

BUDGET AND FINANCE COMMITTEE REPORT relative to the Accounts Receivable Summary Report for Fiscal Year-End 2015-16, and a new direction for future reporting.

Recommendation for Council action:

INSTRUCT the Office of Finance (Finance) to:

- a. Report annually to the Council on the status of the City's non-tax accounts receivable.
- b. Work with citywide billing departments and report back on potential cost-benefits of standardized interest application.
- c. Research and evaluate modern collections models and best practices, and report back with findings and recommendations for the City to enhance collections management.

Fiscal Impact Statement: Finance reports that approval of the above recommendations would result in no fiscal impact to the General Fund. Finance will report back on the results of the collections management centralization solution solicitation and include a fiscal impact statement based on any proposals resulting from this solicitation.

Community Impact Statement: None submitted.

SUMMARY

At its regular meeting held on April 3, 2017, the Budget and Finance Committee considered a Finance report dated February 28, 2017 relative to Accounts Receivable Summary Report for Fiscal Year-End 2015-16, and a new direction for future reporting. Finance reports that in accordance with the Mayor's Executive Directive No. 5 and Council file No. 09-0600-S171, Finance has been submitting citywide Accounts Receivable Summary Reports since Fiscal Year 2009-10 which provide an overview of the City's outstanding non-tax accounts receivable amounts, the age of the accounts, and the departments' assessment of amounts to be collected in the future. However, Finance is proposing to simplify the reporting of such accounts by changing its content, frequency and format.

After consideration, and after providing an opportunity for public comment, the Budget and Finance Committee approved the recommendations in the Finance report. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	YES
MARTINEZ:	YES
BLUMEMFIELD:	YES
BONIN:	YES

REW
4/3/17
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-NOT OFFICIAL UNTIL COUNCIL ACTS-