



*Las Vegas*

Agenda Item No.: 7.

**AGENDA SUMMARY PAGE**  
**AUDIT OVERSIGHT COMMITTEE MEETING OF: APRIL 24, 2008**

DEPARTMENT: CITY AUDITOR'S OFFICE  
DIRECTOR: RADFORD SNELDING

Consent  Discussion

**SUBJECT:**  
Discussion and possible action on a report from the Director of Finance and Business Services on the outstanding parking ticket balance.

**Fiscal Impact:**

- No Impact  Augmentation Required
- Budget Funds Available

Amount:  
Funding Source:  
Dept./Division:

**PURPOSE/BACKGROUND:**

In the December 6, 2007 Audit Committee Meeting Mr. Troncoso asked that a report on the outstanding parking ticket balance be given.

**RECOMMENDATION:**

Accept report

**BACKUP DOCUMENTATION:**

Submitted at Meeting Parking Collection Procedures and graphs

Motion made by STEVE WOLFSON to Approve to accept the report

Passed For: 3; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 2  
LARRY BROWN, STEVE WOLFSON, PAUL WORKMAN; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused- JOSE TRONCOSO, MICHAEL W. KERN)

**Minutes:**

City Auditor Rad Snelding introduced Mark Vincent, Director of Finance and Business Services, who made a presentation and distributed parking collection procedures. Mr. Vincent referred to graphs showing a decrease in citations issued and a 15% increase in collections. Member Wolfson asked if the increase was due to the increase in the amount of fines or a better collection process. Mr. Vincent replied that it was due to the recommendation by the City Auditors Office to implement the collection process. An average parking ticket is \$45 and it is hard to spend a lot of collection effort on a \$45-fine that has not been adjudicated. He gave an example of a situation where a person had three \$250 handicap citations. Those fines tripled and doubled for a total of \$2,250 in outstanding fines. The person had a valid handicap plaque and once she demonstrated the handicap plaque, the fine was reduced to \$75.

He referred to the Parking Citation Collection History graph showing a three-year issuance of tickets and how much was collected.

## AUDIT OVERSIGHT COMMITTEE MEETING OF: APRIL 24, 2008

Mr. Vincent referred to the Parking Collection Procedures and indicated that the third notice was implemented recently and since its implementation, \$495,000 was collected. The notice tells the person that it may be sent to a collection agency if not paid. Member Wolfson verified with Mr. Vincent that the City is not losing money on the collections. In fact, parking tickets fall into the Parking Enterprise Fund, which is funded by parking meters, some rental garages the City leases, and fines and penalties from the collection process. The positive cash flow generated by the Parking Enterprise Fund is then used to enhance other parking projects.

Mr. Vincent explained the process of placing a hold on registrations with the Department of Motor Vehicle (DMV). The City has access to the DMV to place a hold. However, if the registration of a car expires or the car is sold, the hold will not work because the hold is placed on the registration. The City chose Credit Bureau Central (CBC) through a Request for Proposal (RFP), which is able to collect from out-of-state drivers. However, the law requires that in order to be a collection agent, the agency must have a Nevada office, which Credit Bureau Central does not. Therefore, the City will let that RFP expire, review the requirements document, add additional scope of work and put it back to bid. Currently, CBC charges a 2% collection fee. Mr. Vincent further explained other procedures which he submitted for the record.

Vice Chair Brown verified with Mr. Vincent that three to five percent of collections are coming through from CBC. If a larger national agency is chosen, it might generate more revenue.

Member Workman recommended that when a request for an RFP is made that they choose someone that has the latest technology. Mr. Vincent acknowledged that firms with law background use the latest technology, a collection letter sent by a law firm might generate more responses. Member Workman suggested indicating in the third-day notice about a DMV hold. He also verified with Mr. Vincent that a name search is done for valid addresses. Regarding unregistered plates, Mr. Vincent replied that Parking Enforcement will deal with that issue. The only time the City is involved with booting and towing is when they are on the boot list.

In response to Member Wolfson's query, Mr. Vincent replied that 40 to 50% parking ticket recipients pay their tickets after the first notice is sent. Member Wolfson wondered why some people send their checks and some do not. He suggested, perhaps specifying on the notice the consequences for not sending the check. This might generate a greater response. Mr. Vincent replied that the City has on-line payment available, especially for out-of-state people. It was also suggested imposing a ticket moratorium as an effective way to enhance collections. There is also a language barrier, but this is something that can be worked out with Parking and Enforcement.

Tim Shackelford, Detention and Enforcement, verified that the ticket provides information in Spanish on how to get hold of the department. Mr. Vincent added that there is always room for improvement, but the idea is not to spend more money than is collected.