SUBCOMMITTEE ON FINANCE AND ADMINISTRATIVE SERVICES
Meeting Minutes
March 20, 2012 – 5:00 P.M.

Sunnyside City Hall Conference Room
818 East Edison Avenue, Sunnyside, Washington

REGULAR MEETING – 5:00 P.M.

Meeting was called to order at 5:00 P.M.

Present: Councilor James A. Restucci, Councilor Craig Hicks, Councilor Theresa Hancock

Staff Present: Byron Olson, Amy Palmer

Others Present: Jennie McGhan- Daily Sun News

1. ELECTION OF CHAIR/VICE CHAIR:

Councilor Restucci was elected chair of the committee and Councilor Hicks was elected vice chair.

2. ACTIVE AGENDA:

A. Debt Collection Options

Amy provided a briefing on multiple items related to collecting debt owed to the City. The first item was a proposed agreement with Rent Recover, LLC. They currently provide collection services to the Municipal Court; the proposal is to expand their services to include past-due utility bills and ambulance fees. The City currently has an agreement in place with Evergreen Financial Services, Inc. to provide collection services for delinquent ambulance billings. If the Council decides to initiate an agreement with Rent Recover the City would need to give a 90 day cancellation notice to Evergreen.

The second item was on a proposed application form to be used when customers are applying for new accounts or updating information on existing accounts. There was discussion about what type of information was appropriate to gather from the customer and revisions were provided by the Councilors to be integrated into the form and then the form was approved as modified.

The third item was the establishment of security deposits as a condition of continuing or restoring utility service under the Finance Director's discretion when it appears there is a risk of nonpayment or underpayment. After discussing this and clarifying that this would be collected from renters and held in trust separate from City funds the Council approved this and recommended moving to the whole Council to consider.

The next item was a policy that would allow utility customers that meet certain criteria to enter into payment plans with the City for repayment of outstanding utility bills rather than being sent to collection or having their service terminated. If the customer does not abide by the payment plan they would immediately have their service terminated and the debt would be sent to collection. The Council was also in favor of this.

The final item was the establishment of a policy that governs the write-off of uncollectible accounts receivable. Various circumstances generate the need to write-off certain accounts receivable. Staff recommended that four levels be set:

- Accounts receivable that are submitted to a collection agency that are returned to the City as uncollectible – Write-off when notification is received
- Litigation losses involving accounts receivable – Write-off when litigation is settled
- Bankruptcy notifications involving accounts receivable – Write-off when notification is received
- Other instances as determined by the Finance Director in which it would not be productive to sue the debtor – Threshold set at $250 maximum without Council approval

B. Finance Staffing Options

Byron discussed the current workload of staff in the Finance Department and proposed that we reclassify the current vacant Accounting Specialist II position to an Accounting Assistant position in order to gain efficiencies and financial savings. Council gave their approval for this.

C. Human Resources Policies

Byron asked the Council how they would like to review the policy. They indicated that they would like to have the sexual harassment policy drafted separately now because of the training being mandated by the insurance company. They would also like to see nepotism and fraternization addressed in the policy. So far five council members have reviewed the policy. The other two can go through it after the Interim City Manager has reviewed it.

Action: Deputy City Manager Olson will coordinate a time with Councilors Hicks and Raines to review the policy with them.

3. FUTURE AGENDA ITEMS:

A. Finance Policies

These will be brought before the Council in April.

B. Indemnification of Public Officials

Byron asked if the Council wanted the indemnification codified and they replied that they did.

C. Finance Reporting

Byron gave the Council the financial reports for January and February and asked if the reports were in the format that they liked/needed. Councilor Restucci replied that the direction for that should be coming from the whole Council. He said to bring the current report to the March 26th report and he will raise the question so the Council can give their feedback at that time.

D. 2013-2014 Budget

Byron asked if the Council would like to continue to do biennial budgeting for 2013-2014 or return to annual budgeting. After discussing the pros and cons of biennial budgeting and how to do variance reporting for it the subcommittee agreed to continue with biennial budgeting for now.

4. ITEMS FROM SUBCOMMITTEE MEMBERS

Councilor Hancock did not have anything to bring forward but she expressed her excitement about the progress the subcommittee was making and was glad to see that some things were getting done that had been on the back burner for a while. Councilor Restucci raised concerns about the deficit in the jail fund and bringing IT solutions forward in a piecemeal fashion. Councilor Hicks would like to know about shortfalls earlier.

5. NEXT MEETING

The subcommittee did not set a regular date and time to meet due to the uncertainty of Councilor Hicks' work schedule and availability. He will know his availability for meeting on March 29th and notify the rest of the subcommittee when he can meet so the next meeting can be scheduled.

6. ADJOURN

With there being no further items to discuss, meeting was adjourned at 6:37 P.M.

Respectfully submitted,

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Amy Palmer,
Assistant Finance Director