CityofRedmond
WASHINGTON

AM No. 12-011

MEMO TO: Mayor Marchione and Members of the City Council

FROM: Mike Bailey, Finance and Information Services Director; 425-556-2160
Malisa Files, Deputy Finance Director; 425-556-2166

DATE: ~~January 17, 2012~~ February 7, 2012

SUBJECT: **STAFF REPORT: PERFORMANCE LEADERSHIP TEAM AND THE PERFORMANCE DASHBOARD**

I. RECOMMENDED ACTION:

Present the City of Redmond Performance Leadership Team's recommended Dashboard measures to the City Council for discussion and further consideration.

II. DESCRIPTION:

Pursuant to City Council direction following the 2011-2012 Budgeting by Priorities (BP) Process, City staff developed a plan to improve the quality of the performance and accountability elements of the process. This eventually led to the creation of the "Performance Leadership Team" – a process whereby a performance dashboard for accountability has been developed. This report will summarize the process, present the recommended Performance Dashboard, and next steps for improved BP performance measures.

The Performance Leadership Team (PLT) consists of citizens, council members, and senior staff of the City. The membership roster of the team is below. This team was charged with creating a foundation layer of measures directly related to the City's BP priorities and has become known as the "Dashboard". The team met several times over the summer. During these meetings the team:

- Reviewed research materials of best practices on Performance Management;
- Conducted research of other leading organizations' dashboard-like efforts;
- Reviewed the work of the City's past Results Teams in the two previous BP efforts;
- Developed principles by which they felt the best dashboard measures could be considered and evaluated;
- Worked through each BP priority and developed the recommended dashboard measures for each;
- Reviewed and discussed with City staff the history and purpose of the Community Indicators and how best to align both efforts; and

- Reviewed the overall work-product and confirmed it represented their recommendation to the Redmond City Council.

The PLT recommended dashboard is attached. The dashboard includes 22 recommended measures. It is anticipated that this is the starting point for the City's dashboard and that the measures will continue to evolve over time. The evolution should be cautious and only occur when it is clear that the new measure will be more valuable to this effort than the loss in consistency and ability to monitor trends. The dashboard will be the foundation layer for the City's performance management efforts and will be supported by measures both within BP Offers and outside of the BP process. Staff will work to create a network of measures such that the relationships between various levels of related measures are clear. That network of measures and the relationship back to the BP priorities, as represented by the dashboard, is what makes this effort so valuable.

Staff will develop a training plan in anticipation of the 2013-14 BP process once the Council has reviewed and adopted a BP Dashboard. The training will emphasize the connectedness of the measures and the merits of BP measures to both serve a budget purpose and an operational purpose. A goal will be to make the measures as practical to both audiences as possible.

Performance Leadership Team Roster
Richard Cole, Councilmember
Pat Vache, Councilmember
Kerry Smith, Citizen Representative
Irene Plenefisch, Microsoft Corporation
Kerry Sievers, Human Resources Director
Ron Gibson, Police Chief
Mike Bailey, Finance & IT Director
Jane Christenson, Deputy City Administrator
Colleen Kelly, Human Services Manager
David Tuchek, Parks Business Operations Manager
Jon Spangler, Natural Resources Engineering Manager
Malisa Files, Deputy Finance Director
Russ Albertson, Deputy Fire Chief

This item was brought forward and discussed at the December 2011 Public Administration and Finance Committee meeting. At that time, Members of the Committee requested this matter be brought forward as a staff report to the full Council for their information.

III. LIST OF ATTACHMENTS:

A. Performance Leadership Team's Recommended Dashboard

Performance Leadership Team
Recommended Criteria and Recommended Dashboard Measures

Criteria

Budgeting by Priorities Dashboard measures should be:

1. Directly related to the priorities within the city's Budgeting by Priorities framework
2. Reflective of the resulting community condition identified by the priority
3. Objective in nature (able to determine if progress toward the desired outcome has occurred)
4. Obvious as to what it means and why it is a relevant measure
5. Measureable (either directly or through supporting measures which are themselves verifiable)
6. Actionable relative to decision making
7. Measure is reflective of the "big picture"
8. Cost of the measure cannot exceed the value of the outcome

Business Community

I want a diverse and vibrant range of businesses and services in Redmond

Dashboard Measures

1. **The number and average longevity of businesses by category- relative to community goals: retail, restaurants; tourism; services; high-tech and manufacturing**

Measure Description: A diversity of businesses creates local choices and opportunities for residents and employees of community businesses. This measure captures the variety of businesses within certain target areas identified by past studies and the city council. Retention of family wage jobs within the area will also be illustrated by this measure.

Calculation Method: Starting with the recommendations from the Economic Development Study conducted in 2010, the city council will determine the types of businesses to be tracked within this measure. A goal for the number of jobs by business type will be established illustrating an ideal range of businesses. The data for this measure will be generated by the City's business license systems.

2. **Percent of citizens and employees of businesses within the City satisfied with the range of businesses available in Redmond and percent of businesses satisfied with services Redmond provides**

Measure Description: In identifying a vibrant and diverse business community as one of the city's priorities, Redmond's citizens indicated that convenient access to the types of services and business amenities was important. This measure will illustrate the perception of Redmond's residents as to whether the mix of businesses accessible within the community meets their needs.

Calculation Method: For citizens the biennial survey will be the mechanism to collect satisfaction data. Create mechanism to capture business data on a rolling basis from those who do business with the City.

Clean & Green

I want to live, learn, work, and play in a clean and green environment

Dashboard Measures

1. **Percentage of neighborhoods with convenient access to parks and trails (ability to walk less than ¼ mile to a park or trail from home or office)**

Measure Description: A functional area plan for levels of service in parks or green space was adopted in 2010. A key metric developed in that effort was the accessibility of these amenities to Redmond's residents. The study determined that the percentage of Redmond's neighborhoods within ¼ mile from these amenities was a good standard. The plan identifies the neighborhoods and the basis for evaluation.

Calculation Method: The City's parks staff will revise the metric for this measure as needed using the City's GIS capabilities

2. **Percent of the twelve significant streams that can support native habitat as measured by an index of 35 or higher.**

Measure Description: A measure used to determine the health of a stream ecosystem by analyzing the bug population. Also known as the "bug index," which is an appropriate primary indicator to measure the ecological health of Redmond streams and whether or not they can support native habitat.

Calculation Method: An index score of 35 or higher is necessary to support native habitat. Scores range from 10-50, (50 being the best health). For conditions to be healthy for salmon, the bug index score needs to be 35 or greater. Scores for Redmond streams are calculated annually.

3. **Tonnage of garbage per capita that goes to landfill (original measure)**

Measure Description: A measure that is a direct reflection of the community's success at reducing, reusing and recycling its resources, thereby minimizing waste products.

Calculation Method: Annual data generated by the City's garbage contractor Waste Management.

3a. **Measure: Single Family Residential Waste Stream (garbage plus recycling) and recycling rate (revised measure)**
Indication of: Environmental Stewardship

Measure Description: The City's focus for the solid waste and recycling program in priority order is to reduce, reuse, recycle (3R's) and then have disposal as the last and the least preferred option for dealing with wastes. The recycling rate alone is not a good measure since if the rate goes up it can be good or bad depending if the waste stream has gone up, down or stayed the same accordingly. While it is still very difficult to measure the true success of reduction and reuse, we can get a sense through looking at the overall waste stream generated per household and then partnering that with the overall recycling rate.

This gives us a better indication of our goal for this program to minimize the waste stream and then recycling as much as possible. This measure focuses on single family residential waste stream and recycling rate since the data is more readily available, the effects of program changes can be more readily measured and changes (improvements) have a greater impact of the overall waste stream.

Calculation Method:
The waste stream is made up of the garbage tonnage and the recycling tonnage combined. These rates will be a combination of curbside pickup and data from our recycling events. Residential customers that self-haul their garbage and/or recycling to the transfer station and/or waste mobile will not be counted. The City will acquire the curbside data from Waste Management's monthly reports to the City as part of our solid waste contract. The recycling event totals will come from the various vendors that provide service at the event. The garbage and recycling tonnage information is reported by Waste Management each month along with the number of active accounts for each. We consider the number of accounts as the number of households. The number of accounts varies each month as new customers are added and some are removed. The number of accounts for the year will be an average of the reported monthly accounts done for both the garbage and recycling.

4. **Percent of citizens satisfied with the quality of green spaces and trails (inclusive of parks)**

Measure Description: A measure used to determine the level of satisfaction of users with the variety of open space and trails in the City.

Calculation Method: Data for this measure will be generated by the City's biennial survey.

Community Building

I want a sense of community and connections with others

Dashboard Measures

1. **Percent of Redmond residents reporting they feel informed about community events, programs, volunteer opportunities and issues.**

Measure Description: A measure used to indicate the success of information tools the City uses to inform the public and keep them engaged in civic and community events.

Calculation Method: Data for this measure will be generated by the City's biennial survey.

2. **Percent of residents reporting they are satisfied with their engagement in community events, programs and volunteer opportunities in the community**

Measure Description: A measure used to determine the degree to which community members can be actively involved in their community. The measure recognizes not everyone seeks to be involved in community events but will capture those who want such involvement. The indicator is not exclusive to participation in City programs and events, but rather speaks to participation in other types of community programs (e.g. church, non-profit, organized sports, etc.).

Calculation Method: Data for this measure will be generated by the City's biennial survey.

3. **Percent of Redmond citizens responding positively to a survey question that rates the overall sense of connection to the community.**

Measure Description: A measure used to reflect a "sense of community" felt by residents.

Calculation Method: Data for this measure will be generated by the City's biennial survey.

Infrastructure & Growth

I want a well-maintained city whose transportation and other infrastructure keeps pace with growth

Dashboard Measures

1. **Maintenance Report Card: includes pavement conditions, incidence of water main breaks and sewer overflows**

Measure Description: The measure speaks to the reliability of the City's infrastructure and will measure the appropriate level of preventative maintenance performed to meet acceptable levels of service. Redmond's public infrastructure has a low failure rate, indicating that maintenance practices currently in use are effective in preventing disruptions in service.

Calculation Method: Current data collected on pavement condition, water main breaks and sewer overflows will be gathered on an annual basis to form the report card. The measure will illustrate all three elements, not an aggregate.

2. **Mobility Report Card: Ratio of Redmond's transportation supply to transportation system demands (i.e. concurrency)**

Measure Description: State law requires that transportation system improvements are in place to serve development at the time of the development, or financially committed to within six years. This measure illustrates the degree to which transportation capacity supply meets capacity demand.

Calculation Method: This measure is included in the Mobility Report Card, an annual report prepared on a number of transportation related measures.

3. **Overall satisfaction of Redmond residents with transportation systems.**

Measure Description: A measure used to reflect degree to which residents believe the overall transportation system in Redmond meets their needs.

Calculation Method: Data for this measure will be generated by the City's biennial survey.

4. **Jobs to Households Balance (i.e. number of jobs in the local job market per household)**

Measure Description: Jobs to housing balance refers to the approximate (equal) distribution of employment opportunities and workforce population across a geographic area. It is usually measured in terms of the proportion of jobs per household. For example, a jobs-housing balance of 1.25 means the demand for housing from local employment is 1.25 times greater than the amount of housing available. The aim of jobs-housing balance is to provide local employment opportunities that may reduce overall commuting distance among residents, and also the reverse, to provide homes near to workplaces.

Calculation Method: Annual information from Puget Sound Regional Council (PSRC) on jobs combined with Redmond's estimate of new housing units as compared to the City's planned goals for employment and housing growth. (Note: information is available from ARCH and City records (new housing) annually).

5. Rents, Home Sales Prices and Income as a Measure of Affordability

Measure Description: The measure reflects the balance of the range of wages being paid by the business community to the range of housing prices in Redmond. The measure should illustrate whether or not Redmond has a variety of housing available to serve the needs of residents.

Calculation Method: Use demographic information on citywide averages of rental costs, home prices and income to identify income as compared to housing costs. (Note: information is available from ARCH annually).

6. The Pace of Infrastructure Development Versus the Pace of Growth

Measure Description: The measure will track the implementation of the City's functional plans to determine if the City's infrastructure activity is moving in tandem with the rate of growth in Redmond development.

Calculation Method: Track 20-year functional plan targets to the 20-year growth targets to determine the rate of each.

Responsible Government

I want a city government that is responsible and responsive to its residents and businesses

Dashboard Measures

1. **Percent of community responding positively regarding satisfaction with City services**

Measure Description: A measure used to provide information on the level of community satisfaction to specific government-provided services.

Calculation Method: Data for this measure will be generated by the City's biennial survey.

2. **Trend in Redmond's Price of Government**

Measure Description: The Price of Government is literally defined as the sum of all taxes, fees and charges collected by all sectors of city government divided by the aggregate personal income of that government's constituents. The calculation is used to define a band within which residents are willing to pay for government services. In Redmond the band is 5%-6% of personal income which is typical for local governments.

Calculation Method: The sum of all taxes, fees and charges collected by Redmond divided by the aggregate personal income of the City's residents.

3. **The City's Bond Rating**

Measure Description: A measure used to reflect the City's ability to meet and/or exceed fiscal policy benchmarks which contribute to an excellent credit rating. Some of these benchmarks include:

- The Price of Government remains within the 5%-6% range (see above)
- The City's general operating reserves and economic contingencies are budgeted at a level adequate to maintain future financial stability.
- User fee reviews are performed as scheduled.
- Long-range forecasts are prepared and used to plot an appropriate financial course and to make course corrections as necessary.
- The City maintains an annual contact with rating agencies to report on the City's current financial conditions.
- Quarterly expenditures and revenue reports are presented to Council in a timely manner 100% of the time.

Calculation Method: Determined by bond rating agencies. Redmond's current rating is AAA with Standard and Poor's and Aa2 by Moody's Investor Service.

Safety

"I want to be safe where I live, work and play."

Dashboard Measures

1. **Quantity of violent crimes (crimes against persons). and quantity of selected property crimes (auto theft, auto prowl, and identity theft)**

Measure Description: Quantity of violent crimes (technically known as "Part 1 Crimes") is a national standard often used in reference to public safety. Its relevance to Redmond is less than other selected property crimes (Redmond has fewer violent crimes than most urban communities) so the measure also presents information about crimes that are experienced more often in Redmond.

Calculation Method: Data is collected from police records.

2. **The percentage of times the Redmond Fire and Emergency Medical Services meet targets by providing a safe response with the right people and necessary equipment within the identified time targets.**

Measure Description: The ability to respond quickly enough with the right people and equipment to have a positive impact on the outcome of an emergency event is crucial to the success of this service. The time to respond can be influenced by the dispatch system (an outside agency), our ability to get the right people and equipment on the street and the ability to navigate the transportation system to the incident.

Calculation Method: The time it takes to respond to an incident scene is provided by city dispatch services and records keeping system. There is currently no benchmark for the time targets but those are being developed. There is currently no way to determine if the right people and equipment responded – those will be developed.

3. **Number of residents engaged in activities related to public safety**

Measure Description: This measure identifies participation in community activities that are believed to result in improved overall safety. These include: active neighborhood watch groups, cert, national night out, CPR training.

Calculation Method: Data for this measure will be generated by the City's biennial survey

4. **Percent of community responding they feel safe in their neighborhoods.**

Measure Description: A measure will illustrate the overall sense of safety by resident of Redmond's residents.

Calculation Method: Data for this measure will be generated by the City's biennial survey.