



DENVER
THE MILE HIGH CITY

DEPARTMENT OF FINANCE
PEAK PERFORMANCE 2.0 REVIEW
APRIL 30, 2014

2013 PERFORMANCE REVIEW

2014 INNOVATION PLANNING

- Welcome and introductions
- Performance management and innovation
- Lights on dialogue: takeaways and next steps

Citywide Vision

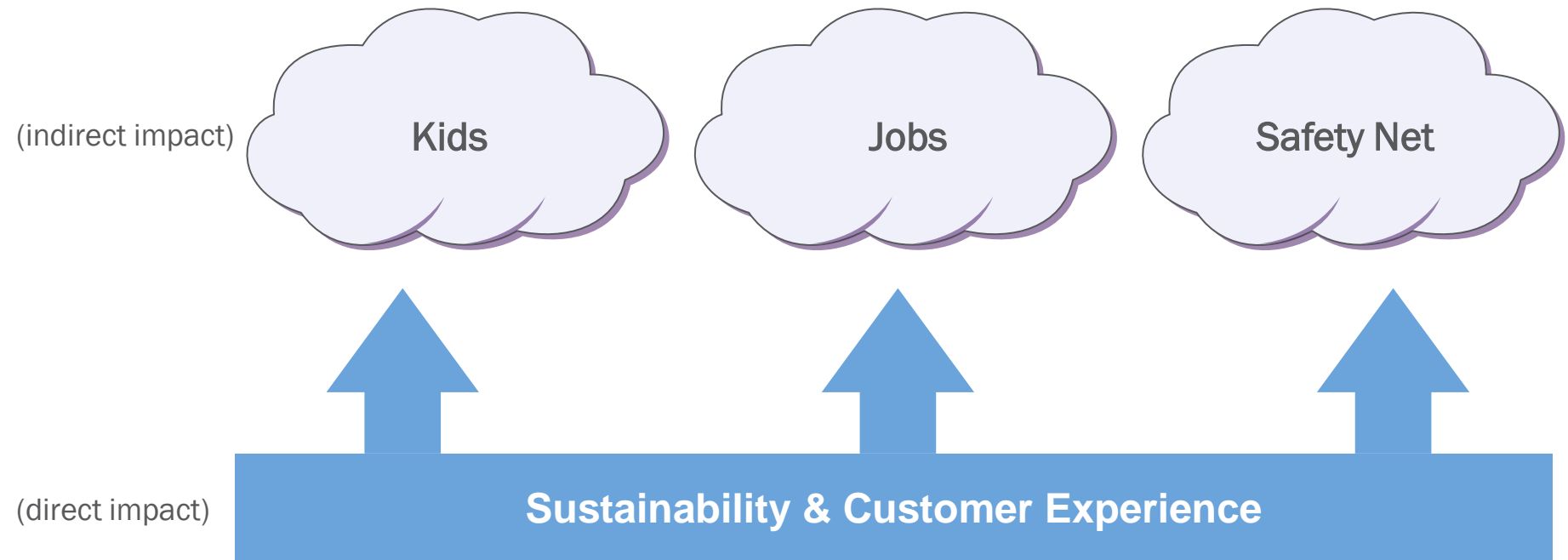
- We will deliver a world-class city where everyone matters.

Agency Vision

- To provide financial management that mirrors the best practices of the public and private sectors, and maximizes value for citizens.

Mission

To ensure the delivery of effective and efficient City services through sound financial management



Strategic Plan Overview

Our Vision

To provide financial management that mirrors the best practices of the public and private sectors, and maximizes the value for citizens

Our Mission

To ensure the delivery of effective and efficient City services through sound financial management

Theme 1

Transparency & Accountability

Theme 2

Responsible Resource Management

Theme 3

Financial Sustainability

Theme 4

Excellent Customer Experience



Measuring Mission Level Metrics



Meets or exceeds standard



Within 10% of standard



Not meeting standard



Trending positively from the last reporting period



Trending negatively from the last reporting period

A color and direction will be combined to form the following:





Mission-Level Metrics: The Financial Position of the CCD

Current Measure:	Performance Measure:	Progress:	Standard set by:	Last Measure:	Standard/Goal:
On target	Maintain AAA Bond Rating		Agency	4Q 2013: AAA	Maintain
On target	Maintain DIA's A+/A1 Bond Rating		Agency	4Q 2013: A+/A1	Maintain
2012: \$1,782 billion	Net position (assets and deferred outflows)		Agency	2011: \$1,711 billion	Maintain
On target FY2014 estimate: 17.5%	% of Undesignated Balance in the General Fund		Agency & City Council	2013: 21.9%	15%
Net Direct Debt per Capita – 12/1/2013: \$1,425	Debt per capita		Agency	Net Direct Debt per Capita – 12/1/2012: \$1,538	Control per capita debt as a factor for bond rating
2012: 76.4%	Actuarial funded ratio of Denver Employees Retirement Plan		Agency	2011: 81.6%	Maintain strong funded ratio
2013: (0.13%)	Basis points by which return on investment portfolio exceeds benchmark return		Agency	2012: 0.51%	+6 (2014)



Mission-Level Metrics: Operational Functions

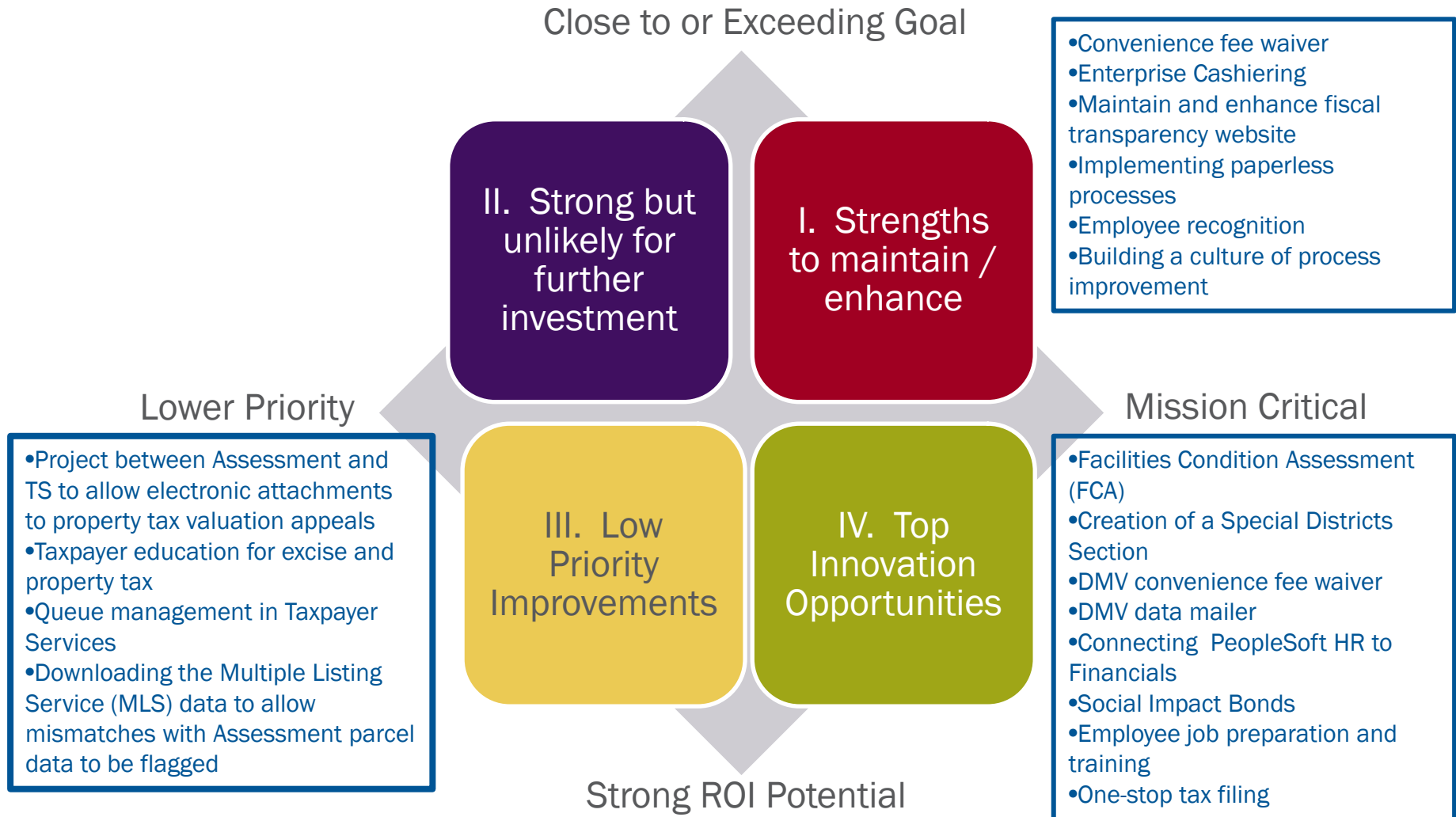
Current Measure:	Performance Measure:	Progress:	Standard set by:	Last Measure:	Standard/Goal:
2013 : \$1,323,284	Subrogation recovery		Agency	2012: \$1,401,682	\$1,400,000 (2014)
2014 YTD: \$187,100 costs avoided	Costs avoided through management of CCD's real estate		Agency	4Q 2013: \$152,400 costs avoided	\$166,200 (2014)
Q1 2014: 9.5% vacant	Vacancy rates in CCD buildings		Agency	2013: 12%	11% vacancy
2013: 1.23% delinquency rate	Timely and accurate collection of sales tax (delinquency rate)		Agency	2012: 1.47%	1.4% (2013)
2013: 3.53% delinquency rate	Timely and accurate collection of occupational privilege tax (delinquency rate)		Agency	2012: 3.69%	3.5% (2013)
in development	Sales of residential property verified per day	TBD	Agency	22.8 sales verified per day (2012)	22 Days
On target	GFOA Award for Excellence for the CAFR		Agency	Achieved	Annually achieve GFOA award
Published fiscal information on Transparent Denver	Increase fiscal transparency		Auditor and Agency	n/a	Publish additional fiscal information



Mission-Level Metrics: Quality Service Delivery

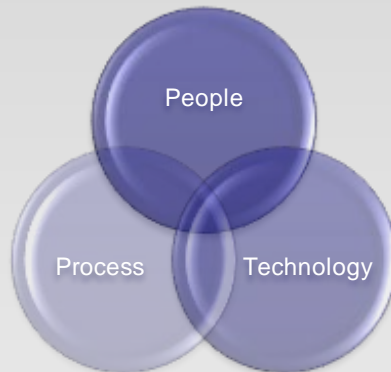
Current Measure:	Performance Measure:	Progress:	Last Measure:	Standard set by:	Standard/Goal:
Jan/Feb 2014: \$56 million	Increase in online payments for agencies that removed convenience fees		Jan/Feb 2013: \$24 million	Agency	in development
March 2014: (00:32:37)	DMV Lobby: average wait time		February 2014: (00:31:05)	Agency	38:00 minute wait time
March 2014: (00:04:33)	DMV Counter: average service time		February 2014: (00:04:29)	Agency	5 minute average service time
1005 claims	Reduce number of Workers' Compensation claims filed through loss prevention and education		2013: 974 claims	Agency	in development
in development	Employee hours/property tax valuation appeal	TBD	2.35 hours (2013)	Agency	2.00 hours
Q1 2014: 40%	Increase the % of business taxpayers registered to use online system		2014: 34.32%	Agency	40% (2014)

Opportunity Analysis



Innovation Plan: Completed and In-Progress

Innovate!



- JDIs – Just Do Its
- RIEs – Rapid Improvement Events
- Projects – Larger scope, usu. Multi-agency
- New/Updated Technology
- Strategic Resource Alignments (SRA's)

Innovation Fund \$

Completed:

- Enterprise Cashiering implemented in some city agencies, with new clients coming on each year
- Charter amendment allowed CCD to invest in new asset classes
- RIE*: The Controller's Office Automated Clearing House initiative increased direct vendor payments & reduced checks
- DMV launched a new website, including a "checklist" for customers that is receiving good feedback
- RIE*: The Controller's Office journal workflow project reduced processing time of journals from 9 days to 6 days
- The Controller's office led the implementation of Transparent Denver
- 18 employees trained as Black Belts, 277 trained as Green Belts, 5%/81% of employee base trained

In-Progress or Near-Term:

- A multi-agency group is implementing the Facilities Condition Assessment
- RIE*: Risk is currently working on an event to streamline claims for property damage through inter-agency cooperation
- JDI*: The Controller's office is planning an event to develop targeted email communications about timesheet and personnel
- JDI*: Payroll plans to develop on-line Kronos training for new hires
- JDI*: This event will improve telephonic response time by Payroll employees
- Treasury is planning a project to standardize tax audit write-up process
- RIE*: Treasury will introduce queue management for Taxpayer Services
- Assessment is working with TS to download Multiple Listing Service (MLS) data to allow mismatches with parcel data to be flagged

Financial

Hard \$ Savings
(*budget impact*)

Soft \$ Savings

Service Level Improvements

Human Development

Financial

- Hard/Soft Savings: \$101,944 hard savings and \$942,687 of soft savings since 2011 from Enterprise Cashiering
- Hard Savings: \$24,420 saved in the 2013 ACH vendor payment project
- Hard/Soft Savings: \$4,133 hard savings and \$29,695 soft savings from the JDI to convert Kronos payroll change requests to an electronic process
- Hard Savings: \$58,000 in hard savings from the PS Upgrade and Journal Workflow project
- Revenue: Anticipate additional incremental investment earnings of approx. \$1.8M (GF) and \$4.5M (DIA) from the new ability of CCD to invest in new asset classes
- Total 2013 DOF identified savings from Peak events = \$1,196,947.10
- Total 2013 DOF actualized savings from Peak events = \$289,261.19

Service Level Improvements – and Links to the Agency Mission and Themes

- Helping citizens to make payments on-line (excellent customer service)
- Reduction of procedures and hassles for CCD employees (excellent customer service)
- Greater diversity of CCD's asset classes provides better security for the overall portfolio (Responsible resource management & fiscal sustainability)
- Implementing the Transparent Denver website (transparency and accountability)

Human Development

- JDI & REI events streamline processes to save employee time and allow human resources to be used elsewhere
- 5% of workforce trained as Lean Black Belts; 81% as Green Belts



Customer Experience Improvement Update

Description of CE Project:	Project Status:	Service Level Improvements:	Metric:
DMV license renewals by phone and license plates by mail	Implemented in Oct and Nov 2013	Reduce customer wait-time in DMV lobby and improve customer satisfaction	TBD
RIE: Taxpayer Service & Tax Collections Customer Service	Completed Feb 2014	Reduces taxpayers' wait times	Wait times reduced by 50%
Assessment partnership with TS to allow attachments to online valuation appeals	Commence later in 2014	Reduce taxpayer frustration, increase appeal processing rates, and decrease paper submissions to save materials.	TBD
RIE: Queue Management for Taxpayer Services	Commence later in 2014	Decrease wait times and gather better metrics on taxpayers' choices to interface at the counter, rather than self-service (web/other)	TBD
RIE: Improved Payroll Telephonic Response Time	Commence later in 2014	Improve customer satisfaction and decrease duplication of effort for staff answering calls	TBD, but estimate a soft savings of \$4,423



Sustainability Update: Opportunities to go Paperless

Current Goal: Continually seek opportunities to make processes paperless.

Paperless Initiatives

Changed Kronos payroll change requests by creating an electronic submission process	Journal workflow reduced hard copies
<ul style="list-style-type: none">•E-filing and E-Pay for Business Taxes•E-filing for Business Personal Property Declarations	Automated Clearing House (ACH) Initiative replaced 25% of paper checks issued to vendors
The “Ouchline” process switched workers’ comp claims reporting from a written report to a call-in system.	For 2014: Standardize tax audit write-up process to eliminate hard copies; work with TS to allow attachments to property tax appeals

Adoption of electronic transmission of copies has:

- Reduced the consumption of materials
- Reduced time and resources to process paperwork
- Streamlined records retention

Future Goal : Provide more vision on the agency plans to support the Mayor’s Sustainability Goals as we proceed into 2015.



Employee Engagement: Strengths, Areas for Improvement

DoF Engagement Scores

2011	18.3
2013	19.3
Difference	+1.0

City-Wide Engagement Scores

2011	13.1
2013	15.1
Difference	+2.0

Areas of Strength:

- Understanding how our work relates to the success of the City
- Interest in the well-being of employees
- Expressing appreciation for a job well-done

Areas to Improve:

- Job preparation and training
- Including each workgroup in decisions and issues which affect them
- Understanding how the strategic goals of DoF support the Mayor's Priorities
- Communicating information that affects employees

Employee Engagement: Opportunities for Improvement



Job Preparation and Training:

Develop Employee Handbook
Cross Training
Creating training tracks (BMO)
Optimize City.U (Controller)
Targeted Training (Treasury)



Communicating with Employees

Director meetings with employees
DoF Employee Newsletter
Director brown bag lunches
Division staff meetings (DMV)

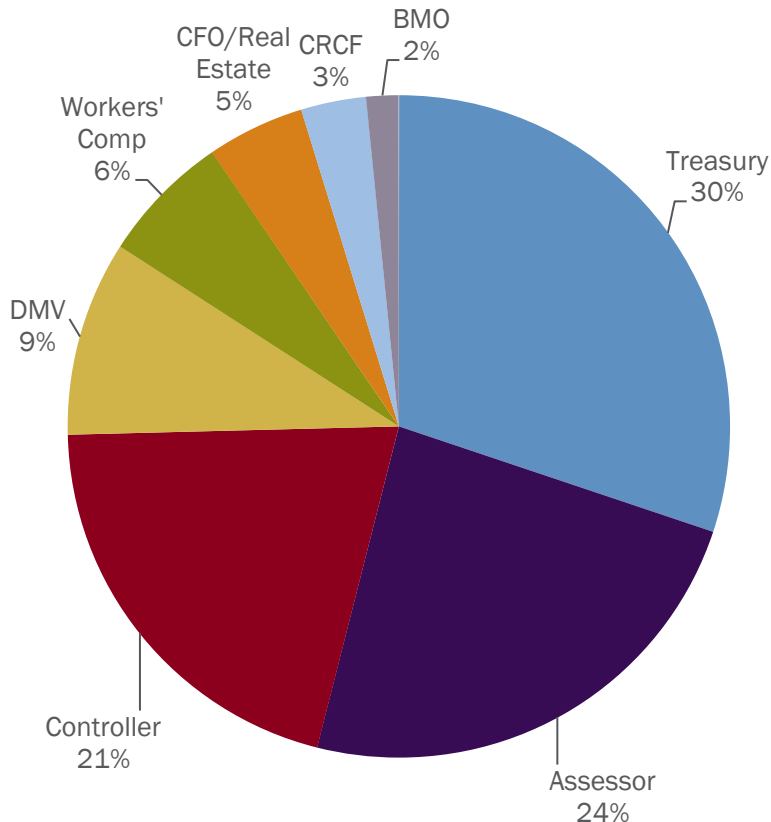


Recognizing Success & Building Collegiality

Quarterly Recognition Awards
Controller's Office Club 23



63 FTE Retirement Eligible by Division
(12/31/2015)



Tactics for Succession Planning

Training

- Divisional cross training
- Documenting procedures and institutional history
- Specialized training tracks and plans

Professional Development

- Demonstrating commitment to professional advancement
- Promoting employees
- Developing managers and agency leadership

Staffing

- Responding to changes in workload by adjusting workgroups and job duties
- Creating a good work/life balance as an agency to retain employees



Progress on Minority and Women Owned Business

Current Goal: Ensure compliance with Executive Order 101 (both previous and current version), and purchasing and construction ordinances.

Initiatives

- Make internal changes to how we let contracts.
- Advise our internal clients on the processes and requirements for CCD contracts.
- Ensure that DoF contracts or inter-agency contracts include the solicitation for diversity and inclusiveness information, including new contracts for debt issuances and fleet.

Future Goal : Provide more vision on the agency plans to support the Mayor's Diversity and Inclusivity provisions as we proceed into 2015.



Accomplishments & Challenges

- Accomplishment: Voter approval at the 2013 general election of the charter amendments (G-2 questions) allowing the City's Investment officers to acquire the same securities as the State Treasurer
- Accomplishment: The development of a financing plan for the Denver Central Recreation Center
- Accomplishment: Financing the downtown TIF through 2017 – providing \$70 million in projects in downtown including the 16th street mall improvements, two-way street conversions, facilities for the homeless, a new DPS school and affordable housing at Denver Union Station
- Accomplishment: 5281 Award was granted to a cross-division and agency group for the Fines and Fees project
- Accomplishment: Controller's Office received the GFOA award for the 2012 CAFR and the GFOA Popular Annual Financial Reporting Award for the 2012 PAFR
- Accomplishment: Cooperated with and benefitted from Performance Audits, including Fiscal Sustainability: Financial Condition and Transparency (December 2013), and Fiscal Sustainability Debt Management (February 2013)
- Challenge: Replacing old systems and technologies (budget software, People Soft, RMIS, property tax system)

- Next Steps: CFO performance budget kickoff in mid-July
- Innovation update 2014 plan:
 - Transparency and Accountability
 - Responsible Resource Management
 - Financial Sustainability
 - Excellent Customer Service