

BUDGET AND FINANCE COMMITTEE REPORT relative to Agreements with AllianceOne Receivables Management, Inc.; Caine and Weiner Company, Inc.; Harris & Harris, Ltd.; and Linebarger Goggan Blair & Sampson, LLP; for primary and secondary delinquent account collection services.

Recommendation for Council action:

APPROVE and AUTHORIZE the Director, Office of Finance, or designee, to execute the proposed Agreements with AllianceOne Receivables Management, Inc.; Caine and Weiner Company, Inc.; Harris & Harris, Ltd.; and Linebarger Goggan Blair & Sampson, LLP; for outside collection services on the City's delinquent accounts, for the term of five years with one three-year option to extend. Funding for said contractors' services is based on a contingency fee basis, subject to review by the City Attorney as to form.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that funding for said contractors' services will be based on a commission rate applied to the revenues collected for each delinquent account. There is no anticipated impact to the General Fund.

Financial Policies Statement: The CAO reports that the recommended action is in compliance with the City's Financial Policies in that to the extent possible, funding for current operations will be funded by current revenues.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on December 2, 2025, your Budget and Finance Committee considered the CAO report, dated November 25, 2025, relative to authorizing the Office of Finance to execute Agreements with said contractors for primary and secondary collection services on the City's delinquent accounts receivable, each for a term of five years and one three-year extension option. Funding will be provided for services on a contingency fee basis from revenue recovered by each contractor, at a commission rate of 18.75 percent for primary collection accounts with invoices are 45 days past due; and, 20 percent for secondary collection accounts with delinquent invoices previously assigned to outside collection agencies at the primary level and returned after a minimum of nine months. No compensation will be due to the contractor should there be no recovery.

After an opportunity for public comment was held, the Budget and Finance Committee recommended that Council approve the recommendation contained in the CAO report, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
YAROSLAVSKY:	YES
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	YES

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