is developed based on the job description. The City is looking into linking departmental strategic goals and performance measures to each employee's performance plans. This will allow departments to better align employee efforts with the departments' priorities and operational performance.

FISCAL IMPACT:

There is no fiscal impact associated with review of the Performance Measurement and Reporting Program at this time.

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Attachments:

1. 2015 Riverside 2.0 Strategic Goals
2. 2017 Department Strategic Goals and Performance Measures
3. 2017 Department Goals, Performance Measures and Descriptions
4. Presentation