Winnipeg

Operational Review of the Winnipeg Parking Authority Final Report November 2010

Leaders in building public trust in civic government

Audit Department

TABLE OF CONTENTS

MANDATE OF THE CITY AUDITOR 3
AUDIT BACKGROUND 3
AUDIT APPROACH 3
AUDIT OBJECTIVES 4
ACKNOWLEDGEMENT 5
20 CHARACTERISTICS OF EFFECTIVE PARKING PROGRAMS 6
CURRENT PROGRAM S.W.O.T. ANALYSIS 6
- Current Strengths 6
- Current Weaknesses 7
- Current Opportunities 7
- Current Threats 8

OBSERVATIONS AND RECOMMENDATIONS 9
- Parking Management, Administration, and System Marketing 9
- Off-Street Parking Operations 13
- On-Street Parking Operations 18
- Parking Enforcement 20
- Revenue Control, Cash Handling, and Reconciliation 24

MANDATE OF THE CITY AUDITOR

The City Auditor is a statutory officer appointed by City Council under the *City of Winnipeg Charter Act*. The City Auditor reports to Council through the Audit Committee (Executive Policy Committee) and is independent of the City's Public Service. The City Auditor conducts examinations of the operations of the City and its affiliated bodies to assist Council in its governance role of ensuring the Public Service's accountability for the quality of stewardship over public funds and for the achievement of value for money in City operations. Once an audit report has been communicated to Council, it becomes a public document.

AUDIT BACKGROUND

Parking is a valuable public resource that affects the life of a city's downtown in many ways. The Winnipeg Parking Authority (WPA) was designated as a special operating agency effective January 1, 2005. The WPA was created to manage City owned on-and-off-street parking resources and parking enforcement. The WPA was created through the amalgamation of functions located within the Planning Property and Development Department (off-street public and employee fee-based parking), the Public Works Department (on-street public, residential, and commercial fee-based parking) and Winnipeg Police Service (parking enforcement through the Corps of Commissionaires, enforcement administration and collections).

The WPA is evaluated annually by the Alternative Services Delivery Committee ("ASD") and beginning in 2009, the WPA also incorporated reporting to a Board of Directors composed of the City's Chief Administrative Officer ("CAO"), the Deputy CAOs, and the chair of the ASD.

Since 2006, parking revenues have increased approximately 26% ($3.07 million), expenses have increased only 12.5% ($1.15 million), income before other items and other charges have increased 74.6% ($1.9 million), and net operating revenue has increased 725% ($2.16 million).

It is important to note that this condition will likely change in the future. The city has recently sold the Winnipeg Square Parkade to a private entity. In 2008, the Winnipeg Square Parkade generated gross revenues of approximately $2.6 million. As the parkade generated a level of income significantly greater than facility expenses, the loss of this revenue stream will have a significant negative impact on overall net operating income.

According to the Downtown Winnipeg Parking Study completed by MMM Group in 2009, the Winnipeg Parking Authority (WPA) currently controls approximately 15% of the total downtown parking supply – or 5,971 spaces of 38,811 total spaces. This includes both on-street (3,285 spaces) and off-street (1,996 spaces in structures and 690 spaces in surface lots) parking supplies. The WPA controls all of the on-street spaces and approximately 10% of the off-street supply and 11% of the structured parking supply. The amount of WPA controlled off-street parking in downtown will be reduced to approximately 8% after the Winnipeg Square Parkade is removed from its inventory.

AUDIT APPROACH

An operational review of the Special Operating Agencies was included in the City Auditor/Chief Performance Officer's 2009-2010 Audit Plan at the request of the CAO and endorsed by Audit Committee on April 27, 2009. The request to include the review of Special Operating Agencies in the Audit Plan was made in response to the Alternate Service Delivery Committee request of March 6, 2009:

> "That the Winnipeg Public Service be requested to report back to the Alternate Service Delivery Committee, within 60 days, on the cost of having an operational review conducted by an outside firm on the Winnipeg Fleet Management Agency SOA, Winnipeg Parking Authority SOA, Winnipeg Golf Services SOA and on the Animal Services SOA."

The Audit Department issued a Request for Qualification (RFQ) to identify experienced and capable proponents to conduct an operational review of the Winnipeg Parking Authority. The RFQs were evaluated based on the experience of the proponent and the proposed project approach/methodology. The Audit Department then short listed the most qualified proponents and issued a Request for Proposal (RFP). The RFPs were evaluated based on the experience of the proponent, the proposed project approach/methodology and a fixed price quote. In November 2009, a contract was awarded to Carl Walker Inc. which submitted the proposal determined to be the most advantageous to the City.

AUDIT OBJECTIVES

The work performed under the contract consisted of an operational review of the Winnipeg Parking Authority where Carl Walker reviewed the following areas:

- general operational performance and identifying recommendations to improve the operational efficiency, and effectiveness of the Winnipeg Parking Authority,
- observations on the extent to which reported service performance results are complete, relevant, accurate, balanced and meaningful; and
- opportunities for revenue generation, cost savings and improved management practices and controls.

ACKNOWLEDGEMENT

The City of Winnipeg's Audit Department would like to acknowledge the assistance provided by the parking management consulting firm Carl Walker who was engaged to conduct the operational review of the Winnipeg Parking Authority. In addition, we would like to acknowledge the assistance of staff from the Winnipeg Parking Authority who were involved in this project, for their assistance in providing time, information, expertise, co-operation and resources throughout the duration of the project.

Members of the Audit Team

Bryan Mansky, MBA, CMA, CIA
Deputy City Auditor

Matthew Inman
Vice President, Carl Walker



Brian Whiteside, CA•CIA
City Auditor

November 2010
Date

20 CHARACTERISTICS OF EFFECTIVE PARKING PROGRAMS

There are significant functions that must be addressed to ensure the parking system is efficient and effective. Based on evaluating numerous municipal parking systems of various sizes and complexities, Carl Walker has identified a set of 20 characteristics that when combined into an integrated, programmatic approach provides the foundation for a sound and well-managed parking system. These characteristics include:

1. Clear Vision, Mission and Guiding Principles
2. Parking Philosophy
3. Strong Planning
4. Community Involvement
5. Organization
6. Staff Development
7. Safety, Security, and Risk Management
8. Effective Communications
9. Consolidated Parking Programs
10. Strong Financial Planning
11. Creative, Flexible and Accountable Parking Management
12. Operational Efficiency
13. Comprehensive Facilities Maintenance Programs
14. Effective Use of Technology
15. Parking System Marketing and Promotion
16. Positive Customer Service Programs
17. Special Events Parking Programs
18. Effective Enforcement
19. Parking and Transportation Demand Management
20. Awareness of Competitive Environment

While additional opportunities exist to strengthen and enhance the parking system, Carl Walker believes the WPA has addressed each of the twenty characteristics in its relatively short history – some of them very successfully. The WPA is one of the best run, most forward-thinking parking programs Carl Walker has reviewed over the past ten years. This is evidenced by the WPA's professional staff, commitment to incorporating advanced technologies, wide-range of customer services, facility improvements, community involvement, and overall financial performance. In our opinion, the WPA has successfully addressed its initial mission and conforms to or exceeds most recommended industry standards.

CURRENT PROGRAM S.W.O.T. ANALYSIS

A Strengths, Weaknesses, Opportunities, and Threats (S.W.O.T.) analysis of current conditions was developed in order to assist with the evaluation of current parking system operations and management. As with all operations and management reviews, it is important to note that some issues are qualitative in nature while others are quantitative. Therefore, some of the issues identified in this section are based on opinions and perceptions received from stakeholders and Carl Walker's observations of operations and opinions concerning WPA services and performance.

Current Strengths

Based on a review of system information provided by the WPA and a four-day site visit by Carl Walker staff, the WPA appears to have put together a successful parking program in its brief five-year existence. This success includes developing an effective parking enforcement program, significant improvements in parking facility operations and maintenance, considerable stakeholder outreach efforts, and several customer service initiatives and program enhancements.

Significant WPA parking operations and management strengths are as follows:

- Parking System is Vertically Oriented
- Current Organization Provides Flexibility
- Clean, Well Organized Facilities
- Appropriate Technologies are Used
- Variety of Parking Options Provided
- Positive Operating Cash Flow
- Can Charge Higher Rates than Market
- Recognizes Role in Development
- Involved in the Community
- Focus on Education
- Awareness of Competitive Environment
- Involved in Downtown Planning
- Seeks to Continuously Improve
- Customer Amenities Offered
- Involved with Industry Organizations
- Strong Parking Philosophy
- Knowledgeable Staff
- Works to Improve Efficiency/ Effectiveness
- Collects a High Percentage of Fines
- Outsourced Appropriate Functions
- Favorable Opinions from Stakeholders
- Recognizable System Brand
- Significant Online Presence
- Encourages Use of Alternative Modes

Current Weaknesses

While the WPA has a significant number of strengths, there are a number of areas where improvements could be made. Significant WPA parking operations and management weaknesses are as follows:

- No Maintenance Reserve
- Small Off-Street Market Presence
- On-Street Rates are Out of Alignment with Off-Street Rates
- Lack of identification and tracking of performance measures
- Facility Maintenance Needs
- Incomplete Auditing and Revenue Control
- Cash Handling Policies Need Improvement
- Lack of Parking Occupancy and Turnover/Duration Data
- Guiding Principles Aren't Directly Aligned with Community Goals

Current Opportunities

The WPA's history of success is a strong indication that it has the ability to address a variety of opportunities for growth in the future. Possible improvement opportunities should be evaluated as part of a larger strategic planning process.

Significant WPA parking operations and management improvement opportunities are as follows:

- Investigate Opportunities to Become more Community-Focused
- Conduct a Comprehensive Facilities Condition Assessment
- Provide Assistance to Private Parking Operators to Improve Conditions
- Continue Investigating New Technologies
- Develop Design Guidelines for Future Parking Facilities
- Develop a WPA Annual Report for Public Review
- Conduct Periodic Customer Surveys

Current Threats

There are a number of significant threats to the continued growth and success of the WPA, as well as the health of the overall downtown parking system. Significant threats to the continued success and stability of WPA parking operations and management are as follows:

- Ability to Fund Maintenance Needs
- Increase in Parking Demand due to Future Developments
- Loss of Current Management Staff
- Increased Market Competition

OBSERVATIONS AND RECOMMENDATIONS

The remainder of this report details the observations and recommendations. We believe the issues identified are important and implementing the recommendations will assist management in improving parking operations. The section is divided into four main areas:

1. Parking Management, Administration, and System Marketing
2. Off-Street Parking Operations
3. On-Street Parking Operations
4. Parking Enforcement
5. Revenue Control, Cash Handling, and Reconciliation

Parking Management, Administration, and System Marketing

The WPA is divided into three operational sections:

- Controller (finance and administration) - The Controller section is responsible for finance, accounting, auditing, and WPA administration (e.g., front desk operations and permit issuance).
- Enforcement and Compliance (parking enforcement) - The Enforcement and Compliance section provides daily parking enforcement and radio dispatch (outsourced to a private enforcement provider), enforcement quality assurance, and citation collections (including liens and seizures).
- Operations and Facilities (on-street and off-street operations). Operations and Facilities is responsible for the operations and maintenance of municipally owned parking facilities (on-street and off-street) and the general maintenance of the city's skywalk system. On-street operations includes meter collections and maintenance (meter maintenance is outsourced to a private provider). Facility operations includes daily operations and staffing (operations and staffing are outsourced for the Millennium Library and Winnipeg Square Parkades), maintenance, and the coordination of special events.

The organization of parking services in the WPA is consistent with most vertically oriented parking management organizations in North America.

The WPA Needs to Establish a Facility Maintenance Reserve

In order to ensure sufficient funds exist for future maintenance needs, it is highly recommended that the WPA establish a facility maintenance reserve. The maintenance reserve should be determined through a condition appraisal of all WPA parking facilities (on-street and off-street) and projections of future capital maintenance needs. While this will not necessarily help with near-term maintenance projects, it will help address future maintenance needs. An alternative to the creation of the maintenance reserve is the retention of retained earnings. WPA should be permitted to retain sufficient earnings to fund the required maintenance of facilities.

Recommendation 1

The WPA should established a facility maintenance reserve or retain sufficient earnings to fund the required future maintenance of the parking facilities.

Management Response:

The Agency agrees with the recommendation, and will propose this in its 2011 strategy and business plan

The WPA Needs to Determine Appropriate Performance Measures and Track Each Measure Consistently

The WPA does not currently track a significant number of performance measures on a consistent basis. Performance measures are important as they can be used to establish important benchmarks, compare data from year to year, determine the impacts of changes in management strategies and technologies, measure the effectiveness of staff members, identify operational inefficiencies, determine the effectiveness of dollars spent on operations and various expenses, and report on the performance of the WPA.

The WPA has already begun to address this issue. The WPA is participating in the Ontario Municipal Benchmarking Initiative (OMBI) and is currently developing a number of performance measures that will be tracked on a regular basis.

Carl Walker recommends the WPA track the following primary performance measures (not including occupancy surveys, turnover and duration surveys, and customer service surveys):

A. Expense-Related Measurements:
    a. Total System Expenses per Space
    b. On-Street Expenses per On-Street Parking Space (OMBI measure – will be tracked in future)
    c. Off-Street Expenses per Off-Street Parking Space (OMBI measure – will be tracked in future)
    d. Administrative Charges/Costs per Space
    e. Staffing Costs per Space
    f. Maintenance Costs per Space (new maintenance contract will allow for tracking of off-street maintenance costs)
    g. Equipment and Supply Costs per Space
    h. Total Enforcement Costs per Space (can be estimated with existing data)
    i. Parking System Debt Service per Space
    j. Percentage Breakdown of Parking System Expenses

B. Revenue-Related Measurements:
    a. Total Revenue per Space (currently tracked by WPA)
    b. Total Revenue per WPA FTE
    c. On-Street Revenue per On-Street Parking Space (currently tracked by WPA)
    d. Off-Street Revenue per Off-Street Parking Space (currently available for parking structures)
    e. Percentage Breakdown of Parking System Revenues
    f. Monthly Permit Revenue per Space
    g. Transient Parking Revenue per Space

C. Parking Space Inventory Ratios (will be available after the completion of the 2009-2010 downtown parking inventory study):
    a. Percentage Breakdown of Parking Space Types/Locations (e.g., percentage of total WPA parking supply that is located on-street, off-street, in surface lots, and in parking structures)
    b. Total Number of WPA Downtown Parking Spaces versus the Total Number of Parking Spaces Downtown
    c. Total Number of WPA Off-Street Downtown Parking Spaces versus the Total Number of Off-Street Parking Spaces Downtown

D. Enforcement-Related Measurements:
    a. Parking Enforcement Officers per WPA Space (this measure helps determine the efficiency of enforcement staffing levels and can help determine the impact of future enforcement efficiency improvements)
    b. Parking Citations per Enforcement Officer
    c. Citation Voids per Enforcement Officer
    d. Citations Issued by Enforcement Zone per Officer (this measure helps determine the efficiency and effectiveness of individual enforcement staff by providing a comparison of citation counts between officers in specific zones)
    e. Enforcement Revenue per Citation (currently tracked by WPA and part of OMBI)
    f. Enforcement Expenses per Citation
    g. Citation Collections versus Total Citations Issued (currently tracked)

E. Personnel-Related Measurements:
    a. WPA FTEs per Space (including outsourced employees)
    b. Equipment Maintenance Response Times

At a minimum, these performance measurements should be tracked on an annual basis and included in future annual reports. Ideally, applicable performance measures should be updated prior to the implementation of any significant operations or management changes to provide a baseline from which the impact of changes can be measured.

As comparison data is not currently available industry-wide, the primary goal of maintaining these performance measures is to track internal performance, provide information to make appropriate changes in operations and management policies/procedures as needed, and provide historical performance data. The historical performance data can be used to compare operational performance and efficiency before and after changes are made (e.g., introduction of new services or technologies, changes in staffing levels, changes in rates/fines, and changes in policies and procedures). When information becomes available to compare the WPA to other programs in the future, appropriate data will already be available if the WPA tracks these performance measures.

Recommendation 2
Carl Walker recommends the WPA track the following primary performance measures:

- Expense-Related Measurements
- Revenue-Related Measurements
- Parking Space Inventory Ratios
- Enforcement-Related Measurements
- Personnel-Related Measurements

Management Response:
The Agency agrees with the recommendation, and is currently developing its benchmarking program in accordance with other city departments and OMBI standards. New benchmarks will be included in its 2011 business plan.

The WPA Needs to Update and Maintain Parking Utilization, Duration, and Turnover Data

In order for the WPA to accurately manage overall downtown parking needs, determine current parking surpluses and deficits, properly address future needs, and better determine appropriate parking rates and enforcement service levels, a thorough downtown parking study is required. While a downtown study was recently completed, it focused on current parking inventories and parking rates.

Recommendation 3

Maintaining current parking supply and demand information is a best practice. Parking inventory and occupancy data should be updated at least annually in WPA controlled parking facilities and at least every three to five years for the downtown as a whole (or at other intervals depending on development activity, land use changes, and changes in building occupancy).

Management Response:

The Agency agrees with the recommendation, with the observation that, in Winnipeg, where parking supply demand and pricing are so closely controlled by one private sector company, such data is costly to gather and has less value than in other more rigorous markets. In its 2011 business plan, the Agency will plan to add staff time to include this regular measurement process.

The WPA is connected to downtown stakeholders.

The WPA has nurtured strong ties to a variety of downtown stakeholder groups and organizations. For example, the WPA has worked on a number of cooperative efforts with the Downtown Winnipeg BIZ including marketing efforts and downtown security. In addition, the WPA has involved a number of stakeholder groups in their current strategic planning process. The stakeholder groups that Carl Walker staff talked to stated they were very appreciative of the efforts that the WPA has made to keep them involved in parking system operations and management discussions. This level of communication should be maintained going forward.

The WPA Needs to Update its Mission and Vision Statements, as well as its Guiding Principles

A current weakness of the WPA is that the current guiding principles, while beneficial, are very internally focused and do not help define where the WPA fits into the greater goals and objectives of the downtown community. They also do not provide sufficient direction relative to what areas the WPA should focus its efforts and what directives should guide parking management and planning.

Recommendation 4

It is recommended that the WPA and the City of Winnipeg revise the parking authority guiding principles to better align them with community goals. The guiding principles should be updated through a strategic planning process with guidance and input provided by appropriate parking system stakeholders.

Management Response:

The Agency agrees with the recommendation, and will provide an update in its 2011 strategy and business plan.

The WPA Should Develop a Publicly Available Annual Parking Authority Report
The WPA is currently working on developing a parking annual report. The primary purposes of a publicly available annual parking report would be to identify key authority issues and challenges, promote parking authority achievements, document the "state of parking" for the community, educate the public concerning parking issues and programs, and build confidence and credibility in the parking authority. The report would provide the necessary information in an easy to read, summarized format that is suitable for marketing. Examples of similar documents can be found online for the Calgary Parking Authority (*Spotlight on Parking*), Toronto Parking Authority, Pittsburgh Parking Authority, and the Miami Parking Authority.

Recommendation 5
The WPA should prepare a parking authority annual report that is available for public review.

Management Response:
The Agency agrees with the recommendation, and will produce a public report posted on its web site starting with the 2010 fiscal year.

The WPA Should Improve/Update Its Website and Online Parking Map
The WPA provides a significant amount of information via its website, and is currently working on website improvements. This includes maps, program information, products/services information, brochures, instructional videos, forms, and frequently asked questions. In addition, the WPA website offers customers the opportunity to pay for parking citations online. Currently, the WPA website is a subset of the current City of Winnipeg website.

While the WPA website provides a significant amount of information, the overall design and organization of the site needs to be improved. Advanced parking authority websites are often independent from city websites with unique design features and branding. They also include additional features such as interactive maps, parking facility locator tools, news releases, and local event information. Examples of well-designed websites would include the sites for the Toronto Parking Authority, Calgary Parking Authority, EasyPark in Vancouver, and the Miami Parking Authority.

Recommendation 6
The overall design and organization of the website needs to be improved. Features such as interactive maps, parking facility locator tools, news releases, and local event information should be incorporated

Management Response:
The Agency agrees with the recommendation, and is currently working on a redesign to be completed by the end of the 2010 calendar year.

Off-Street Parking Operations

The WPA currently manages a municipally owned off street parking supply consisting of 1,996 structured parking spaces (all located downtown) and 7,212 surface spaces. This includes the 986 spaces located in the Winnipeg Square Parkade, which has been recently sold to a private company. While all of the structured parking spaces are actively operated and managed by the WPA on a daily basis, the WPA's management

focus for the vast majority of the surface parking lots is on maintenance and enforcement.

Parking Structures

The WPA currently manages three downtown parking structures, the Civic Centre Parkade, the Millennium Library Parkade, and the Winnipeg Square Parkade. Parking operations is currently outsourced to a local parking operator (Impark), while the WPA still provides daily operations in the Civic Centre Parkade internally. Staffing in each parking facility consists primarily of cashiers located in each cashier station/booth and roaming low-level security attendants in the Winnipeg Square and Millennium Library Parkades. WPA staff provides additional facility operational functions such as daily deposit reconciliation, voucher auditing and invoicing, collection of pay-in-lane machines and citation payment drop boxes, processing monthly parking purchases and continuing payments, and reviewing/reconciling parking operator monthly reports.

Surface Parking Lots

The WPA provides basic operations and maintenance for a significant number of publically owned surface parking lots, the vast majority of which are located outside of downtown Winnipeg. Some of the surface parking supply is located downtown and is used to provide transient and monthly parking (approximately 118 spaces according to the 2009 parking study). However, the majority of WPA surface parking lots serve adjacent city offices and/or buildings.

Parking Rates

Parking rates in WPA parking facilities vary from location to location. Parking rates for transient parking range from $2.00 per hour in surface parking lots ($8.00 daily maximum) to $4.00 per hour in parking structures ($12.00 daytime maximum, $19.00 daily maximum)). The WPA offers a reduced maximum fee for evening parking in its parking structures of $7.00 for customers arriving after 4:00 p.m. and leaving before 8:00 a.m. (although hourly rates are still $4.00). Monthly parking rates range from $75.00 for restricted evening parking to $130 (discounted – non-reserved) to $265 (12-hour reserved). WPA parking rates are currently significantly higher than average market rates. Average rates in downtown range from $130 (unreserved) to $180 (reserved) for monthly parking and are $2.05 per hour up to an average daytime maximum of $8.33 for transient parking.

The WPA Needs to Address a Number of Parking Structure and Surface Lot Maintenance and Safety Issues

Based on field reviews, and on the information contained in the WPA's 2009 review of parking structure and surface lot safety and maintenance needs, there are a number of issues that need to be addressed. Overall, the facilities are generally clean and well maintained; however, the following items need to be addressed:

- The parking surface in the Civic Centre Parkade was very slippery in places. This condition was likely due to frost buildup on structure floors. It appeared that either the parking surface in some locations was not textured or the texturing has worn away. This condition could be improved by applying a textured surface coating or abrading the concrete surface.

- The height clearance notification in the Millennium Library Parkade (between the first and second levels) is inadequate. The floor-to-ceiling clearance on Level 2 is

less than Level 1. However, the clearance bar for Level 2 is located at the base of the ramp from Level 1 to Level 2; too late for drivers of vehicles that are too high to avoid Level 2. Better notification should be installed on Level 1 to provide earlier notification to drivers.

- There were a number of areas in the Millennium Library Parkade that showed evidence of water leaks and water intrusion. These leaks may be due to construction work above the parkade and may be eliminated at the conclusion of the construction project. The WPA should ensure these areas are properly repaired.

- The Millennium Library Parkade was a one-way traffic flow, but drive aisle widths are capable of handling two-way traffic. This could result in vehicles driving the wrong way down drive aisles. In order to reinforce the desired one-way traffic flow, directional arrows need to be repainted and additional arrows/signage should be added.

- There were several areas of standing water noted in the Millennium Library and Winnipeg Square Parkades. It appeared that the water primarily came from vehicles that had entered the structures (melted snow and ice). The standing water could damage parking surfaces and present slip hazards. It would be recommended that parking operator staff, specifically maintenance and/or security personnel, sweep the water to a floor drain to remove the hazard.

- Additional protection bollards are needed around some of the exit lane access control equipment in the Millennium Library Parkade. The bollards help protect the lane equipment from damage due to vehicular impacts.

- The WPA needs to continue addressing all of the outstanding issues noted in the 2009 parking facility maintenance and safety review. Typical maintenance and safety issues included improving signage and addressing various safety hazards (e.g., tripping hazards and lighting). The 2009 review also noted that several municipal surface parking lots are not paved. It is recommended to pave surface parking lots (ideally using permeable solutions, if appropriate) if the lot is going to be used for long periods of time (e.g., five or more years).

- All parking cashier booths and platforms need to be reviewed, repaired, replaced, and/or repainted.

Recommendation 7
The WPA needs to address several previously identified Parking Structure and Parking lot maintenance and safety issues.

Management Response:
The Agency observes that these maintenance items are relatively minor, in some cases related to the time of year the consultants visited, or related to the deferred condition of major structural repairs in each facility, or related to the position of the site relative to river banks, or to the short or long term disposition of the property. The Agency has established the Canadian Parking Association national standard for maintenance and operation of its facilities, and is committed to retaining its facilities at this standard over the long term. The maintenance items noted above will be addressed as the Agency

implements its long term infrastructure repair plans over the next 5 years, as will be proposed in its 2011 strategy and business plan.

Full Condition Appraisals (Including Improvement Cost Estimates) are Needed for All Surface Lots.

The WPA does not have current condition information for all city-owned surface parking lots. This information is required to accurately determine maintenance needs, quantify maintenance costs, and project appropriate future capital requirements.

Recommendation 8

It is recommended that the WPA conduct full condition appraisals for all city-owned surface parking lots.

Management Response:

The Agency agrees with the comment and considers that this is a critical infrastructure concern. In 2011 the Agency will hire a consultant to complete a condition report and action plan toward repair and restoration of all city owned surface parking lots within its portfolio.

Customer Service Levels can be Improved at all WPA Attended Facilities

According to comments received from stakeholders, the WPA has improved customer service program-wide. However, based on field reviews, there are still opportunities to improve basic customer service levels in the WPA parking facilities. This would primarily involve how parking staff interacts with facility customers. While no egregious customer service issues were noted, parking staff was not as friendly with parking customers as they could have been. For example, parking staff did not consistently say hello and thank you to each customer at exit. Parking staff in the Civic Centre Parkade was observed being especially terse with customers. In order to improve the customer service provided by attendants, regular customer service training and customer awareness programs should be developed to help make quality customer service a constant part of facility operations. Many parking programs and parking operators develop customer service campaigns and classroom training programs (e.g., dealing with difficult customer interactions and recognizing customer needs) to help ensure quality service is provided.

In order to ensure all WPA facilities are properly maintained and operated, the WPA should establish a formal mystery shopper program. This program could be handled on a number of levels. First, the WPA could enlist regular parking customers to participate in the program. Customers could email issues and concerns to the WPA or enter their information using an online survey. Second, the WPA could ask employees of key stakeholders to participate in the mystery shopper program. Finally, WPA staff that does not work with parking facility staff could function as mystery shoppers. The mystery shoppers would utilize an approved checklist that ensures key performance issues are reviewed. For the program to work, all results must be documented and mystery shoppers must visit facilities on a regular basis.

Recommendation 9

In order to ensure all WPA facilities are properly maintained and operated, the WPA should establish a formal mystery shopper program.

Management Response:
The Agency agrees with the comment, and is currently engaged in discussions with Corporate Human Resources in an ongoing effort to improve this performance. In its 2011 business plan, the Agency will propose alternatives to current staffing arrangements.

The WPA Should Keep All Customer Service, Maintenance, and Accident/Security Logs for Each Parking Structure on File
Each WPA parking facility should have a set of logs for documenting common situations and facility concerns. According to the WPA, facility maintenance logs are maintained by Municipal Accommodations and the security, incident, and customer complaint logs are maintained by the facility parking operator. These logs should be regularly reviewed by WPA staff to ensure all issues/concerns are addressed in a timely fashion.

Recommendation 10
A recommended best practice is to maintain incident logs for customer service, maintenance, and accidents/security incidents. The logs should be kept on file and reviewed by WPA staff on a regular basis to ensure issues are properly resolved and documented.

Management Response:
The Agency agrees with the comment, maintenance logs have now been re-instituted at these locations.

The WPA Needs to Better Define and Formalize Staff Training Programs
Currently the WPA does not provide a formal training program. Training currently consists of training programs/materials developed by the Canadian Parking Association (e.g., the Parking Professional Primer and the Certified Canadian Parking Facility Manager course), as well as having new staff work beside experienced staff for a few days until supervisory staff feels the new employee is ready to work alone. A checklist is utilized to help ensure all necessary items are covered, and the new employee is required to sign the training checklist. Training for contractor staff is provided by each individual company.

Ideally, a formal training program should be developed that first provides an appropriate amount of WPA-customized classroom training to cover basic operational issues, WPA policies and procedures, emergency and safety concerns, and customer service. Then, new staff would be teamed with experienced staff for on-the-job training. After a few days of job training, new staff would be evaluated by supervisory staff and, if progressing properly, would be cleared for full duty. All training provided would be documented.

Recommendation 11
Formal customized training programs should be provided for all new employees. After new employee training, additional training opportunities should be provided by the WPA or the City of Winnipeg to help improve customer service and update staff on new policies and procedures or new service offerings.

Management Response:
The Agency agrees with the comment, with the additional observation that trainers for the parking industry are not present in Winnipeg, and that WPA staff are actually at the forefront of training in this city. The Agency will request funding for training and

assistance to be developed by from Human Resources (Planning and Services) for this purpose in its 2011 business plan.

On-Street Parking Operations

On-street parking in Winnipeg primarily includes metered areas, permit controlled areas, time limited spaces, loading zones, and disabled parking spaces. The total downtown on-street parking supply consists of 3,285 parking spaces. This supply includes 2,452 pay parking spaces, 403 one-hour time limit spaces (no fee), 385 two-hour time limit spaces (no fee), and 45 unrestricted spaces.

WPA staff collects parking funds from the parking meters as needed, based on checks of the Precise Parklink system (reporting system for the Parkeon stations). Checks of Precise Parklink are completed twice per week. The collection crews operate each weekday (two people per crew), and approximately 20 meters are collected each day. Each meter identified by a location code and a meter number. Collection staff can access the collection canisters in each machine, but they cannot access the coins in each canister. The collection canisters are taken to the Treasury for counting and depositing.

Meter Collection Vehicles are Left Unattended During Collections (and Left Running During Winter Months)

Consistent with generally recommended best practices, each collection team consists of two people. The WPA has two two-person teams, but WPA staff collect meter canisters simultaneously, leaving the vehicle unattended. Significant amounts of cash could be left unattended in the collection vehicle. This is an issue that must be corrected.

As an example, one large North American parking system collects parking meter (pay and display machines) canisters in the following fashion:

- Team arrives at the parking meter. The driver parks as close as possible to the machine, and in some cases double parks (the vehicle is appropriately marked and lighted for sudden stops).

- The collector then exits the vehicle and collects the parking meter canister. The driver stays in the vehicle.

- The collector places the canister in the vehicle, and then both driver and collector travel to the next pay station.

Recommendation 12

The WPA should review its parking meter collection procedures to reduce the risk of theft.

Management Response:

The Agency agrees with the recommendation in principle, however, the collection of pay station cash receipts really requires only one person, and employment of a second individual to sit in the vehicle appears to be wasteful of staff time and poor optics for the public. The Agency will explore other ways to reduce the threat of theft of, or from, its vehicles through the Fleet Management Agency and other industry sources.

System Generated Revenue Receipts Should Not be Turned in to Treasury Along with Associated Collection Canister

Ideally, the people counting the on-street meter revenues should not know how much money is supposed to be in each collection canister. This provides counting staff with the opportunity to keep any counted revenue beyond what is noted on the revenue receipt. For example, if the receipt says the canister should contain $1,000, but the canister actually contains $1,035, the counter could take the $35 overage. Although the Treasury has requested that receipts be included with canisters, Carl Walker recommends discontinuing this practice.

Recommendation 13

The practice of including the receipt in the canister should be discontinued.

Management Response:

The Agency agrees with the recommendation, insofar as meter cash counting is performed, and associated practices are established, by Winnipeg Transit Service Center Branch for the counting and depositing of meter coin. WPA has passed this recommendation on to Transit as a best practice, with a request to consider.

Parking Meters Should be Collected Prior to any Maintenance that May Affect Revenue Counts

WPA staff stated that certain types of parking meter maintenance resulted in a loss of collected revenue data. For example, if a maintenance technician changed an electronic component (e.g., the EPROM) the system would reset and any saved revenue data would be lost. This means that the cash collected by the meter up to that point could not be reconciled with actual utilization.

Whenever possible, parking meter cash should be collected prior to this type of maintenance being performed. This would help ensure that every parking meter collection can be reconciled with system generated revenue counts. The WPA should investigate opportunities to better coordinate meter maintenance and cash collection activities.

Recommendation 14

The WPA should investigate opportunities to better coordinate meter maintenance and cash collection activities to reduce the loss of revenue data.

Management Response:

The Agency agrees that this would be a better practice, however, meter maintenance is performed by the manufacturer's repair team, and collection is performed by internal city teams, there is currently no way of coordinating this collection and maintenance activity. The Agency will propose an alternative method of performing collection work that will unify this process in its 2011 business plan.

On-Street Parking Fees are Out of Alignment with Off-Street Fees/Rates

Carl Walker believes that the on-street parking rates in downtown Winnipeg are out of alignment with off-street rates. This price difference can have several significant negative impacts on the overall downtown parking system. First, lower cost on-street parking can encourage downtown visitors to search for available on-street spaces – increasing traffic congestion and pollution. Second, lower cost on-street parking can lead to an over utilization of available on-street parking resources – increasing frustration

for downtown visitors and discouraging them from visiting downtown. Finally, lower cost on-street parking can reduce the utilization of off-street parking resources – making them more difficult to financially support. Ideally, the more convenient on-street parking spaces should be more expensive than the less convenient off-street spaces. On-street parking rates should be set to encourage 85% utilization. This requires regularly monitoring on-street space utilization.

Recommendation 15
We recommend that the WPA review the on-street parking policy with the involvement of stakeholders.

Management Response:
In accordance with the 2011 WPA Business Plan approved by Council on March 23, 2011, the WPA is currently conducting a review of on-street parking rates in high demand areas of the downtown and Exchange District. The results of this review and recommendations for changes to on-street parking rates and times will be brought forward to Council in the 3rd quarter of 2011.

Parking Enforcement

The WPA provides citywide parking enforcement services 24 hours a day, seven days a week. Parking enforcement includes foot patrols, bicycle patrols, mobile (vehicle) patrols, and ALPR patrols. Enforcement officers are assigned to routes, and the officers are rotated between the various routes. Officers also respond to complaints from the community as received by WPA staff. In 2008, (the last full year in which citation information was available), the WPA issued 145,805 parking citations (or tags). Of the citations issued, the vast majority (68.3%) were parking meter violations, no stopping/parking violations, or overtime parking violations. The total number of citations issued in 2008 includes warnings and voids (34,816).

The WPA Needs to Establish Key Metrics for Measuring the Effectiveness of the Parking Enforcement Program and Enforcement Officers
Currently, the WPA does not actively track on-street parking durations and turnover (although the ALPR system may be able to provide parking duration statistics). In addition, the WPA has not yet established formal methods for evaluating parking enforcement officer job performance (outside of quality-control checks of citations and reviewing citation totals). This would not include any citation quotas for enforcement officers.

The WPA currently issues a relatively low number of parking citations per officer. Based on 2008 enforcement statistics (WPA website), the WPA issued approximately 3,240 citations per officer (assuming 45 officers per the WPA website). The number of citations issued per WPA officer is lower than seven other communities surveyed by the WPA (see adjacent table). The number of citations issued by the WPA

City	Citations Issued	Officers	Citations per Officer
Winnipeg	145,805	45	3,240
Ottawa	377,501	55	6,864
Vancouver	400,000	100	4,000
Calgary	330,000	68	4,853
Victoria	193,000	13	14,846
Saskatoon	125,645	19	6,613
Hamilton	180,020	55	3,273
Thunder Bay	45,000	6	7,500

Comparison of Citations Issued in Other Municipalities (source: WPA website)

may be appropriate. The number of citations issued could be due to a number of factors including marketing and education programs, warning programs, lower levels of parking duration and turnover, fewer violators, differences in parking availability, etc. It is important to note that this observation should not result in enforcement officers being given quotas to better match citation issuance levels of other parking programs.

The best way to measure enforcement program performance is through the collection and analysis of appropriate data. This data, collected at regular intervals, should include parking occupancy, duration, and turnover data, violation rates and capture rates, and the collection of direct parking revenues and citation fines.

Ideally, baseline data should be collected and benchmarks should be set based on conditions in Winnipeg. However, as a starting point, typical industry standards should be adopted for baseline assessment purposes. The following standards are presented as possible starting points for setting goals for WPA enforcement:

- Overall on-street occupancy rate: 85%;
- Average duration of stay in on-street spaces: 70-120% of time posted limits;
- Overtime/meter violation rate: 5-7%;
- Overtime/meter capture rate: 20-25%;

Ideally, the program's goals and policies would be developed through a formalized process led by the WPA, but also incorporating input from key stakeholders, city staff, and the community at large. Additionally, as suggested above, such goals should be reflected in specific, measurable targets for parking in downtown Winnipeg and adjacent areas that might be impacted by development and an increase in parking demand.

Recommendation 16
The WPA should establish key metrics for measuring the effectiveness of the parking enforcement program and enforcement officers.

Management Response:
The Agency agrees with the comment, it does, in fact, review metrics as spot checks, or on a case by case basis while investigating individual situations. Maintaining and consistently checking performance records is a task assigned to the enforcement system contractor. In 2011, the Agency will plan for funds to assign additional human resources to the gathering and maintenance of enforcement performance and other records.

Transfer Responsibilities for Loading Zones and On-Street Time Limits to the WPA and Post Time Limits on Loading Zone Signs
Current on-street loading zone signs do not include time limits. As the signs do not include time limits, it may be difficult for people to understand how long they can park in the zone. All parking regulatory signs should include sufficient information to help people park properly. All loading zone signs should include the appropriate parking time limit.

The WPA is not currently responsible for on-street time limits, loading zones, and associated signage. All city-owned public parking, including the designation of time limits, loading zones, and associated signage should be consolidated in the WPA.

Recommendation 17
The responsibility for establishing loading zones and time limits should be transferred to the WPA.

Management Response:
The Agency agrees with the comment and has recently received delegation of this responsibility from the Public Works Department. The Agency is now developing a process which involves input for the Public Works department and the community for approving and removing loading zones, and this will be in place by the end of 2010.

Current Parking Enforcement-Related By-laws Need to be Updated

- *Update By-laws to Require Vehicles to Move a Set Distance Once the Time Limit is Exceeded*

  Currently, vehicles only need to move slightly to get a fresh time limit. This means that, with little effort, people can stay parked on-street for periods of time greater than posted limits. In many communities, this often results in employees moving their vehicles every two hours (or whatever the posted time limit is) but remaining parked on street – in spaces that are generally intended for downtown customers and visitors.

  To combat this challenge, it is recommended that the city consider revising parking enforcement by-laws to require vehicles be moved off the block face (or full block, counting both block faces) entirely at the end of the designated time limit. The policy used by the City of Fort Collins, Colorado could be used as a starting point for by-law adjustments. Another approach could be to use parking pricing strategies to encourage proper behaviors.

- *Work to End the Requirement of Placing Parking Violations on Vehicles Before they Become Official*

  Currently, the WPA must place a parking citation on a vehicle before the citation is considered issued/valid. Because of this requirement, WPA enforcement officers take digital pictures of citations on vehicles as proof the citation was issued appropriately. Most parking systems reviewed by Carl Walker do not have this restriction.

  It is recommended that the WPA work with the Province of Manitoba to eliminate this requirement and to consider parking citations valid once they are issued, whether or not the citation is placed on the vehicle. It is assumed that if a citation is issued by a police officer, the citation is not considered invalid if the person that committed the infraction runs away. The same should be true with parking citations. People should not be permitted to flee the scene once a citation is started in order to invalidate the citation. The fact that the vehicle left without the citation being placed on the windshield does not mean an infraction did not take place. The citation should be mailed to the person if they refuse to accept the citation.

Recommendation 18
The WPA should work with the Legal Services Department to prepare amendments to the parking enforcement by-laws and provincial legislation to improve enforcement procedures.

Management Response:
The Agency agrees with the comment and has made these observations to the Province of Manitoba and City of Winnipeg Legal Services. The Province has agreed to review the wording of the legislation, and may make changes in its own time over the next few years. The Agency will continue to encourage this. City by-laws amplify provincial legislation and are currently as effective as they can be under current provincial rules.

Parking Enforcement Staff Should Not Void Parking Citations, Unless Citations are Issued In Error
Once a parking citation is started, it should be completed. WPA enforcement staff have the authority to void parking citations at any point of the issuance process. This means that officers could be tempted to void citations for certain individuals they know or if they are offered some inducement. This practice should be discontinued. Instead, officers should be allowed to change citations to warnings as needed. These warnings could then be tracked in the system, and full citations could be issued in the future if prior warnings have been issued.

Recommendation 19
Parking enforcement staff should not have the authority to void parking citations, unless citations are issued in error.

Management Response:
The Agency agrees with the comment, officers are routinely instructed to assign warning status to tickets rather than void status. Void status must be authorized by a supervisor. The enforcement contractor has been reminded of this.

Enforcement Vehicle Keys Need to be Properly Secured
Enforcement vehicle keys are currently stored in the parking enforcement office on a wooden key holder. The keys are not securely locked in a storage cabinet or a key storage safe. Therefore, anyone walking past the key board can take a set of keys.

The WPA could investigate purchasing a key safe with an electronic lock that requires a key code for entry. Key codes could be issued to appropriate personnel, and safe access could be monitored using software included with the safe.

Recommendation 20
Enforcement vehicle keys should be stored in a lockable storage cabinet, a cabinet specifically designed for key storage, or a key safe.

Management Response:
The Agency agrees with the comment and a new key control box has been purchased for installation.

Revenue Control, Cash Handling, and Reconciliation

Based on field observations, the level of revenue control provided by the WPA is generally consistent with other parking systems reviewed by Carl Walker. This includes reconciling collected vouchers and invoicing accounts, verifying WPA cash deposits with bank data, reviewing monthly facility reports provided by the parking operator, comparing revenue control system reports (PowerPad cashier reports) with cashier deposits, comparing on-street meter deposits with system generated reports, and reconciling front desk cashiering activities.

However, several concerns were noted by review staff that will need to be addressed. Significant concerns include general cash handling policies and reconciliations of parking facility activities.

The WPA Needs to Establish an Appropriate Policy for Voucher Production

There were a number of concerns noted during the review of voucher production that will need to be addressed by the WPA. This includes:

- Vouchers are produced using a fee computer and bulk encoder located in the parking office. It is our understanding that this fee computer is not currently online with any central control computer. Staff wishing to produce a set of vouchers can enter a password into the fee computer (only one password is used). WPA staff does not currently monitor the production of vouchers to determine how many vouchers are printed or if those that are printed are in inventory or have been used. In addition, as only one password is used, there is no way to know who produced the vouchers. This can result in vouchers being produced without the knowledge of WPA finance staff.

  This situation can be corrected by assigning individual passwords to staff allowed to print vouchers, not allowing staff that issues or audits vouchers to print vouchers, producing voucher production reports daily or each time they are printed, and maintaining a voucher inventory log.

- The WPA currently maintains a small inventory of vouchers in a locked cabinet for each client group so that orders can be filled quickly. However, these inventories are not monitored. There is no inventory log, vouchers pulled from inventory are not recorded, and no inventory audits are performed. This means that vouchers can be improperly pulled from inventory and used without a client's approval or knowledge.

- Voucher clients typically travel to the WPA parking office to pick up vouchers when needed. Vouchers are not currently signed by clients when they are picked up.

Since the vouchers are used to reduce or eliminate parking charges in WPA parking facilities, they should be properly tracked, inventoried, and treated in a similar fashion to cash. In order to correct these issues, the WPA should assign individual passwords to staff allowed to print vouchers, not allow staff that issues or audits vouchers to print vouchers, produce voucher production reports daily or each time they are printed, maintain a voucher inventory log to record new supplies and log out issued vouchers, and require clients to sign for vouchers each time they are picked up.

Recommendation 21
The WPA should establish an appropriate voucher production policy and procedures.

Management Response:
The Agency agrees and has already adopted recommended changes.

The WPA Needs to Improve Reconciliations of Parking Operator Activities
The monthly reports provided by the parking operator are not complete enough to accurately account for all parking facility activities. Issues include:

- The parking operator does not provide sufficient information concerning customer service complaints/issues, maintenance concerns/issues, and security/accident incident information. This issue can be corrected by requiring the operator to maintain customer service, maintenance, and security/accident logs for each facility. Any issues or concerns should be communicated to the WPA immediately (if an emergency or possible insurance claim) or in the monthly report. The information should include the incident, appropriate contact information, and what the operator did to address the issue. If there are no incidents to report, the monthly report should state that there were no incidents.

- Parking accumulation and utilization information is important for reconciling activities, adjusting rates and parking allocations, determining the impacts of rate adjustments, and maintaining historical information. Utilization information would be provided by the PARC system, and should include differential counts and accumulations for monthly and transient parkers. Some parking operators provide this information as averages for the month, while others provide counts and peak occupancies by day. This information should be included in parking operator reports.

- Monthly parking operator reports should include information concerning the number of transient tickets processed each day, average fee amounts per day, and ticket stocks used (including ticket tracking numbers). This information will help reconcile activities and help provide data necessary to model future parking rates and revenues.

- The parking operator should be able to provide continual tracking of non-resettable lane counters (e.g., number of vehicle entries and exits) so that WPA staff can ensure all vehicles were processed correctly. This information would be provided by the PARC system or by non-resettable lane counters mounted in each lane (usually inside each control gate). Ideally, this number would be recorded each time a cashier starts and ends their shift. This would provide a means to ensure each vehicle exit had a corresponding transaction (either a monthly card exit or a fee computer transaction).

In addition to these issues, the parking operator should provide copies of all deposit receipts along with the cashier fee computer reports to the WPA on a daily basis. This would allow WPA staff to compare bank deposits with fee computer reports more quickly.

Recommendation 22
The WPA should establish appropriate Parking Operator activity reconciliations.

Management Response:
The Agency agrees and has adopted the recommendation.

The WPA Needs to Improve Cash Handling Policies and Procedures
There are three areas where the WPA needs to improve cash handling:

- *Chain of Custody Policies for Cash, Including the Break Policy Relative to Cash Handling for Cashiers*

  Currently, starting change funds are not double verified when issued to front desk cashiers. In addition, cashier deposit drops are not double-verified prior to being placed in the drop safe. Therefore, if a change bank or deposit drop does not contain the appropriate amount of money, it is difficult or impossible to accurately determine who is responsible. It is not clear if this same situation is occurring in the parking facilities, as the parking operator is responsible for properly verifying change and deposit funds. However, no written policies were found that address cash handling in the parking facilities.

  Every time a change bank is issued or money is dropped into the drop safe, it should be double verified and noted on a cashier report or change funds and drop safe logs. This process ensures that the chain of custody is maintained, and the cash that is either directly or indirectly passed from one individual to the next is verified. This will ensure that the individual assuming custody of the cash is assured that he/she is receiving the correct amount. Staff should be retrained on chain of custody procedures and required to sign a document stating he/she is clear on the procedures and consequences for not adhering to them.

  Another concern is cash handling during front desk cashier breaks. Currently, another cashier or supervisor works out of the same cash drawer as the cashier being given the break. The cashier receiving the break does log out of the computer while on break. However, there is no verification or documented change of custody for the cash in the fee computer drawer. Therefore, if funds are missing it is difficult or impossible to accurately determine who is responsible. As with other cash handling issues, it is not clear if this same situation is occurring in the parking facilities. However, no written policies were found that address cash handling during breaks for the parking facilities.

  Break cashiers should work out of a second cash drawer or break bag. This would require a separate break attendant change fund. The attendant receiving the break should log off the computer (or suspend their shift), and the break attendant should log in. All transactions should be kept separate, with the break attendant following the typical cashier closeout procedures after the break. In addition, a secure place (e.g. lockers with cashier-owned locks) is needed for cashiers receiving breaks to store shift cash, or a lockable fee computer drawer could be acceptable.

- *The WPA Needs to Establish a Regular Cash Drop Policy for Cashiers*

  It was noted during the field review that the WPA does not require cashiers to deposit cash until the end of their assigned shift. This can mean that cashiers can have a significant amount of cash in their cash drawer by the end of their shift.

Allowing cashier to accumulate large amounts of cash throughout their shift can make end of shift closeout take longer (more cash to count), and can be a tempting target for thieves.

Instead, it is recommended that the WPA institute a policy that requires cashiers to make periodic cash drops during their shifts. For example, cashiers could be required to make a $200 deposit every time the cash in their cash drawer exceeds $200 over their starting change bank. The deposits would be double verified, and each deposit bag (lockable or tamper evident) would be identifiable to the cashier making the deposit. Each deposit would be recorded on the cashier's log and a deposit log.

- *The WPA Needs to Utilize Serialized Tamper-Evident Deposit Bags (or Lockable Deposit Bags) for Cash Deposits*

  The deposit bags currently used by WPA front desk cashiers are not lockable or tamper evident. Carl Walker recommends the use of lockable or tamper evident bags for all cashier deposits. This will help ensure access to deposited funds is limited to those authorized. The use of lockable or tamper evident bags is enhanced with the addition of double verification.

Recommendation 23
The WPA should improve cash handling procedures to strengthen the security of cash and enhance the ability to identify the persons responsible for the custody of cash.

Management Response:
The Agency agrees and will include planning for the additional staff time required to accomplish this in its 2011 business plan.

The WPA Needs to Improve Parking Permit and RFID Transponder Controls
The WPA currently stores parking permits and RFID transponders in a lockable storage cabinet. Parking permits are issued in numerical order. However, this cabinet is left open during business hours so that cashiering staff has access to permits and transponders.

This condition is typical of many parking systems. However, according to WPA staff, there is currently no formal process for reviewing permit/transponder inventories and comparing inventories to sales. This means that permits could be issued out of sequence, or that permits could be issued without processing them appropriately (e.g., permits may be issued but no billing account is set up).

Recommendation 24
The WPA should establish a policy for periodic reviews of permit and transponder inventories, comparing inventories with permits/transponders issued or reported lost or stolen to ensure all permits are processed appropriately.

Management Response:
The Agency agrees and has adopted the recommendation.

The WPA Needs to Improve the Utilization of PARC System Reports to Reconcile Parking Operator Activities.

According to WPA staff, the WPA does have the ability to pull reports from the PARC system to review cashier activities, lane reports, parking utilization, etc. However, the WPA does not currently utilize these reports on a routine basis.

The information that can be provided by the PARC system is important for reconciling activities, monitoring utilization, and addressing equipment concerns. The primary goals are to ensure an accurate accounting of all facility activities and that sufficient information exists to reconcile all facility activities. At a minimum, the WPA should program the system to automatically pull reports as follows:

- Daily lane activity and utilization reports.
- Daily system activity reports (equipment monitoring).
- Monthly revenue reports.
- Monthly utilization reports.

Additional reports (e.g., daily cashier activity reports) should be reviewed and audited each day by the parking operator. These reports are necessary to properly monitor parking operator activities, reconcile and audit cashier activities, compare facility utilization with revenues collected, and provide sufficient data for management and system planning.

Recommendation 25

The WPA should utilize PARC system reports to monitor parking operator activities.

Management Response:

The Agency agrees and will include planning for the additional staff time required to accomplish this in its 2011 business plan.

The WPA Needs to Improve the Accuracy of On-Street System Generated Revenue Reports

The WPA currently investigates on-street meter deposit discrepancies only if they are over $50. This results in the WPA investigating discrepancies only if they are greater than 2.5% to 5% of the deposited amount. This margin of error is higher than typical industry standards.

Recommendation 26

The WPA should continue working with the on-street meter provider to investigate opportunities to improve system-generated reports to reduce deposit discrepancy thresholds.

Management Response:

The Agency agrees and has adopted the recommendation.

All Auditing and Reconciliation Processes Should be Clearly Outlined or Flow-charted

WPA auditing and reconciliation processes are not currently outlined. The policy and procedure manuals provided by the WPA do not include any detailed processes for any auditing or reconciliation processes.

All WPA accounting processes should be flowcharted. The movement of each classification of revenue (e.g. transient revenue, monthly revenue, voucher revenue, and citation revenue) should be flowcharted from the collection point to final reconciliation. This will help communicate the processes to WPA staff, serve as a historical record of processes, provide training materials for new staff and help identify problems and inefficiencies.

Recommendation 27
All WPA accounting processes should be flowcharted. The movement of each classification of revenue (e.g. transient revenue, monthly revenue, voucher revenue, and citation revenue) should be flowcharted from the collection point to final reconciliation.

Management Response:
The Agency agrees and will include planning for the additional staff time required to accomplish this in its 2011 business plan.