



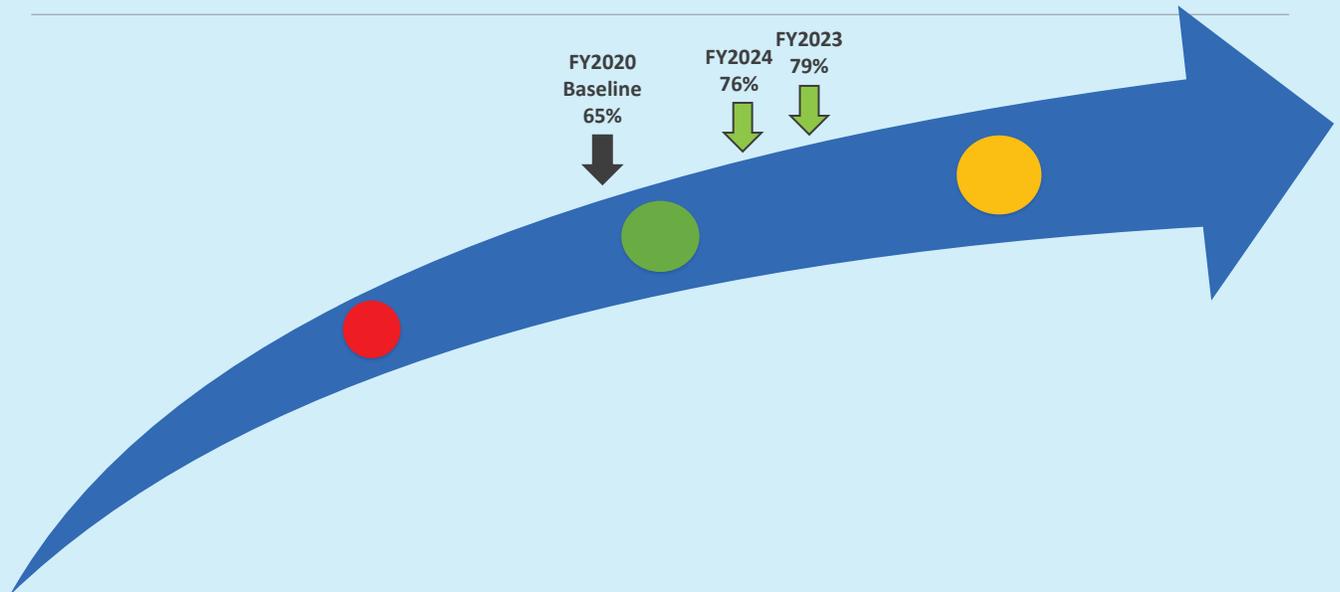
Fiscal Year 2024 District-Wide Performance Audit



OCTOBER 29, 2024

HARRY LORICK, PE, PWLF

Annual Performance Audit: The Road to Gold





ADMINISTRATIVE SERVICES

Rating of 85 - 8 metrics with 5 golds, 2 greens and 1 red
Last rating 88



No Recommendations

Rating of 75 - 11 metrics with 5 golds, 5 greens and 1 red
Last rating 84



HUMAN RESOURCES

Recommendations

Indicator No. 9—Annual Employee Engagement Survey

The District rating is not high compared to this industry benchmark. The HR section should review these factors in the rating and set up a plan to address them. This should include improving employees’ relationships with the organization, other employees, and management.



CUSTOMER SERVICES

Rating of 78 - 6 metrics with 4 golds and 2 reds
Last rating 93



Recommendations

Indicator No. 1 – Suggest adding another metric to this group

Suggest adding another metric to this group. Only two items from the CMMS database were used in this evaluation. Though rejected in the last review, the auditors think at least one more should be added to better indicate performance. The potential for one of the two to change is high, and additional measures would allow for a more representative rating for the department.

Indicator Nos. 3, 4 and 5

This comment is the same recommendation as prior reviews, as another audit, Elite Customer Service, controls this rating. These indicators are direct results of the annual Elite Customer Service audit. Hence, the factors from these ratings significantly impact this overall rating. This results in the need for another indicator to balance the Elite Customer Service rating if the District is uncomfortable with that being the deciding factor in this evaluation.

Add another indicator

LAC suggested two other indicators in prior audits and again for this group; they could enhance the Customer Service performance and score. The current performance indicators lack analysis measures and could be improved to yield a more robust, reliable and complete performance audit.



Rating of 77 - 11 metrics with 5 golds, 5 greens and 2 reds
Last rating 74



ENGINEERING

Recommendations

Indicator No. 1 – Work Reporting Accuracy

- Allow the Principal Engineer to perform daily quality control of the work reports before submitting them for system input.
- The auditor should report the errors in the work reports.

Indicator No. 3 – Project Hours

- High and acceptable % of the management of projects.
- The total annual number of hours billed is low annually, only 65% of the paid hours.
- Consider adjusting the indicator rating to have a combination of % billing and billable hours.

Indicator No. 10 – File completed projects in a timely manner

- The length of time it takes to capture completed projects is significant. The manager should continue to monitor this situation with Finance.
- Engineering and Finance should provide monthly joint reporting to the GM on projects being closed.



Rating of 64 - 7 metrics with 2 golds and 5 reds
Last rating 79



FINANCIAL
SERVICES

Recommendations

Indicator No. 1 – Results from the Key Performance Indicators for the Fiscal Year

- 5 MaintStar KPIs compiled for Indicator No. 1 are time-based, and the lower values are desirable results. However, the evaluation spreadsheet indicated higher values are desirable requiring computational spreadsheet to indicate this calculation properly.
- Mesa Water should review these values monthly for quality control and adjust and act as required.

Indicator No. 4 – File completed projects in a timely manner

- The process should be adjusted with the computation based on the project being accepted by Engineering and documented after a project is complete.
- A difference in calendar days is computed to when the project is closed in the Finance system.

Indicator No. 5 – Monthly Close Documentation

- Develop a checklist with supporting information to enable the Auditor to review and score the performance compared with the target.
- Establish what actions and documentation are needed to perform a monthly close.



Rating of 87 - 9 metrics with 6 golds, 1 green and 2 reds
Last rating 57



PUBLIC AFFAIRS

Recommendations

Indicator No. 2 - Two-Week Scheduling & Monthly Status

The completion requires more adherence to submitting the schedule and monthly status. The manager should systematically monitor this effort and make it a higher priority. Only one month was completed.

Indicators Nos. 3 and 6 - Annual Elite Customer Service Survey

These tactics that generated the survey results should be monitored quarterly. The results should then be reported to the GM with actions taken and planned to guide those affected to understand Mesa Water and what it produces.

7



Rating of 84 - 13 metrics with 8 golds, 2 greens and 2 reds with 1 not rated
Last rating 84



WATER
OPERATIONS

Recommendations

Indicator No. 4 – Affirm quarterly asset verification meetings

This indicator effort by Water Operations just started in May. Mesa Water has created a process planned for an SOP on updating and confirming these assets, as this effort lacks definition. This uncertainty resulted in staff lacking clarity on approaching this metric, resulting in only one action this year in May.

Indicator No. 6 – Comparison of the submission time of the emailed Production Duty Checklist

Several missing entries for periods impacted the score in the PDO documentation review. All missing entries should be documented as if they occurred. There could be a valid rationale for this occurrence, but the audit data did not show it. As noted in last year's audit, yet not acted upon, it would be good practice to understand why this happened so it can be prevented in the future.

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District
Fiscal

Rating of 57 - 5 metrics with 2 golds, 1 green and 2 reds
Last rating 76



Recommendations

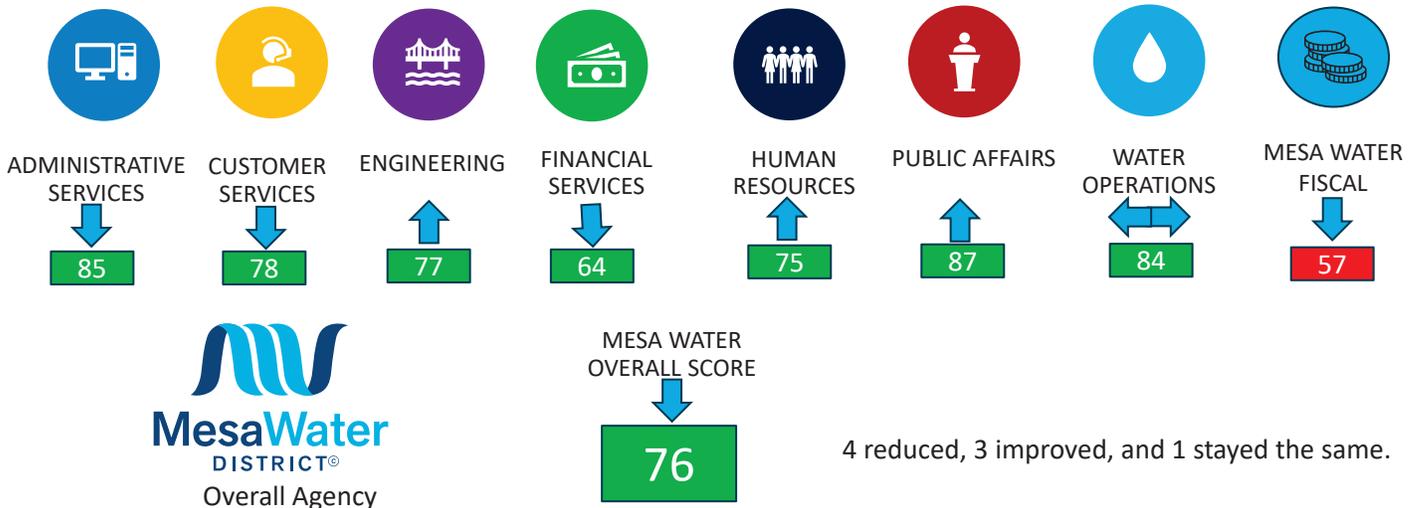
Indicator No. 2 - Investment Performance (Other Investments)

- The return on investment from LAIF and OCIP is considerably more than the District investments.
- The District should evaluate and consider using other options for some portion of the portfolio using relatively safe investments.

Accountability

There is no direct group assigned for this accountability in this section. We suggest either Finance or the Administration take this section's evaluation and respond annually after receiving direction from the Board.

Overview





	Scores		
	2023-2024	2022-2023	Change
Administrative Services	85	88	-3
Customer Services	78	93	-15
Engineering	77	78	-1
Financial Services	64	79	-15
Human Resources	75	78	-3
Public Affairs	87	57	30
Water Operations	84	84	0
Mesa Water District Fiscal	57	76	-19
Average	76	79	-3

Overall Score: 76%

Summary

The audit is thorough and measures each department's performance. Straightforward and provides a consistent picture of performance change. Some adjustments are provided in the recommendations.

Conclusion



Agency is improving in many key metrics with some slightly reducing.



Managers take these seriously and are applying them to their work tasks.



Unique process that focuses on continuous improvement.



Opportunities exist for enhancement.



Questions?

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