

Office of the City Manager

INFORMATION CALENDAR  
July 19, 2005

To: Honorable Mayor and  
Members of the City Council

From: *PK* Phil Kamlarz, City Manager

Subject: Implementation Status of Parking Enforcement Operations Audit Recommendations –  
CF – 10

SUMMARY

At its March 8, 2005 meeting, Council received the City Auditor's internal audit report of the Parking Enforcement Operations. In response, Council requested that the City Manager provide a status report regarding the implementation of the audit recommendations.

The focus of the Parking Enforcement Operations Audit was to:

1. Determine whether there was a decline in parking enforcement effectiveness and related revenues.
2. Review the amount of Parking Enforcement Officer (PEO) lost time (sick leave, workers' compensation leave, etc), its effect on performance, and results of actions taken by the Police Department to address lost time issues and employee safety concerns.
3. Identify factors outside of the Police Department's control that may negatively impact parking enforcement operations.
4. Evaluate the handling of meter coin revenue in the Office of Transportation.

The complete Parking Enforcement Operations Audit can be found on the City's website at:  
<http://www.cityofberkeley.info/auditor/currentaudits.htm>.

Staff was aware of needed improvements and began to implement them prior to the Audit going before Council. There were 13 findings and 20 recommendations. So far, 10 have been implemented, and 10 are pending.

This report summarizes the status of each of the audit recommendations for the Police Department, Office of Transportation and the Budget Office, and provides the estimated completion dates for the pending recommendations.

**Finding 1: Number of citations per PEO decreased**

**Auditor's Recommendation 1.1:** We recommend that Police management, on a consistent schedule, provide the City Manager with a detailed report that identifies beat productivity, both planned and actual.

**City Manager's Response:** Fully implemented. The Police Department has developed enhanced management reports from the Enforcement Technology Auto CITE system to assist in reviewing and tracking productivity. This information has been made available to the City Manager on a quarterly basis beginning May 2005.

**Auditor's Recommendation 1.2:** We recommend that Police management establish a system to regularly document the problems and complaints identified by the PEOs, to include the number of meters broken, number of curbs not painted, episodes of street sweepers not showing up, and signage problems. This report should also include information about actions management has taken to address the problems, and results should be reported regularly to appropriate Police staff and the City Manager.

**City Manager's Response:** Fully implemented. The Police Department staff meets regularly with the PEOs and has developed an activity sheet that contains a section for PEOs to comment on issues with meters, signage and street sweeping problems as well as noting curbs that need painting. Staff established a quarterly meeting with the Office of Transportation, April 2005, to insure that reported complaints of PEOs are documented and corrected. The information pertaining to this recommendation will be included in the second quarterly status report due to me soon.

**Auditor's Recommendation 1.3:** We recommend that the Budget Office and the Police Department use estimates of revenue generated from citation information to examine the cost vs. benefit of hiring additional PEOs or supervisors to manage and report on PEO activities, either on a permanent or temporary basis. The non-financial benefits of the parking enforcement function should also be addressed. Even though the number of citations issued per PEO declined, it appears that the revenue generated may exceed the cost of the additional hire, depending on the non-personnel cost (marginal direct and indirect costs) involved in supporting the function.

**City Manager's Response:** Partially implemented. After collaborating with Finance staff and the Budget Office to project costs, revenue and productivity, Council agreed, in its April 12, 2005 meeting, to create a third Parking Enforcement Supervisor position and increase staffing by hiring an additional three Parking Enforcement Officers. The Police Department is currently working with Human Resources on the testing and hiring of these new employees.

**Finding 2: Monthly reports on PEO activity and results were not verified or reconciled to the available data and appeared insufficient for decision-making purposes.**

**Auditor's Recommendation 2.1:** The Police Department should regularly reconcile and analyze the planned and actual citation numbers with the planned and actual revenue numbers. This analysis should be documented, and summary information should be provided to the Budget Manager as part of the Police Department's oversight of parking enforcement funds.

Alternatively, the Finance Department or the Budget Office could establish a performance measurement system that will recognize the expected revenue from the tickets so that the Police Department or Finance Department could monitor on a consistent basis whether the actual revenue generated by citations is within the revenue expectations. Police could then use this information to determine whether there are problems in particular beats and the reasons for these problems such as broken meters, curb painting, or construction projects.

**City Manager's Response:** Partially implemented. To monitor parking citation revenue on a consistent basis, the Finance Department meets monthly with the Police Department and provides parking citation revenue reports of actual revenue received to date. The data is then jointly reconciled for disparities about citations issued. Once this is done, the Police Department includes this information in quarterly reports to the City Manager.

The analysis of planned and actual citations with the planned and actual revenue is partially implemented. With better data, Finance and the Police Department staff will be able to identify problems and make appropriate corrections to manage the function more effectively. This analysis will be included in the quarterly reports.

**Auditor's Recommendation 2.2:** Hiring a Public Safety Business Manager could help the Police Department to assign and train appropriate staff to give financial and accounting issues the proper review and also provide for adequate budgetary and performance measure reporting.

**City Manager's Response:** To be implemented. As reported to Council on June 14, 2005, the Police Department is planning to eliminate a lieutenant position to restructure several management positions and fund a non-sworn Business Manager and a non-sworn Crime Analyst position. I will report back to Council by July 2006 on the status of these changes.

**Finding 3: Allocations of revenues and expenses to the Parking Fund resulted in deficits.**

**Auditor's Recommendation 3.1:** We recommend that the City Manager reconsider realigning the revenues generated by the PEOs and the Police with the expenses incurred by the parking enforcement unit so that there is a true corresponding relationship between the cost and benefit of work performed by parking enforcement operations. This change could increase the transparency of the costs and revenues related to the parking enforcement function.

**City Manager's Response:** To be implemented. The Budget Office agrees with the finding and recommendation. The Budget Office understands the Auditor's position and working with Finance and the Police Department will reconsider realigning the revenues generated by the PEOs and the Police with the expenses incurred by the Parking Enforcement Unit and will report back to Council in the Fall 2005.

**Finding 4: Parking Enforcement goals of the city appear inconsistent.**

**Auditor's Recommendation 4.1:** We recommend that the City Manager draft and submit to Council for approval a mission statement and policy directive regarding parking enforcement. While alluded to in the General Plan, the main goals of parking enforcement are not explicitly, publicly, and clearly stated. By stating the reasons for enforcement, goals can be established and the Department's performance in reaching those goals can be measured using appropriate performance measures. This policy should clearly define to the Police Department and the Office of Transportation, as well as to residents, the City's goals and objectives for parking enforcement and how to meet them.

**City Manager's Response:** To be implemented. Staff will recommend Council rescind the "kinder, gentler" policies relating to citation issuance that have seemed inconsistent to the PEOs. Both the Police Department and the Office of Transportation agree with the finding and recommendation and are currently developing a mission statement as suggested. Report pending Fall 2005.

**Finding 5: Parking Enforcement beats are not reassigned when staff is absent.**

**Auditor's Recommendation 5.1:** We recommend that the Police Department consider the possibility of reassigning beats in case of absences, taking into account traffic enforcement needs, revenue generation, and employee safety and injury prevention concerns. Note: This analysis can be based on data prepared in order to implement recommendation 1, that the City Manager and the Police Department examine the cost vs. benefit of hiring additional PEOs and/or supervisors so management of traffic circulation and parking as well as revenue generation are maximized.

**City Manager's Response:** To be implemented. Police Department staff is preparing an analysis to provide increased productivity. Hiring additional staff will likely improve the ability to staff beats and provide additional walking beats in high-density areas. In addition to identifying adjustments in staffing, the analysis will also include the possible impacts of repetitive stress injuries. The report is pending Fall 2005.

**Finding 6: PEOs report general work dissatisfaction**

**Auditor's Recommendation 6.1:** While there have been several meetings over the years to engage both the PEOs and Police management, we recommend that the Police Department and the City continue to meet with the PEOs to discuss ways to improve their working environment,

and take reasonable action shortly thereafter to address some of the concerns. As noted in recommendation 1.2, PEO's concerns and suggestions should be routinely documented and analyzed. To the extent that some PEO roadblocks are the responsibility of other departments, the management report information should be shared with them and collaborative action taken.

**City Manager's Response:** Fully implemented. These issues are addressed in quarterly reports to me. The next report is due next month.

**Finding 7: PEOs report feeling unsafe while performing their public duties**

**Auditor's Recommendation 7.1:** We recommend that Council and the City Manager consider ways to influence the behavior of Berkeley residents towards parking enforcement staff, by sending a strong message to citizens that abuse of City staff is not acceptable and will not be tolerated.

**Auditor's Recommendation 7.2:** We recommend that Police management consult with the PEOs to identify additional ways in which to address the PEOs' security and public abuse concerns. The Department should include in the discussion strategies to make the employees feel safe and how to deal with driver threats. We recommend that the Police establish a system for PEOs to report all abusive behavior directed toward them by drivers. Police should use this information to work with PEOs to develop strategies to help PEOs defuse the encounters and find ways to deal with abusive behavior by a repeat offender.

**City Manager's Response:** 7.1 and 7.2 Fully implemented. Daily briefings are held with PEO supervisors where various issues are discussed. Weekly meetings are held with the Field Support Captain and Traffic and Parking Enforcement Lieutenant where such issues are discussed. In November 2003 and again in December 2004, PEOs were given training in the "Dealing with Problem Persons." A press release (see Attachment A) was issued March 2005 and a firm statement regarding zero tolerance of public abuse was posted on the Police Department and City webpage. Since January 2005 there have been two reported incidents of verbal abuse by the public. PEOs are taught to use their radio to immediately report any problems in the field. In addition, they have been instructed to document the same in their daily activity report, which was established April 2005. Patrol officers have been diligent in responding to PEO requests for help when confronted by irate citizens which the PEOs appreciate.

**Finding 8: The PEOs are having some problems enforcing parking laws.**

**Auditor's Recommendation 8.1:** We recommend that the City continue with its plans to update or replace the meters as soon as possible. We further recommend that the City Manager consider reallocating resources to accelerate routine parking enforcement maintenance such as curb painting to return the City back to a basic level of marking.

**City Manager's Response:** Partially implemented. Pay and Display meters were installed in the Downtown Shattuck area in April 2005. All indications are that the new system is working well.

The Office of Transportation will perform an analysis of the cost benefit of reallocating resources to accelerate routine parking enforcement maintenance and present it to staff for review. A report pending September 2005 will seek Council's endorsement of the expansion of the use of the new parking machines. Additionally, staff intends to direct "one-time" funding to the sign and pavement marking needs over the next 3 years which will provide opportunities for parking sign replacement and concentration of staff time on curb marking maintenance.

**Finding 9: Written procedures needed to address handling of coins at the bottom of the meter head**

**Auditor's Recommendation 9.1:** We recommend that the Office of Transportation write, distribute, and adopt more complete policies and procedures for their operations.

**City Manager's Response:** Fully implemented. The Office of Transportation agrees with the finding and recommendation. Written policies and procedures were developed, approved, and distributed to staff in November 2004.

**Finding 10: Written procedures needed for authorized access to the safe**

**Auditor's Recommendation 10.1:** We recommend that the Office of Transportation write, distribute, and adopt policies and procedures addressing who has authorized access to the safe.

**City Manager's Response:** Fully implemented. The Office of Transportation agrees with the finding and recommendation. Written policies and procedures were developed, approved, and distributed to staff in November 2004.

**Finding 11: Lack of accountability over the canisters containing the meter coins**

**Auditor's Recommendation 11.1:** We recommend that the Office of Transportation develop and document procedures to track the collection boxes.

**City Manager's Response:** Fully implemented. Procedures have been prepared and forwarded to the City Auditor for review.

**Auditor's Recommendation 11.2:** We recommend that the Office of Transportation consider moving the collection operation to the Corporation Yard.

**City Manager's Response:** To be implemented. Consolidating parking meter maintenance operation to the Corporation Yard is pending Fall 2005.

**Auditor's Recommendation 11.3:** We recommend that the Office of Transportation consider requesting Finance to develop a tailor made cash handling training appropriate for Transportation staff. We also recommend that Transportation staff attend a Power Point presentation on Internal Controls and Fraud Prevention offered by the City Auditor.

**City Manager's Response:** To be implemented. Training with the Auditor's office is pending Fall 2005 for internal controls and fraud prevention. The Finance Department will provide training in cash handling.

**Finding 12: Limited supervisory oversight over coin collectors**

**Auditor's Recommendation 12.1:** We recommend that the Office of Transportation consider moving its coin collection operations to the Corporation Yard so there is better oversight of the staff during working hours.

**City Manager's Response:** To be implemented. See recommendation 11.2. Consolidation pending Fall 2005.

**Finding 13: Physical safeguarding of assets is not adequate**

**Auditor's Recommendation 13.1:** We recommend that the Office of Transportation ensure that Physical security over assets is improved.

**City Manager's Response:** To be implemented. Consolidation pending Fall 2005.

**Auditor's Recommendation 13.2:** We recommend that the Office of Transportation consider moving the collections operation to the Corporation Yard.

**City Manager's Response:** To be implemented. Consolidation pending Fall 2005.

**POSSIBLE FUTURE ACTION**

As part of an on-going effort, the Police Department will be making quarterly reports to the City Manager on parking enforcement issues. The Police Department will continue to review and improve its management of the Parking Enforcement Operations that are under the Police Department's control and report back to Council in February 2006. The Police Department also intends to submit a report for Council action to rescind policies that have impaired the productivity of PEOs.

**FISCAL IMPACTS OF POSSIBLE FUTURE ACTION**

The most obvious impact to the audit relates to the hiring of a Parking Enforcement Supervisor (PES) and 3 Parking Enforcement Officers (PEO) as indicated in the following chart. Funding sources are in General Fund 010 and the Equipment Replacement Fund 860.

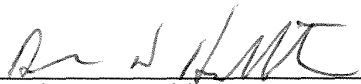
	Expenditures
Salary and benefits for 1 new PES	\$ 80,600
Salary and benefits for 3 new PEOs	\$163,320
Four additional parking enforcement vehicles plus four portable radios	\$ 92,000
Annual cost for equipment maintenance and fuel	\$ 19,200
Total Cost FY 06	\$355,120


No fiscal impacts are identified with responding to the audit recommendations; however, if the recommendations become action items that Council concurs with, there may be additional fiscal impacts outlined in the Council Reports to follow.

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Approved:

  
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Attachment A: Press Release – March 23, 2005