



Staff Report

File #: 19-2311, **Version:** 1

Yountville Town Council Staff Report

DATE: October 1, 2019

TO: Mayor and Town Council

FROM: Preya Nixon, Sr. Management Analyst

TITLE

Second Reading and Adoption of Ordinance Number 19-488 adding Chapter 1.26 of Title 1 of the Yountville Municipal Code Regarding Collection of Unpaid Accounts Receivable

DISCUSSION/BACKGROUND

On September 17, 2019, the Town Council unanimously introduced and waived the first reading of Ordinance 19-488, regarding collection of unpaid accounts receivable.

The Town of Yountville collects revenue from various sources as outlined in the Master Fee Schedule and in the adopted budget. Examples of revenue includes fees for licenses and permits (such as an encroachment permit) and Parks and Recreation classes, or a facility rental. These fees are related to services provided by staff and any required supplies.

When a customer signs up for a Parks and Recreation class, payment is received in advance. In the Planning and Building Department, development projects require a planning deposit that is used to cover staff time. These deposits are reviewed on a monthly basis and staff notifies the developer if more money is required on the deposit, or if there is a balance owing at project completion.

Fines are also issued for code enforcement violations. Staff monitors whether payment have been received for these fines.

The purpose of adding this chapter to the Yountville Municipal Code is to give staff the option to utilize a third party collections agency as a method to collect unpaid accounts receivable. When money is due to the Town, staff make all efforts to receive this money by contacting the customer to receive payment. Staff may utilize different remedies to receive payment; for example by potentially withholding a building permit. With appeals, a customer has to cover costs but if the appeal is lost, the customer will still have to pay staff time. Another example is for customers with closed utility accounts that have a final balance on their last utility bill. Having the option to utilize a third-party collections agency is an additional method to receive payment on unpaid accounts receivable. This is also a best practice for revenue management.

ENVIRONMENTAL REVIEW

Exempt per California Environmental Act (CEQA) Guideline, Section 15061(b)(3)

FISCAL IMPACT

Is there a Fiscal Impact? N/A

Is it Currently Budgeted? N/A

Where is it Budgeted? N/A

Is it Mandatory or Discretionary? N/A

Is there a Staff Resource Impact? Nominal

STRATEGIC PLAN GOAL

Is item Identified in Strategic Plan? Yes

If yes, Identify Strategic Goal and Objective. **Responsible Fiscal Policy:** The Town maintains its fiscal health through policies designed to maximize economic opportunities, manage expenses, and ensure prudent reserves.

Briefly Explain Relationship to Strategic Plan Goal and Objective. Collecting accounts receivable and other amounts due utilizing all remedies possible including a third-party collections agency is responsible fiscal policy.

ALTERNATIVES

Revise the Ordinance and hold another first reading.

Take no action.

Provide different or additional direction to staff.

RECOMMENDATION

Second Reading and Adoption of Ordinance Number 19-488 adding Chapter 1.26 of Title 1 of the Yountville Municipal Code Regarding Collection of Unpaid Accounts Receivable