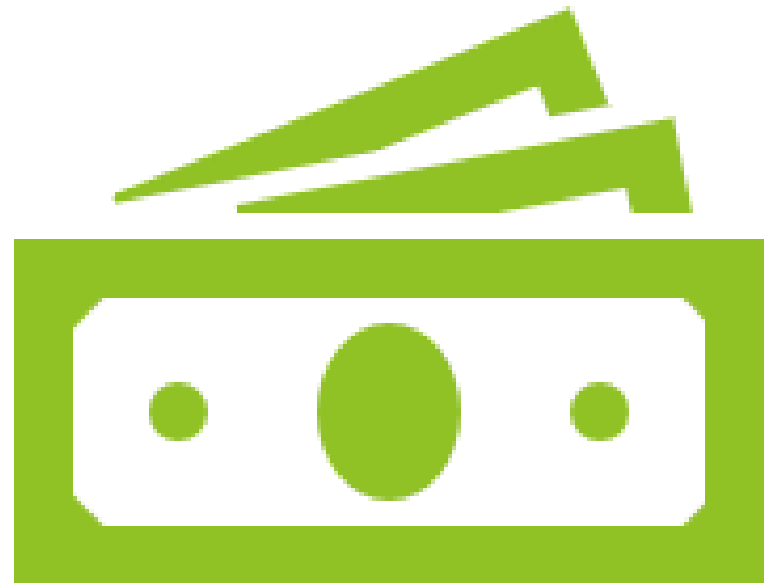


Accounts Receivable Follow Up

Judiciary & Legislation
Committee

Bill Christianson
City Comptroller

Monday February 23rd, 2026



Purpose & Context



Provide insight on Accounts Receivable challenges



Answer prior questions and share updates



Goal: Make the report useful and actionable for you

Two Core Challenges

- ▶ Preventing new overdue receivables - Collect quickly on front-end
- ▶ Addressing long past-due balances - Large amounts outstanding, low likelihood of collection

Current Policy & Process

AR Policy implemented 2 years ago

Collection Process:

- 0-30 days: Normal billing
- 31-90 days: Automated notices + department outreach
- 90+ days: Determine action → refer to Kohn Law Firm

Monthly follow-up by Comptroller's Office

- ▶ Invoices >1 year old: low collection likelihood
- ▶ Manual write-off process (CBP-177 form)
- ▶ New financial system (Workday) will improve efficiency
- ▶ Departments making progress despite challenges

Long Past-Due Receivables



Parking citations: cash basis



General Fund: revenue recognized when billed



Write-offs funded by General Fund Balance



Policy:

Reserve 10% for >1 year old

100% for >2 years old

Accounting & Budget Highlights

- ▶ Excess revenue → increases unrestricted fund balance
- ▶ External reimbursable accounts phased out by 2030
- ▶ Charter/Spectrum example
- ▶ Kohn Law Firm vs. in-house collections

Key Questions & Responses

Next Steps



CONTINUE MONTHLY
TRACKING AND FOLLOW-
UP



SHARE TRACKING
DOCUMENT IF DESIRED



SUPPORT DEPARTMENTS
IN PROACTIVE
COLLECTIONS



PREPARE FOR
TRANSITION TO
WORKDAY SYSTEM