



MEMORANDUM

DATE: April 22, 2011

TO: Mike Letcher
City Manager

FROM: Marie Nemerguth
Budget and Internal Audit
Program Director

SUBJECT: Collaborative Auditing – FY 2011 First and Second Quarter Reports

Internal Audit has completed an analysis of the Collaborative Auditing (CA) performance measures reported by departments through the first and second quarters (July -December) of fiscal year 2011. This report was delayed due to the reassignment of the Principal Auditor who established and maintained the CA program. Department personnel have now been trained to update and analyze their charts before submitting them to Internal Audit for further analysis; however, some technical assistance from Internal Audit has still been required.

Departments participating in the CA process include Environmental Services, Fire, Housing and Community Development, Parks and Recreation, Planning and Development Services, Police, and Transportation – Sun Tran. Other information provided through CA includes General Fund Financial Indicators, Golf Financial Trends, and Rio Nuevo Revenues. The charts are all located on the CA website <http://cms3.tucsonaz.gov/content/collaborative-auditing>. Attachment A contains a list of all the charts.

The performance measures were analyzed to identify existing or corrected negative trends and the corrective actions planned or taken, as applicable. The following measures were identified for reporting and follow-up as necessary:

Environmental Services Department: Missed Pick-ups (Attachment B)

Issue Identified in Prior Report: (Fourth Quarter - April through June Fiscal Year 2010)

- Missed Pick-ups - An isolated increase in the missed pick-up rate occurred in June.

Current Report:

- Missed pick-ups were slightly above one per 1,000 collections (combined refuse and recycle) in June and have since decreased to below one per 1,000 collections which is within the range that has been maintained from April 2009 through September 2010, with the exception of June 2010. A slight increase was noted in December 2010, which appears similar to an increase that occurred in December 2009. This increase will be monitored in the third quarter of fiscal year 2011 (January - March) to ensure an increasing trend is not developing.

Fire Department: Fire Suppression Average Response Times (Attachment C)

Issue Identified in Prior Report: (Fourth Quarter - April through June Fiscal Year 2010)

- Fire Suppression Average Response Times - The Fire Department experienced a slight increase in average fire suppression response times at the end of the fourth quarter, with June's responses exceeding the 4-minute target by 6 seconds, on average. This slight increase was reversed in July, with average fire suppression response times again meeting the 4-minute target. A similar increase occurred in June 2009, which may

indicate a seasonal anomaly. These are the only two instances of above-target fire suppression average response times to occur in the past year.

Current Report:

- Fire Suppression Average Response Times - The variance in response times may reflect effects of longer wait times at maintenance to have apparatus repaired due to decreased funding.

Housing and Community Development Department: Code Enforcement Division

(Attachment D)

Current Report:

- Code Enforcement Division - A fairly large gap exists between the number of calls received and the number of cases created. The Code Enforcement Division is often the first point of contact for citizens reporting a complaint. Once a call is received, the Division's call center staff determines the type of complaint being reported. Many calls may actually be the responsibility of other agencies, for example, trash container violations (Environmental Services), permit information (Planning and Development Services), on-street parking violations (ParkWise), green pools /mosquitoes (Pima County Health Department), and tenant/landlord disputes (Southern Arizona Legal Aid). These calls are forwarded by staff to the appropriate agency. If a call is for enforcement of the code for which the Housing and Community Development Department is responsible, a case is created by staff for an inspector to conduct a field inspection. Generally, the field inspection may result in a violation being issued to the property owner. However, this is not always the case. For instance, the property owner may have corrected the issue prior to the inspection or the complaint that was reported is not actually a violation of the code. When this occurs, the case can be closed without a violation being issued.

Parks and Recreation Department: Registrations and Memberships (Attachment E)

Issue Identified in Prior Report: (Fourth Quarter - April through June Fiscal Year 2010)

- Registrations and Memberships - A downward trend was noted in program registrations and recreation center memberships when compared to the same period in the prior two fiscal years. This trend can be related to the implementation of the Parks and Recreation Revenue and Pricing Policy (January 2010), calling for specific cost recovery for programs, the subsequent increase in fees (30-60%), and the restructuring of the Discount Program to offer a single 25% discount in lieu of a sliding scale of up to a 90% discount. Additionally, reduced budget capacity has resulted in a reduction in recreation center operational hours.

Current Report:

- Number of Registrants - A downward trend in participation can be related to the implementation of the Parks and Recreation Revenue and Pricing Policy (January 2010) calling for specific cost recovery for programs and subsequent increase in fees (30-60%) and the restructuring of the Discount Program to offer a single 25% discount in lieu of a sliding scale up to 90%.
- Recreation Center Memberships Number of Pass Holders – A downward trend in memberships sold can be related to the implementation of the Parks and Recreation Revenue and Pricing Policy (January 2010) calling for specific cost recovery for programs and subsequent increase in fees (30-60%) and the restructuring of the Discount Program to offer a single 25% discount in lieu of sliding scale up to 90%.

Additionally, reduced budget capacity has resulted in a reduction in Recreation Center operational hours.

Police Department: Response Times (Attachment F)

Issues Identified in Prior Report: (Fourth Quarter - April through June Fiscal Year 2010)

- Level 4 – General Response - Average response times increased slightly during the fourth quarter. However, average response times returned to near the 60 minute target in June. Although still above target, Level 4 response times are, on average, approximately 13% lower than for the same period last year.

Current Report:

- Level 1 - Emergency Response – An increase in response time was noted in September; however, it was not above the 5 minute target and decreased to slightly below 4 minutes in December.
- Level 2 - Critical Response - Lack of staff contributed to an increase in response time from August through October which was addressed by reassigning officers from specialized assignments, such as motors and bikes, back into a patrol function. The response time has decreased through December and was below the 10 minute target.
- Level 4 - General Response – Field supervisors and Communications supervisors frequently downgrade level 3 calls to level 4 calls after assessing the urgency of the calls. This results in freeing officers to respond to higher level calls, and increasing response times to level 4 calls. The response time has decreased through December to just slightly above the 60 minute target.

Additional Information

General Fund and Golf Financial Indicators: These charts are monitored and updated on a fiscal year basis. However, fiscal year 2010 data was not available until the audited financial statements were issued in December 2010. Therefore, these charts will be updated for the third quarter of fiscal year 2011 report.

MN:RK/JEP

Attachments:

- A – List of Collaborative Auditing Charts
- B - Environmental Services Department Missed Pick-ups
- C - Fire Department Fire Suppression Average Response Times
- D - Housing and Community Development Code Enforcement Division
- E - Parks and Recreation Department Registrations and Memberships
- F - Police Department Average Response Times

- c: Independent Audit and Performance Commission
- Richard Miranda, Deputy City Manager
 - Sean McBride, Assistant City Manager
 - Kelly Gottschalk, CFO/Finance Director
 - Andrew Quigley, Environmental Services Department Director
 - James Critchley, Fire Chief
 - Albert Elias, Housing and Community Development Director
 - Fred H. Gray, Jr., Parks and Recreation Department Director
 - Roberto A. Villaseñor, Chief of Police
 - Jim Glock, Transportation Director – Sun Tran

COLLABORATIVE AUDITING CHARTS

Environmental Services Department:

<http://cms3.tucsonaz.gov/sites/default/files/ca/escharts.pdf>

Missed Pick-ups (Monthly)

Landfill (Annually)

Brush & Bulky (Annually)

Recycling (Annually)

Fire Department:

<http://cms3.tucsonaz.gov/sites/default/files/ca/firecharts.pdf>

Fire Suppression Average Response Times (Monthly)

EMS Combined Response Times (Monthly)

Housing and Community Development Department:

<http://cms3.tucsonaz.gov/sites/default/files/ca/hcdcharts.pdf>

Code Enforcement Division (Quarterly)

Housing Management Division (Quarterly)

Funding Sources (Annual)

Units Rehabilitated (Annual)

Affordable Housing Units Produced (Annual)

Human Services Funding Sources (Annual)

Human Services Contracts (Annual)

Housing Assistance Division (Annual)

Parks and Recreation Department:

<http://cms3.tucsonaz.gov/sites/default/files/ca/parksandreccharts.pdf>

Course Status - Number of Courses Offered and Completed (Seasonal)

Programs - Number of Registrants (Seasonal)

Recreation Center Memberships - Number of Pass Holders (Quarterly)

Zoo Revenue and Admissions (Quarterly)

Planning and Development Services Department:

<http://cms3.tucsonaz.gov/sites/default/files/ca/pdsdcharts.pdf>

Initial Plan Submittals - Average Days to Review - Target = 20 Days (Monthly)

Plan Resubmittals - Average Days to Review - Target = 20 Days (Monthly)

Department Plan Revisions - Average Days to Review - Target = 20 Days (Monthly)

Police Department:

<http://cms3.tucsonaz.gov/sites/default/files/ca/policecharts.pdf>

Level 1 - Emergency Response - Average Response Times (Monthly)

Level 2 - Critical Response - Average Response Times (Monthly)

Level 3 - Urgent Response - Average Response Times (Monthly)

Level 4 - General Response - Average Response Times (Monthly)

Motor Vehicle Accidents - Per 1,000 Residents (Monthly)

Transportation Department – Sun Tran:

<http://cms3.tucsonaz.gov/sites/default/files/ca/suntrancharts.pdf>

Sun Tran Cost/Revenue Per Total Mile (Monthly)

Sun Tran Cost/Revenue Per Passenger Monthly)

General Fund Financial Indicators:

http://cms3.tucsonaz.gov/sites/default/files/GF_Financial_Indicators.pdf

Tax Revenues to Operating Revenues

State-Shared Revenues to Operating Revenues

Unreserved/Undesignated Fund Balance to Operating Revenues

Surplus/Deficit to Operating Revenues

Current Liabilities to Operating Revenues

Debt Service to Operating Revenues

Note: These charts are updated on a fiscal year basis. However, fiscal year 2010 data was not available until the audited financial statements were issued in December 2010. Therefore, these charts will be updated during the third quarter of 2011.

Golf Financial Indicators:

<http://cms3.tucsonaz.gov/sites/default/files/financialtrends.pdf>

Operating Revenue vs. Operating Expenses

Unrestricted Cash to Operating Revenues

Percentage of Debt Service to Operating Revenues

Note: These charts are updated on a fiscal year basis. However, fiscal year 2010 data was not available until the audited financial statements were issued in December 2010. Therefore, these charts will be updated during the third quarter of 2011.

Rio Nuevo Revenue:

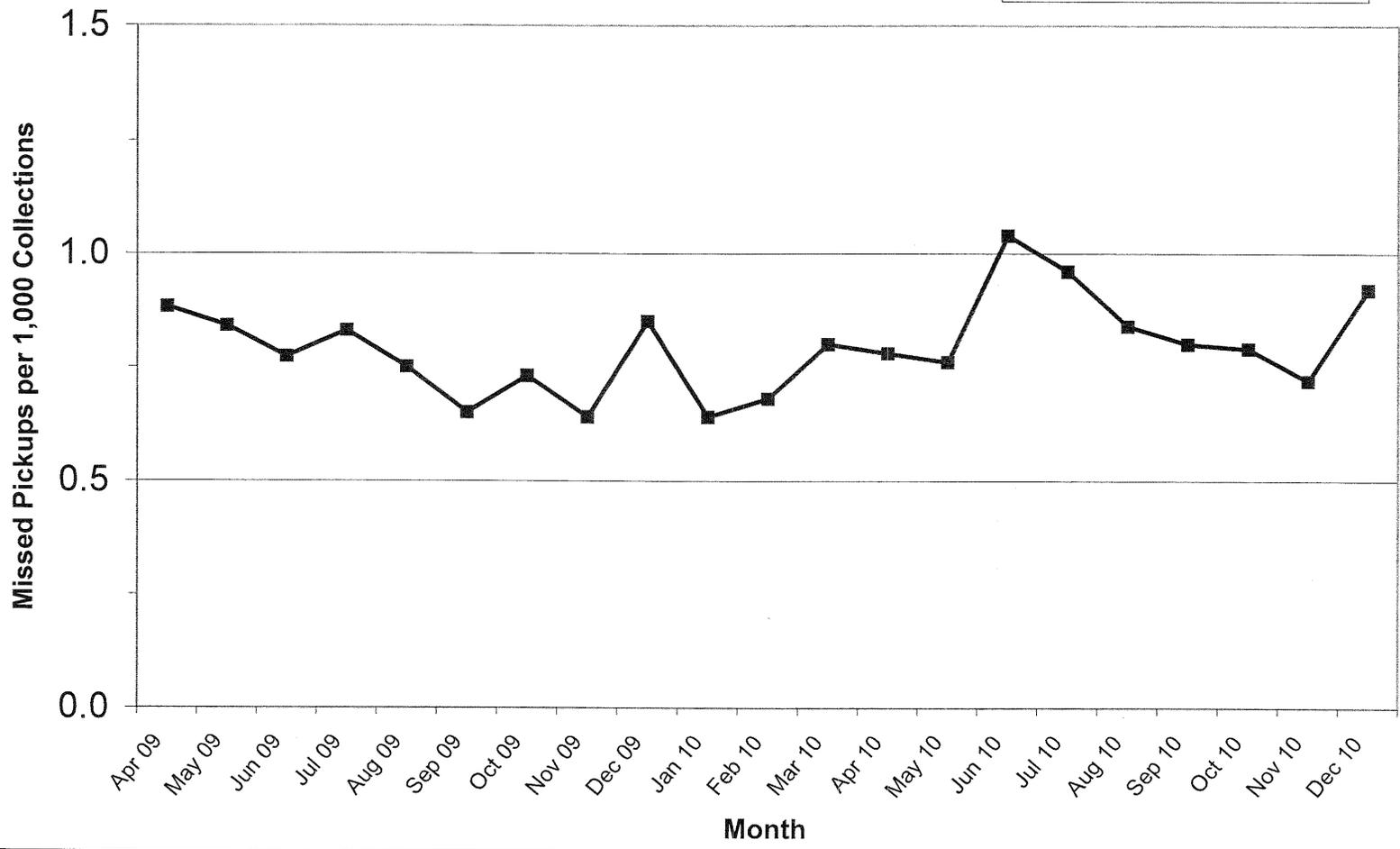
<http://cms3.tucsonaz.gov/sites/default/files/ca/rionuevocharts.pdf>

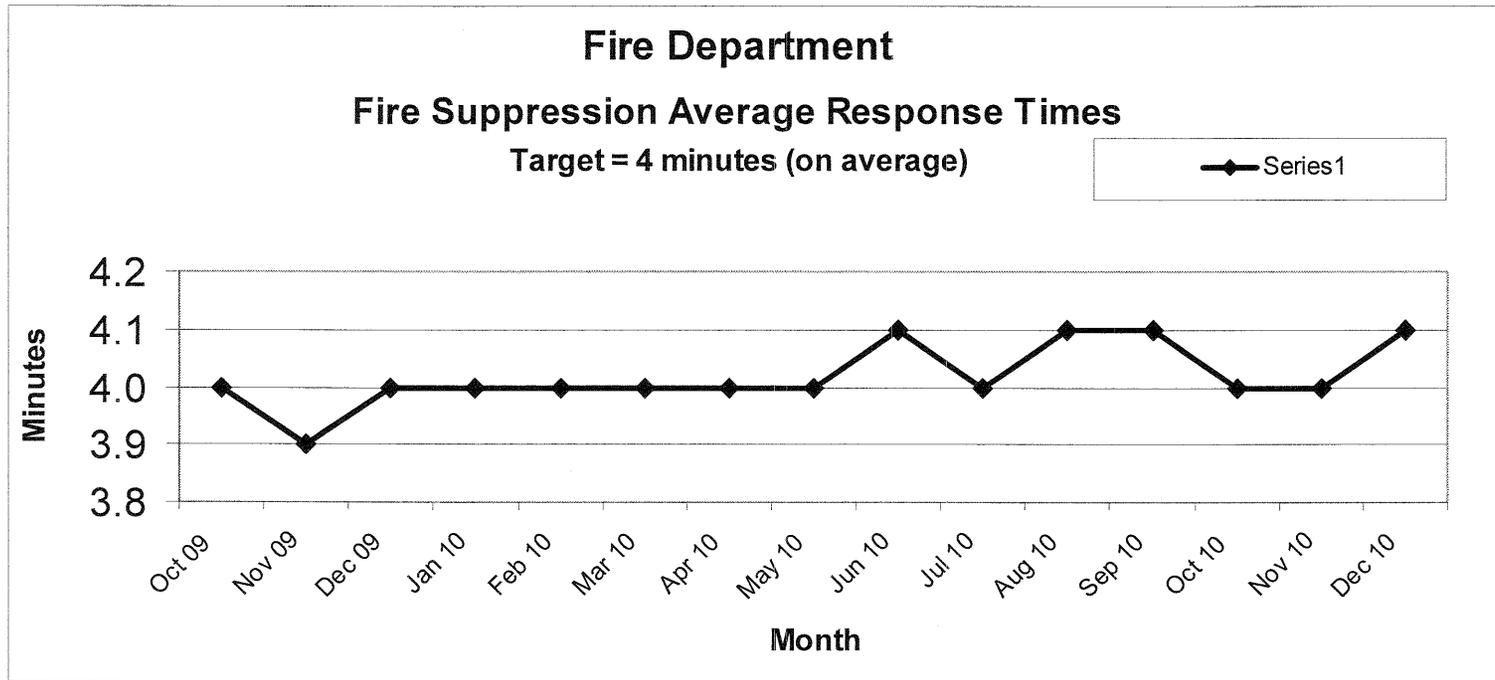
Tax Increment Financing Revenues – Comparison of Fiscal Years 2009 and 2010

Tax Increment Financing Revenues by Fiscal Year

**Environmental Services Department
Plastic Container Missed Pickups
per 1,000 Collections
(combined Refuse and Recycle)**

■ Missed Pickups per 1,000 Collections

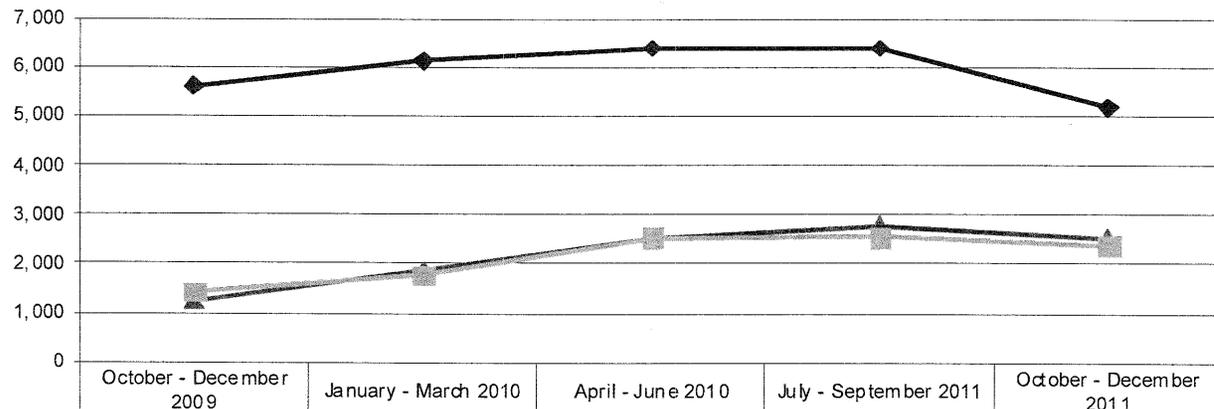




Fire Response Target: The target is based on a response that results in a minimum of twenty firefighters, including an incident commander, with the first unit arriving within 4 minutes of dispatch. The response time indicated is the **average** of all fire suppression responses that occurred during the month.

The variance in response times may reflect effects of longer wait times at maintenance to have apparatus repaired due to decreased funding.

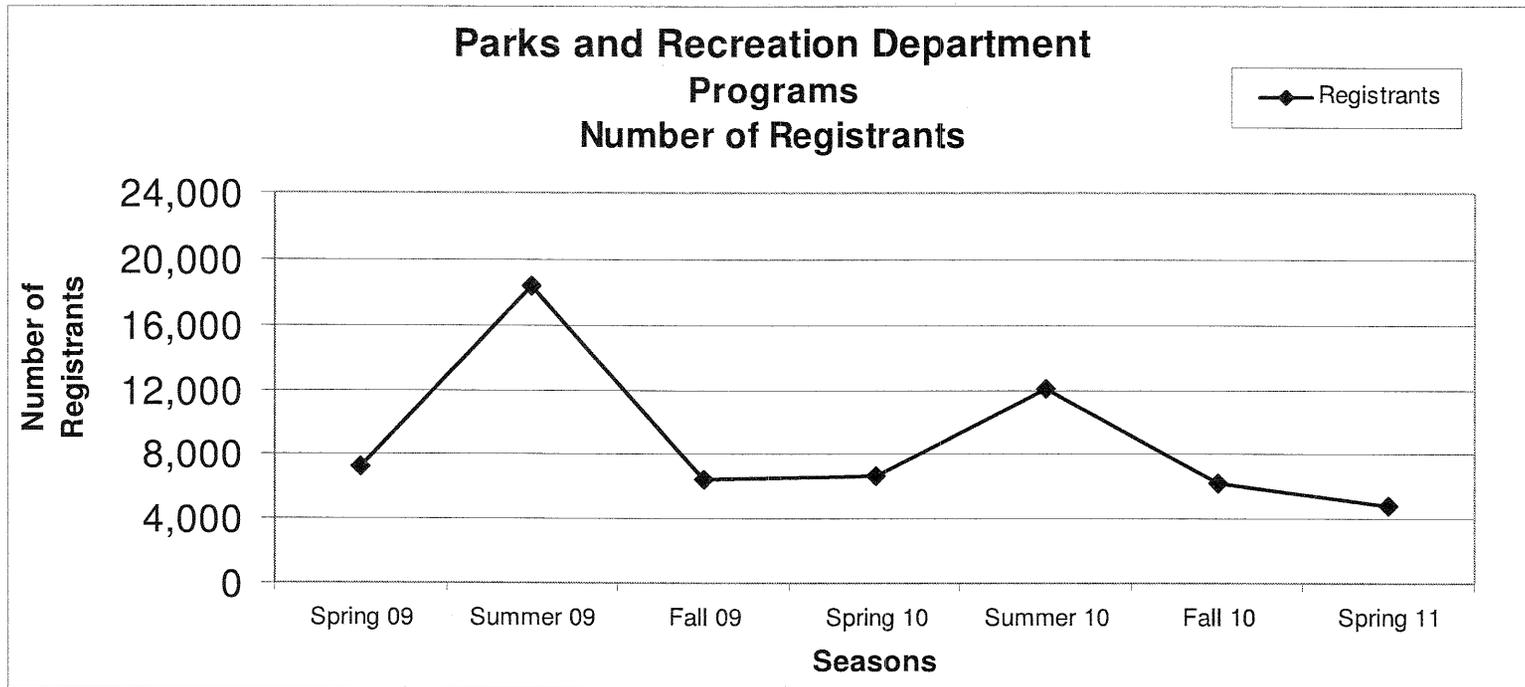
Housing and Community Development Department Code Enforcement Division



This chart shows the code enforcement activity of the Housing and Community Development Department between July 2009 and December 2011. The data displayed includes the total number of calls received by the Code Enforcement Division's call center, the number of code enforcement cases created, and the number of code violations issued.

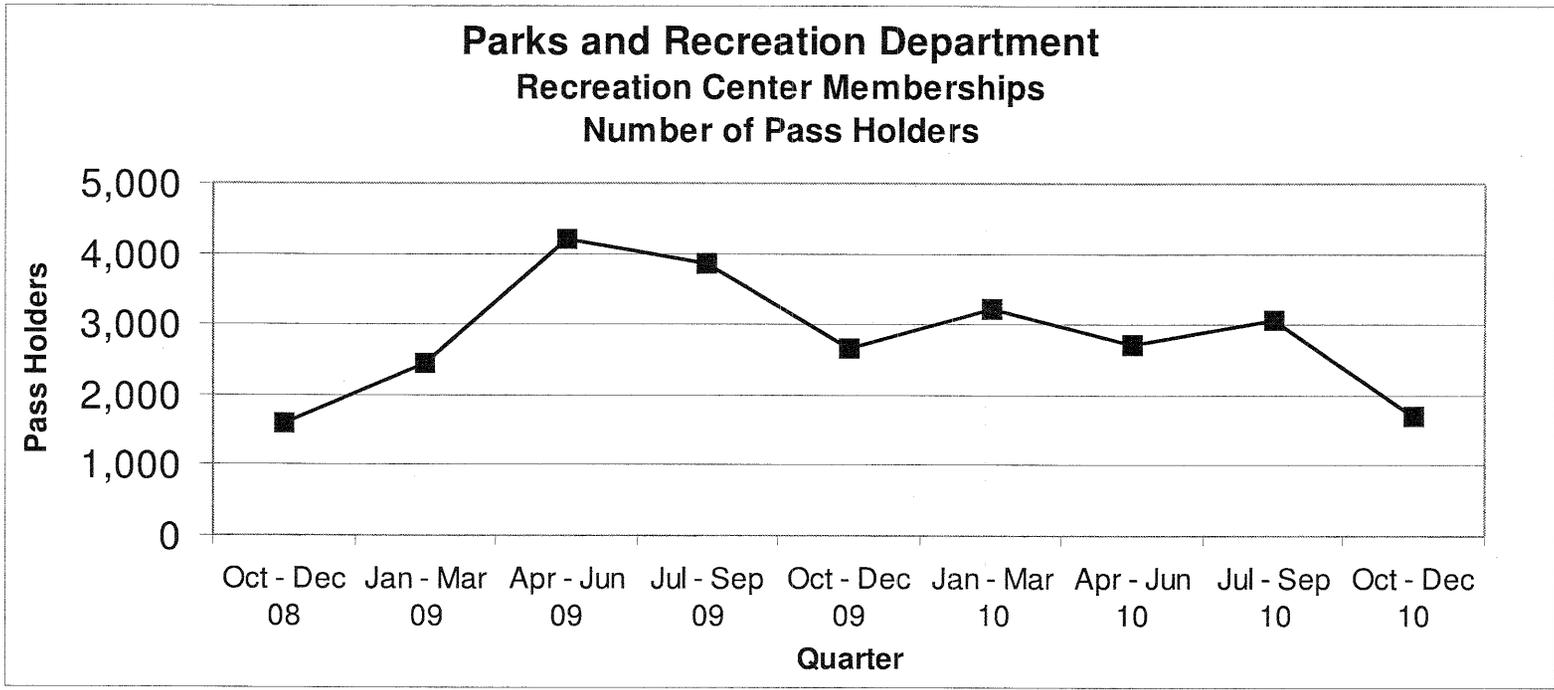
A fairly large gap exists between the number of calls received and the number of cases created. The Code Enforcement Division is often the first point of contact for citizens reporting a complaint. Once a call is received, the Division's call center staff determines the type of complaint being reported. Many calls may actually be the responsibility of other agencies, for example, trash container violations (Environmental Services), permit information (Planning and Development Services), on-street parking violations (ParkWise), green pools/mosquitoes (Pima County Health Department), and tenant/landlord disputes (Southern Arizona Legal Aid). These calls are forwarded by staff to the appropriate agency.

If a call is for enforcement of the code for which the Housing and Community Development Department is responsible, a case is created by staff for an inspector to conduct a field inspection. Generally, the field inspection may result in a violation being issued to the property owner. However, this is not always the case. For instance, the property owner may have corrected the issue prior to the inspection or the complaint that was reported is not actually a violation of the code. When this occurs, the case can be closed without a violation being issued.



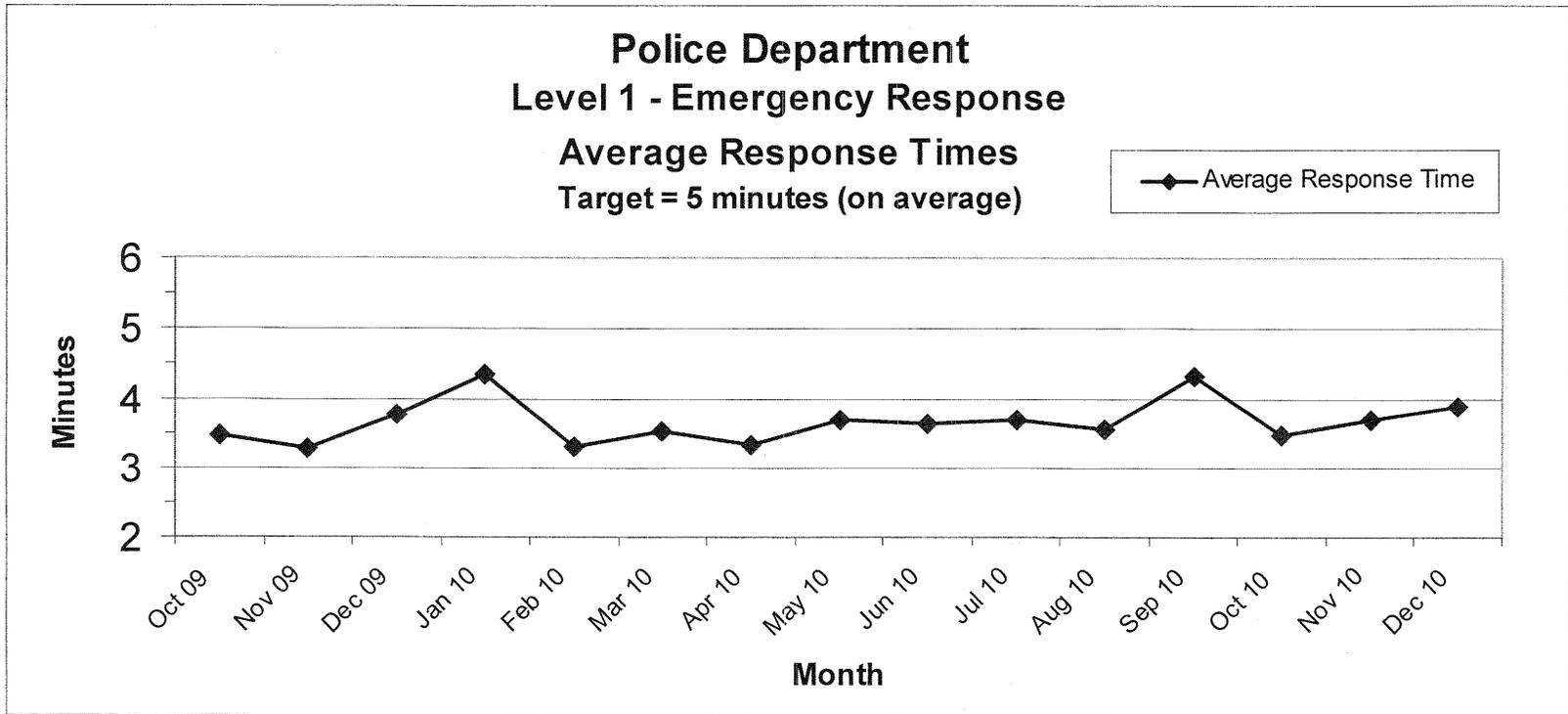
Note – “Programs” includes: Leisure Classes, Therapeutics, Adaptive Classes, Aquatics, Adaptive Aquatics, KIDCO, and Summer Swim Lessons. Registration sessions were combined from four sessions per year (Fall, Winter, Spring, Summer) into three sessions per year (Fall, Spring, Summer) in fiscal year 2009. Therefore, there is no data for Winter 2009.

Downward trend in participation can be related to the implementation of the Parks and Recreation Revenue and Pricing Policy (January 2010) calling for specific cost recovery for programs and subsequent increase in fees (30-60%) and the restructuring of the Discount Program to offer a single 25% discount in lieu of a sliding scale up to 90%.

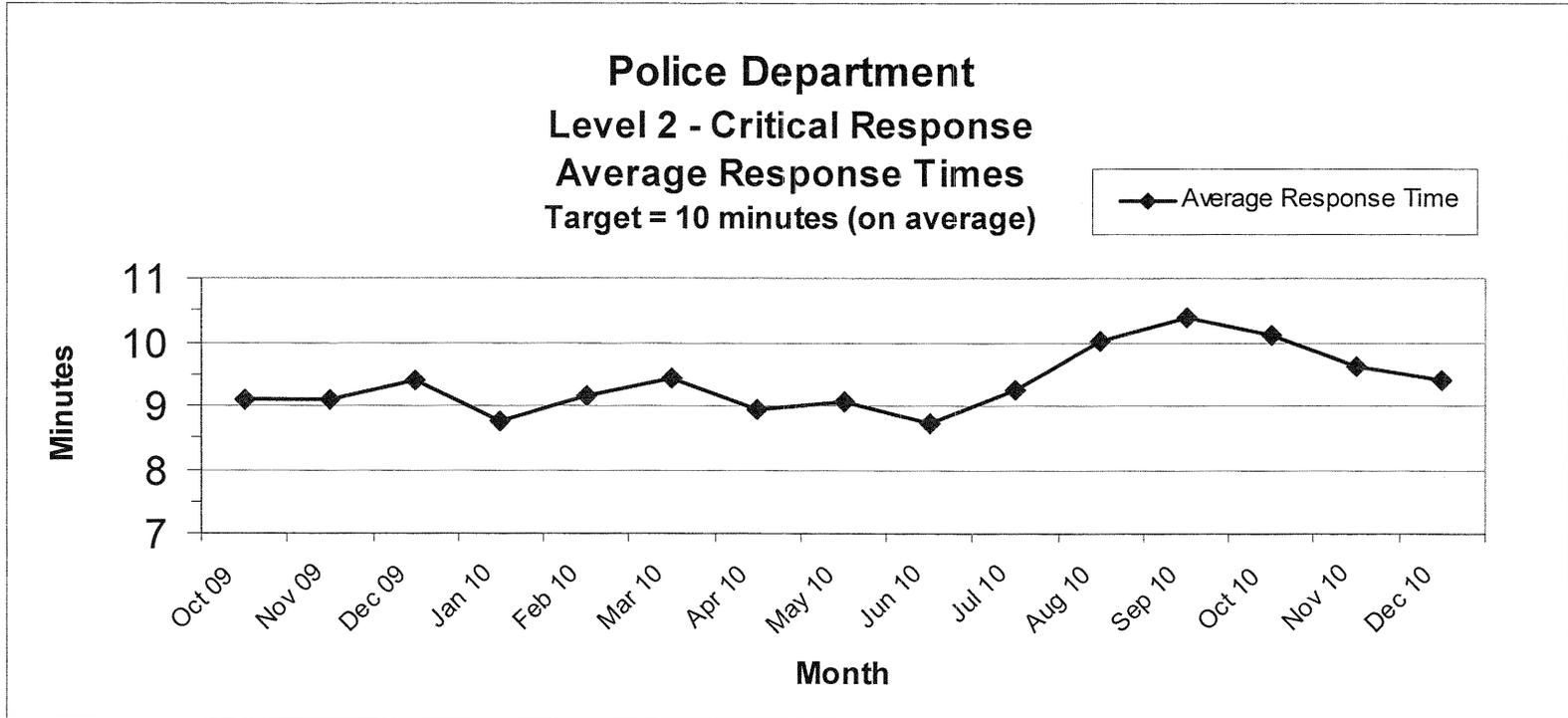


Note – The data reflects the number of pass holders only and does not include daily admissions. Recreation center facilities vary, but may include: weight room, walking track, gymnasium, game room.

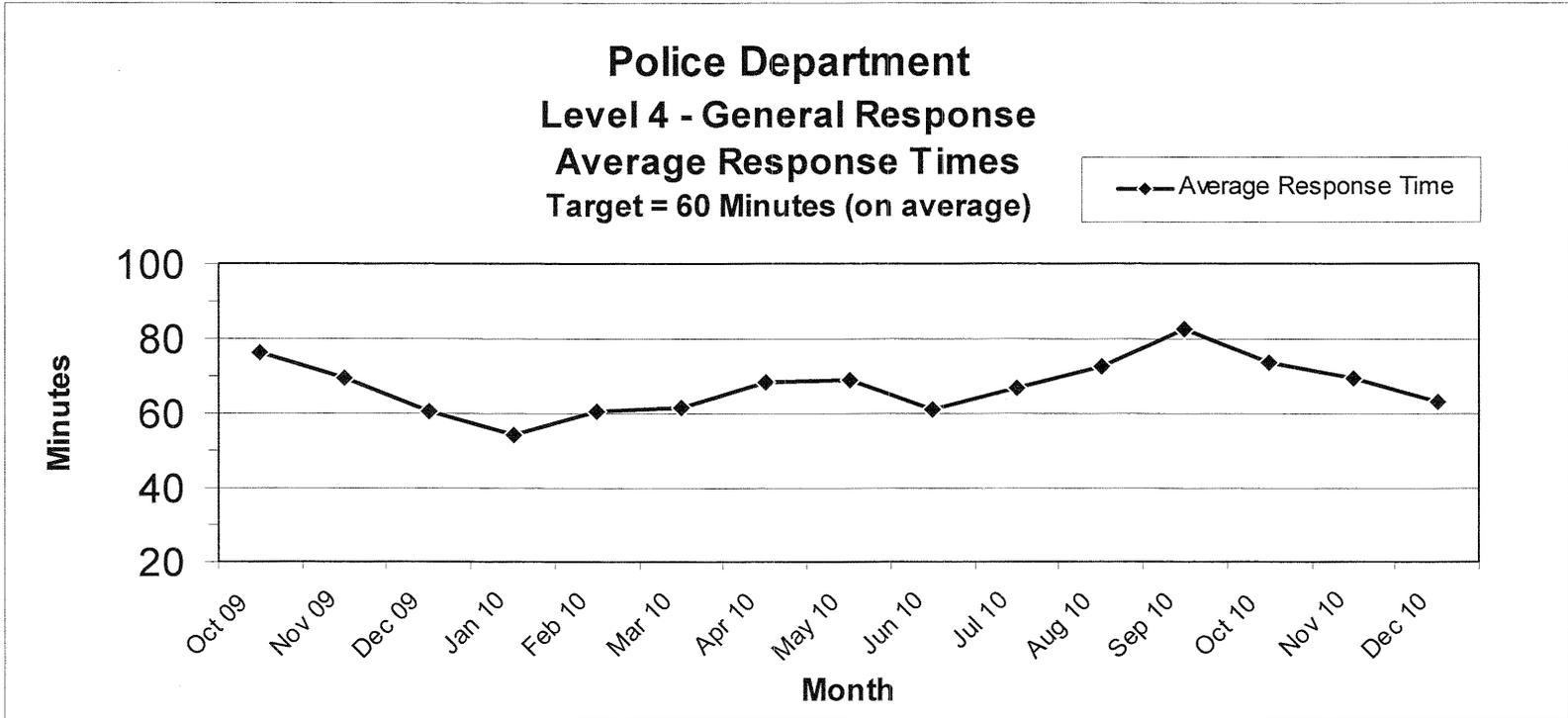
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EMERGENCY RESPONSE – An incident posing an immediate threat to life where the threat is present and on-going; and/or an incident posing an immediate threat to life involving the actual use or threatened use of a weapon. The mere presence of a weapon alone, however, without any indication of use or threat of use does not support or justify a Level 1 call.



CRITICAL RESPONSE – An incident involving a situation of imminent danger to life or a high potential for a threat to life to develop or escalate. This incident must be in progress or have occurred within the past 5 minutes.



GENERAL RESPONSE – Other crimes or matters requiring police response, generally occurring more than 10 minutes prior to dispatch and having a complainant.