

March 1, 2010

CITIZENS FOR PHOENIX

NEED FOR REVIEW OF PHOENIX'S CURRENT BUSINESS PRACTICES AND REVENUE SYSTEMS

Because of its current financial crisis, Phoenix has had to impose a temporary 2% food tax to help moderate drastic cuts in such services as libraries, senior centers, sworn police officers and fireman. It has also had to make cuts in employees in every segment of the city organization. Unfortunately, due to unfavorable economic conditions, unfunded mandates and state laws, the necessity for budget adjustments in the City of Phoenix is nothing new. In 9 out of the last 12 years Phoenix has had to readjust, cut or realign its budget after-the-fact. Added to this, is the fact that while tomorrow's economy will recover, Phoenix should not expect to be able to continue to rely primarily on growth in population to stimulate real estate construction and speculative real estate development.

The conditions as noted above, make it clear that Phoenix cannot continue to follow a path of "business as usual". Recognizing this, Citizens For Phoenix requests that Phoenix engage the services of an independent, nationally known consulting/auditing firm to review its current business practices and revenue systems. The results of this study should be reported to the City Manager and an independent oversight committee. Some suggested factors for inclusion in a request for a report from such a firm are as follows:

All City processes to be reviewed for "best practices."

Work organization and delegation to be reviewed in light of best practices.

Asset utilization to be reviewed for cost containment and efficiency.

Revenue collection practices to be reviewed to provide the most effective and efficient method of collection.

All expenses in all categories to be reviewed to insure that they are monitored and controlled.

Evaluate whether or not all department computer communications with citizens are user friendly.

Personnel practices regarding pay, retention bonuses and severance to be thoroughly reviewed and compared against best practices.

Personnel utilization to be reviewed to provide for the best use of human resources.

Review City public safety departments with a goal to recommend increased efficiencies.

Develop procedures to permit current employees to submit suggestions and recommendations for

improvements and encourage management review and evaluation of them.

A full review of the deliverables by the City of Phoenix for the benefit of the citizens pertaining to the operation of senior centers, recreational facilities, parks, swimming pools, water, sewer, garbage and solid waste.

A review of activities performed by the City that could better and more economically be performed by outside contractors, as well as a review of those activities that have been performed by outside vendors that might better and more economically be performed by city employees.