

# Presentation on Management Audit

## Agenda Item 7.a.

June 25, 2019

# Background of Presentation

**Fiscal Stability Committee recommended  
Organization Management Audit**

**Fiscal Stability Committee recommended  
third party review of Alameda County Fire  
Services**

**Presentation on scope for two studies  
presented to City Council October 2018**

# Overview of Presentation

**Provide highlights of the Management Audit conducted by Management Partners**

**Discuss how the recommendations will be considered and how they relate to the Strategic Plan now being developed**

**Refer the Management Audit to the Council Fiscal Committee**

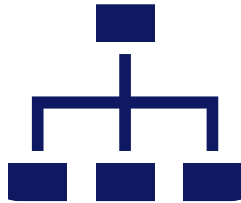
# Purpose of the Management Audit



Identify opportunities to improve efficiency and service delivery, and to identify opportunities to reduce costs.

The context for the study was the City's structural financial deficit and a need to retain and attract valued employees.

# Key Components Studied



**Organization structure  
and reporting  
relationships**



**Staffing within each  
function as compared  
with peer cities**



**Staff recruitment and  
retention, competitiveness,  
professional development and  
succession planning**



**Best practices, internal  
systems, technology  
and tools**



**Alternatives for delivering  
services differently while  
assuring high quality**

# Categories of Review

**Fiscal  
sustainability plan**

**Staffing**

**Strategic planning**

**Streamlining  
recruitment**

**Professional  
development and  
competitive  
compensation**

**Succession  
planning**

**Provision of non-  
typical municipal  
services**

**Alternative  
maintenance  
service delivery**

**Recreation  
program cost  
recovery**

**Reorganizing for  
greater efficiency**

**Process  
improvements**

**Technology tools**

# Top Five Recommendation Areas



**Fiscal Sustainability  
and Cost Reduction  
Strategies**



**Economic  
Development  
Initiatives**



**Sustaining the  
Employee Workforce**



**Alternative Service  
Delivery  
Opportunities**



**Technology  
Improvements**

# Fiscal Sustainability Strategies

- ✓ Comprehensive fiscal sustainability plan
  - Expenditure controls
  - Service delivery changes
  - Revenue enhancements
  - Service level reductions
- ✓ Cost recovery study and policies to increase revenues
  - Community Development Services
  - Recreation programs
- ✓ Various reductions or changes in services and costs





# Revenue Enhancement Strategies

## Revenue enhancement recommendations

- Recreation fees and charges (*Recommendations 21 and 22*)
- Community development (planning, building) fees and charges (*Recommendations 37, 38 and 39*)
- Permit tracking system technology surcharge (*Recommendation 42*)

## Other significant revenue enhancement opportunities

- Local transactions and use (sales) tax increase
- Real property transfer tax (requires charter city amendment)
- Transient occupancy tax increase
- Utility users tax
- Business license tax increase

# Alternative Service Delivery Potentials for Cost Savings

- ✓ Reduce General Fund costs for youth and family services through partnerships with non-profits and other agencies
- ✓ Reduce or eliminate General Fund costs for Mark Green Sports Center by contracting or repurposing use
- ✓ Contract California Certified Unified Program Agencies (CUPA) program to save General Fund dollars
- ✓ Conduct RFP for street sweeping services to determine cost effectiveness
- ✓ Conduct RFP for fleet services maintenance to determine cost effectiveness



# Sustaining the Employee Workforce

- ✓ Conduct Citywide compensation survey for competitiveness
- ✓ Create comprehensive professional development program



# Technology Improvements

***These are all fundamental for efficiency***

- Land management system
- Encroachment permit tracking system
- Computerized maintenance management system (CMMS)
- Finance/Enterprise resource planning (ERP) system
- Employment applicant tracking system



# Economic Development



- ✓ Streamline planning permit processes
- ✓ Create new/expanded business improvement districts
- ✓ Prioritize economic development activities based on fiscal sustainability needs



# Next Steps

**Fiscal Stability Committee  
review recommendations**

**Some recommendations  
evaluated in strategic plan**

# Next Steps

**Some items evaluated as part of  
budget process**

**Some items subject to Meet  
and Confer and MOUs**

# Next Steps



**CPSM to present fire service evaluation  
July 16 Study Session**



# Fiscal Impact

Fiscal Stability Committee evaluation not impact General Fund

Implementation may enhance revenues and reduce operating costs

# Recommendation

1. Accept Report
2. Refer to Fiscal Stability Committee for evaluation and recommendation