



CITY AUDITOR

**Gary W. Nystul CPA CFE**  
**City Auditor**  
**345 Sixth Street Suite 600**  
**Bremerton, WA 98337-1873**  
**360.473.5369**  
[www.gary.nystul@ci.bremerton.wa.us](http://www.gary.nystul@ci.bremerton.wa.us)

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Honorable Patty Lent, Mayor

Attached is a report by the City Auditor of unpaid parking infractions. The report reviewed infractions issued between January 1, 2010 and May 21, 2011. As of August 2011 there were approximately 5,175 of these that were unpaid with \$309,500 due the city. This amount is included in the \$2,679,000 due the City for unpaid parking infractions that have been turned over to the collection agency. The report makes recommendations to improve the collection process.

Your response within 30 days of proposed actions to implement the recommendations would be appreciated. Please let me know if we can provide any other assistance on this matter.

Sincerely,

Gary W. Nystul

cc: City Council  
Municipal Court

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# **REVIEW OF UNPAID PARKING INFRACTIONS**

## **Purpose**

The Office of the City Auditor reviews various phases of city operations for compliance and performance. This review of unpaid parking infractions is a follow-up of the review of parking scheduled in the 2011 work plan. This review is to analyze unpaid parking infractions, including the process and the number and amount unpaid.

## **Scope**

This is a review of unpaid parking infractions as of August 17, 2011, issued between January 1, 2010 and May 31, 2011.

## **Statement of Auditing Standards**

This performance/compliance audit was conducted in accordance with Generally Accepted Government Auditing Standards, except Standard 3.50 requiring an external quality control review. Those standards require that the auditor plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. The auditor believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

## **Objective**

The objective of this audit was to:

- Analyze unpaid parking infractions, the collection process and the areas of responsibility for the system. The emphasis is on individuals with multiple unpaid infractions.

## **Summary of the Results**

- The software system used to process infractions has not been programmed to identify vehicles with multiple unpaid infractions
- Responsibility for the overall parking process has not been established
- The collection process for unpaid infractions does not provide adequate procedures to handle offenders with a significant number of unpaid tickets

## **BACKGROUND**

The City contracts with private companies to enforce parking regulations within the city limits. These companies are responsible for monitoring the on-street parking for compliance with time limits, parking locations, vehicle licensing and similar rules.

When a violation is noted, the enforcement company issues a “Notice of Infraction” using a city provided hand held device. The information entered in the system includes license plate number, vehicle description, location of infraction, and violation code. This information is downloaded daily to the software used by the city to record violations, payments and any actions of the Court.

Payments are made to the Municipal Court. The owner must respond within 15 days of the date of the ticket or a late fee is added. If the owner does not respond within 15 days, a delinquent notice is mailed to the address obtained for the license plate. If the owner does not respond within 30 days after the delinquent notice, the account is turned over to a collection agency.

The collection agency will contact the owner by mail and/or telephone. They offer payment arrangements and endeavor to get the individual to pay. If they do not pay after a period of time, the amount is placed in their credit file. The collection agency continues to try to collect the amount due for as long as permitted by law.

In the state of Washington, vehicles with unpaid parking tickets may not be able to renew their registration. However, vehicles registered in other states do not have any restrictions for unpaid parking offenses occurring in Washington.

As of August 2011, there were approximately 5,175 unpaid parking tickets with a total amount due of \$309,500 that were issued from January 1, 2010 to May 31, 2011. Of these, 2,314 were from 365 individuals who had three or more unpaid parking tickets with a total due of approximately \$140,000. A vehicle with one unpaid parking ticket receives the same attention as a vehicle with 59 unpaid parking tickets. See the schedule on the last page for a detail of multiple offenders.

## **OBSERVATIONS**

### **1. MONITORING OF MULTIPLE INFRACTIONS**

The parking software has not been programmed to provide a listing of vehicles that have multiple unpaid parking tickets. The software does not have such a standard report and there has not been any request to create one. A “hot sheet” report prepared by the system was found to omit many multiple offenders. Research found one vehicle, with a Hawaii license plate, having 80 unpaid tickets that were issued during 2006 and 2007. There is no evidence that anyone noticed

the number of infractions issued or the absence of information on the registered owner. There is no evidence of any enforcement action on this vehicle.

## 2. IDENTIFYING REGISTERED OWNER

A review of unpaid infractions noted that in some cases the name of the owner was not obtained. For the 2,314 infractions, 225 (9.75%) did not have an owner's name. The software is programmed to electronically inquire of the vehicle registration files for the state in which it is licensed to obtain the name and address of the registered owner. In most states this information is available. However, in some instances the automatic routine of the software does not produce a name and address. Responsibility has not been established for someone to review unpaid infractions to identify missing owner information. If the registered owner is not identified, the account can not be turned over for collection.

## 3. RESPONSIBILITY FOR OVERSIGHT HAS NOT BEEN ESTABLISHED

There is no city employee responsible for all phases of parking enforcement. The City hires the parking enforcement contractor who issues the notice of infraction. The City has assigned a staff person to receive parking complaints from the public and work with the enforcement company. However, this staff person is not tasked with any financial or oversight responsibility.

The Municipal Court acts as a receipting agency, by accepting payments. If the owner does not pay they cause a delinquent notice to be sent. If after the notice it remains unpaid, the Court sends the account electronically to a collection firm. The Court is not tasked with any financial oversight or monitoring.

Section 10.11.050 of the Bremerton Municipal Code allows the City Attorney to declare a vehicle with three or more unpaid infractions a nuisance. If after notice, the owner does not pay or make arrangements for payment, the vehicle may be impounded by the Police Department. This notice portion of this process has been used a few times in 2010 and 2011. There is no evidence that the Police have impounded a vehicle as allowed. It is unclear who should report the unpaid infractions to the City Attorney. There is no one assigned for this portion of the collection process.

## RECOMMENDATIONS

1. The City Administration should review the entire process and assign an employee to coordinate and oversee the entire process. The present procedure works well for issuing the infraction notice, collecting money and providing a

point of contact for the public. However, there is a need for oversight to ensure the owners name is provided for collection purposes. More aggressive procedures are needed for individuals with many unpaid citations. An increase in collection procedures could result in increased revenue to the city and would encourage better compliance.

2. The software system used to record and manage the parking system should also include a routine to identify vehicles with multiple unpaid infractions. Such a report should not be difficult to develop. Someone in charge needs to request the program be developed and then ensure it is used. This procedure should be specifically assigned to an individual or office.
3. The City Administration should consider utilizing Bremerton Municipal Code Section 10.11.050 to declare multiple offenders' vehicles a nuisance and impound them. Scofflaws with a number of unpaid infractions should be given more emphasis. Duties and responsibilities for the entire process should be assigned.
4. The police department has a license plate reading device on one patrol car. It is programmed to read license plates to detect stolen vehicles. It is technically possible to add vehicles with a number of unpaid parking tickets to this system. This option should be explored for major offenders.

**INFRACTIONS ISSUED 1/1/2010 to 5/31/2011  
3 OR MORE UNPAID PARKING INFRACTIONS  
UNPAID AS OF AUGUST 30, 2011**

Number Unpaid Infractions	Number of Individuals	Total Unpaid
59	1	59
32	1	32
29	1	29
27	1	27
26	2	52
23	1	23
22	2	44
21	4	84
20	1	20
19	1	19
17	3	51
16	1	16
15	4	60
14	6	84
13	8	104
12	8	96
11	1	11
10	16	160
9	12	108
8	14	112
7	16	112
6	35	210
5	36	180
4	51	204
3	139	417
Total	<u>365</u>	<u>2,314</u>