

Office of the City Auditor

City of San Diego

Parking Administration Program: Opportunities Exist to Increase Revenue Collection and Improve the City's Management and Oversight of its Parking Administration Program

Audit Committee, June 6, 2011



Background

Parking Administration Program

- The City Treasurer has administered the Parking Administration Program (Parking Administration) since FY 2007
- The City Treasurer also oversees the Parking Meter Operations program, which installs and maintains the City's parking meters
- On an annual basis, the City Treasurer processes an average of 429,000 citations with average revenue of \$21 million
- Parking Administration distributes parking revenues back to enforcement agencies less an administrative fee

Background

Manual and Electronic Citations

- Enforcement officers throughout the City use both manual and electronic devices to generate parking tickets
- Electronic devices interface with Parking Administration's automated citation processing system in real time, while manual citations take 2 to 3 weeks to be uploaded into the data system
- Parking Administration citation processing data system is managed by an outside vendor

Scope and Methodology

- Analyzed and Reviewed the following:
 - ♦ parking citation appeals for Fiscal Year 2007 – 2010
 - ♦ Level of standardization and coordination between enforcement agencies
 - ♦ Accuracy and appropriateness of parking citation revenue distribution
 - ♦ Parking meter operations and oversight over parking meter functionality
- Reviewed the following:
 - ♦ Laws, policies, and regulations related to parking citations and appeals processes;
 - ♦ Agreements and information related to contract agencies;
 - ♦ Financial information and management reports;
 - ♦ Current Parking Administration processes and practices;
- Met with and interviewed:
 - ♦ City Treasurer management
 - ♦ Key staff involved in parking enforcement across the City
 - ♦ City departments and contract agencies officials

Finding 1

Delinquent Parking Citations

- Parking Administration did not consistently send delinquent parking citations to collection
 - ◆ 19% of the citations eligible for collection (or 34,344 citations) were not sent to collection for a total lost revenue of \$2.9 million
 - **Recommendation: Send all eligible delinquent citations to collection.**

Finding 1

Opportunities Exist to Improve the Manual Citation Processes

- Enforcement agencies often fail to correctly self-identify on manually written citations
 - ◆ The City Treasurer collected and distributed approximately \$3 million in parking citation revenue for citations with unidentified agencies
- Data entry errors and delays during the insertion of manual parking citations into the data system led to inappropriate late payment fees on violators that had already submitted a payment
 - ◆ We found a citation issued in April 2009 that was still open for the amount of \$41.00 even though the violator has already remitted payment
- **Recommendation: Ensure that the process of review fully corrects errors that resulted in the distribution of revenues for citations with unidentifiable agency codes.**

Finding 1

Appeal Processes Timelines

- The City Treasurer has lenient timelines, in excess of State law requirements to administer its appeal and payment processes
 - ◆ We found that 32 percent of the appeals processed were submitted past the State deadline of 14 days from the date of the Notice of Illegal Parking
 - ◆ We found that 56 percent of the time Parking Administration exceeded the 60-day limit to inform violators of their appeal review decision
- **Recommendation: Modify appeal timeline to comply strictly with State law and develop performance metrics**

Finding 1

Uniform Parking Citation Processes Would Lead to Greater Efficiencies

- The core parking functions of issuance, voiding, accounting and payment processes are spread across various City department
- City departments and contract agencies that issue parking citations do not have standardized training and/or processes in place pertaining to issuance, voiding, accounting, and referral of citations
- **Recommendation: Draft process narratives regarding issuance, voiding, record keeping and referrals of parking citations**

Finding 2

Parking Meters

- Between February 2009 and June 2010, there were 6,596 reports of out-of-service parking meters, an average of 366 reports per month
- The volume of meter repairs are likely due to the service age of the City's parking meters
 - ◆ Parking Meter Division estimates that approximately 4,750 of the City's 5,276 meters (90 percent) are over 10 years old
 - ◆ However the City lacks an appropriate and effective replacement schedule for its parking meters
- **Recommendation: Develop and effective and appropriate replacement schedule for the City's parking meters.**

Recommendations

- We made a total of 13 recommendations
- The City Administration agreed with all of the recommendations