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AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Katano Kasaine
Director of Finance

SUBJECT: Biannual Report of Aging and
Outstanding Revenue
Supplemental

DATE: March 27, 2018

City Administrator Approval

Date: May 8, 2018

4/25/18

RECOMMENDATION

Staff Recommends That The City Council Receive The Biannual Report On Aging And Outstanding Revenue.

REASON FOR SUPPLEMENTAL

At the February 27, 2018 Finance and Management Committee, staff was directed to prepare a supplemental report in response to the following questions:

Question 1

What percentage of outstanding revenues from other governmental agencies?

Response:

Government Agencies have 43 outstanding invoices, which account for 8.7% of all outstanding Account Receivable invoices and account for 61.73% of all outstanding revenues. The State of California Department of Transportation is the largest agency with an amount due and represents 52% of all government agencies. Staff expects 100 percent of these outstanding invoices to be paid by the grantor with some expected timing delays.

Question 2

Would additional collections staffing assist in collecting outstanding receivables?

Response:

Citywide Collections has determined an additional Revenue Assistant would be ideal as opposed to another collections officer. The Revenue Assistant would provide clerical duties/support for the Collection Officer, which will provide the Officer the freedom to work on assigned collection account case work faster.

For example: The Revenue Assistant would skip trace for current information to locate taxpayers who have not responded to letters sent in the mail or where the letters have been returned.

Identified duties for the Citywide Collections Revenue Assistant:

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- Invoicing payments made on accounts
- Reconciling payments and entering information in Oracle
- Filing and recording payments
- Creating court case files and update court case status in Oracle
- Perform routine clerical duties in support of the Citywide Collections Unit

This position will cost approximately \$118,000 (Step 5 salary and including fringe benefits) and will not generate additional revenue because receivables are already allocated to prior expenditures.

Question 3

Can staff dig deeper into the big-ticket items, particularly Oakland Public Works Department receivables?

Response:

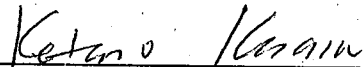
The \$3.1 million outstanding accounts receivable represents \$2.8 million of Oakland Public Works/Department of Transportation (DOT) grant project billings to grantors of which \$1.2 million has already been received between December 2017 and March 2018; approximately \$1.1 million is still outstanding; and \$0.3 million are being held for retention until project is completed. The remaining \$0.1 million are outstanding DOT Right of Way Management Inspection billings, while \$0.2M belongs to Oakland Police Department.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Receive The Biannual Report On Aging And Outstanding Revenue.

For questions regarding this report, please contact Margaret O'Brien, Revenue & Tax Administrator, (510) 238-7480.

Respectfully submitted,



Katano Kasaine
Director of Finance
Finance Department

Reviewed by:
Margaret O'Brien
Revenue and Tax Administrator
Revenue Management Bureau