



City of Kingston Laws and Rules Committee
Meeting Agenda
Wednesday, February 21, 2018

NEW BUSINESS

John Tuey, Comptroller Re: Parking Ticket Collection Policy and Related Matters

[Parking Communication.pdf](#)

[Parking Ticket Collection Policy.docx](#)

[Complus 2017.pdf](#)

[Complus Addendum.pdf](#)

[Complus_Kingston NY_Addendum_1.23.2017 v2.doc.pdf](#)

[Company Overview.docx](#)

[COLLECTION PROCEDURES.docx](#)

[City of Kingston Boot and Tow Law.pdf](#)

[Capital Recovery.pdf](#)

[AGEING-AR.pdf](#)

OLD BUSINESS

Alderman O'Reilly Re: Motion to Reconsider

[20180206110129.pdf](#)

City of Kingston

New York 12402

Office of The Comptroller



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February 2, 2018

Alderman at Large James Noble
City of Kingston Common Council
420 Broadway
Kingston, NY 12401

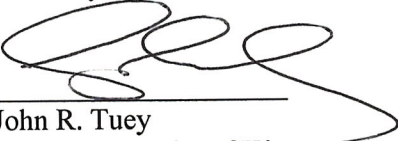
RE: Parking Policy and Collection Matters

Dear Alderman at Large Noble,

I would like to request the Common Council to consider the following parking related items at their next regularly scheduled Finance Committee Meeting.

- Parking Ticket Collection Policy – I recommend that the City adopt a formal parking ticket collection policy to comply with best practices. I've drafted the attached policy for the committee's consideration.
- Boot and Tow Law – I would like to recommend a subtle change in the City's Boot and Tow Law that would improve the usefulness of the legislation by linking it to the registered owner of a vehicle rather than the vehicle itself. Specifically, I request the Common Council consider amending paragraph A, Section 390.80 to read "The Chief of Police, Comptroller, or designee, hereby is authorized to provide for the immobilization of vehicles of a registered owner against which three or more parking summonses have been issued".
- Collections – The City currently sends four notices to parking violators, including a final notice. These efforts, along with the City's Boot and Tow Law and NYS DMV Scofflaw program, have been relatively effective in supporting the parking ticket collection rate but the City still has a significant accounts receivable. Our collection rate could potentially be improved by amending our contract with Complus (our parking service company) to implement a pilot program that would allow severely delinquent tickets to be referred to a third party collection agency. If the City were to implement a collection fee on tickets referred to collections, this program would have no cost to the City. I would like to discuss this opportunity further at the next Finance Committee meeting.

Sincerely,



John R. Tuey
Comptroller, City of Kingston

CITY OF KINGSTON

PARKING TICKET COLLECTION POLICY

1. Parking tickets issued by City of Kingston Parking Enforcement and/or Police Officers include an appearance date at City Hall and information on how to plead guilty or not-guilty.
2. If pleading guilty, the parking ticket may be paid by any of the three following methods:
 - A) By mailing a check or money order in the preaddressed envelope to P.O. Box 1627, Kingston NY 12402.
 - B) By appearing in person in the City Comptroller's Office and tendering payment by cash, check, or money order.
 - C) By paying online at www.parkingticketpayment.com/kingston.
3. Pleading not guilty requires contact with the Parking Violations Bureau in City Hall by the return date listed on the ticket.

Upon presentation of explanation and/or supporting documentation by the ticket recipient and/or the Parking Officer issuing the ticket, and where a determination is made that the ticket was issued in error, or when it is in the best interests of the City to recognize where a ticket should be reduced or dismissed in the interest of justice prior to appearing on the City Court calendar, the office of the Corporation Counsel may recommend to reduce, settle, or dismiss a parking ticket. In the situation where a ticket cannot be settled by the office of the Corporation Counsel, the recipient may protest the ticket in City Court.

4. The City Comptroller will periodically provide the Common Council with an aging report for Parking Tickets Accounts Receivable. In an effort to improve collections on delinquent parking tickets, the City will refer violators to a third party collection agency after a fourth and final notice has been mailed. Additionally, the City has implemented a boot and tow/scofflaw program to assist in collection efforts. The Common Council will provide direction to the City Comptroller if further collection efforts are deemed necessary.

AGREEMENT BY AND BETWEEN
CITY OF KINGSTON, NY (CLIENT)
AND
COMPLUS DATA INNOVATIONS, INC. (COMPLUS)
DATED: JANUARY 12, 2017

This Agreement (the "Agreement") is made and entered into this 12th day of January 2017 by and between Complus Data Innovations, Inc (COMPLUS), with offices at 560 White Plains Road, Tarrytown, New York 10591 and City of Kingston, NY (CLIENT), with offices at 420 Broadway, Kingston, NY 12401 for the processing of parking tickets using the **FastTrack™** Parking Ticket Management System (**FastTrack™**). The Terms and Conditions are as follows:

1. COMPLUS will provide all equipment/software listed on Schedule I, attached to this Agreement. CLIENT will promptly acknowledge, on the form attached as Exhibit A, receipt of all such equipment/software and that such equipment/software is in good working order. This equipment/software is for the sole purpose of providing access to **FastTrack™**, COMPLUS' password-protected application for the processing of parking tickets. The CLIENT acknowledges that this equipment/software is the property of COMPLUS and agrees to exercise reasonable care of said equipment/software while in its possession. Any, handhelds, phones or printers that become lost or stolen will be the sole responsibility of the CLIENT and will be billed to the CLIENT at the cost of \$4,500.00 per unit.
2. COMPLUS will be responsible for the maintenance and repairs of said equipment resulting from normal use. Repairs, which in the reasonable opinion of COMPLUS are required as a result of an accident, neglect, or misuse of the equipment (including without limitation a repair arising from or in connection with the use by CLIENT of software other than software provided by COMPLUS and/or use of the equipment for other than **FastTrack™** use) shall be made at the sole expense of the CLIENT. All expenses related to the repair or replacement of equipment which is required as the result of an accident, neglect, or misuse, will be billed to CLIENT. This includes, but is not limited to, the actual cost of the repair or replacement of said equipment, along with shipping expenses, travel expenses if required, and labor costs. Travel expenses, if required, must be pre-approved by CLIENT before repairs will be scheduled.
3. Repairs to equipment and/or reinstallation and/or modification of software which are required as a result of changes or modifications made by the CLIENT, shall be made at the sole expense of the CLIENT. This includes, but is not limited to the actual cost of the repair or replacement of said equipment, along with shipping expenses, travel expenses if required, and labor costs. These costs and expenses must be pre-approved by the CLIENT.
4. Additional services requested by the CLIENT that are not described in this Agreement must be submitted in writing by the CLIENT. COMPLUS will prepare a statement of work along

with a detailed cost estimate to be approved in writing by the CLIENT prior to the implementation of said changes or additions. This includes, but is not limited to, requests for additional equipment, installation of additional sessions, CLIENT requested software modifications and/ or relocation of equipment.

5. COMPLUS will provide CLIENT with remote access to **FastTrack™**, a Citrix-based application that is designed to process parking ticket information. Access time will be 22 hours per day, seven days a week. **FastTrack™** will be unavailable due to daily maintenance-from 2:00 a.m. until 2:30 a.m. Eastern Time. COMPLUS will not be responsible for any downtime arising in connection with the internet service provider, Utilities Company and/or the CLIENTS' internal network.
6. The CLIENT will be responsible for the entry of all handwritten parking tickets. The CLIENT will be responsible for all other functions including the updating and disposition of tickets. COMPLUS is not responsible for the validity of any information provided to it, including without limitation to the information on the tickets. The CLIENT will use COMPLUS as its exclusive provider for the processing of parking tickets.
7. COMPLUS agrees to maintain **FastTrack™** to conform in all material respects to all federal, state and local laws and regulations. COMPLUS certifies that in addition to nightly tape backups, its data center is mirrored off-site for disaster recovery purposes.
8. COMPLUS will furnish the CLIENT with digital copies of the following reports and mailings:
 - Year-to-Date Disposition of Tickets
 - Delinquent Notices for Outstanding Tickets for the State of NY and Out-of-State Residents
 - Final Delinquent Notices
 - Officer and PEO Performance Reports
 - Permit Reports
 - Audit Reports
 - Daily and Monthly Cash/Dismissal Reports
9. Programming and reporting requests (with the exception of reports outlined in #8 will be evaluated and a scope of work along with pricing and estimated schedule will be developed by COMPLUS for review by the CLIENT. Such requests include but are not limited to:
 - Custom report templates available to the CLIENT through the Real-time reporting utility.
 - Custom monthly and/or one-time reports developed and sent to the CLIENT by email or on monthly report CD
 - New or change request for mobile ticket writing program to be integrated with other vendors' databases, including pay stations, meters or pay-be-cell providers
 - Changes to the mobile ticket writing software once the implementation is complete.
 - Changes to the functionality of the **FastTrack™** ticket management System.

10. As requested by the CLIENT, COMPLUS will prepare all Delinquent Notices and Notice of Violations for outstanding tickets issued to vehicles bearing State of NY plates and Out-of-State plates (to the extent allowed by each State's DMV) to the last known registered owners(s). CLIENT will be responsible for postage of said notices. COMPLUS shall prepare and CLIENT shall approve any and all language contained in the notices that will be sent on behalf of CLIENT under this Agreement. State agency approval will also be obtained where applicable. Such notices shall comply with state rules and regulations in all material respects.
11. Throughout the term of this Agreement, COMPLUS agrees to provide training at CLIENT's offices for **FastTrack™**. COMPLUS will provide reference manuals describing the features and operations of **FastTrack™**. COMPLUS shall provide updates to the system as they become available. Throughout the term of this Agreement, assistance will be available from field supervisors and by telephone at no charge to the CLIENT during the hours of 8:30 AM to 5:00 PM EST, Monday through Friday (with the exception of all state and nationally recognized holidays).
12. The CLIENT agrees to indemnify and hold harmless COMPLUS, its officers, agents and employees, from any claims, controversies, lawsuits, liabilities or expenses incurred by or brought against COMPLUS by third parties in any way related to COMPLUS' service and/or this Agreement; except where said claims, controversies or lawsuits are the results of negligence, gross negligence or willful misconduct on the part of COMPLUS. This provision survives the termination of this Agreement.
13. COMPLUS agrees to indemnify and hold harmless the CLIENT, its officers, agents, and employees from claims, controversies, lawsuits, liabilities or expenses incurred by or brought against CLIENT by third parties in any way related to COMPLUS' gross negligence or willful misconduct in the performance of its services hereunder. This provision survives the termination of this Agreement.
14. The CLIENT agrees to the following fee schedule for the use of **FastTrack™**. Invoices will be submitted on a monthly basis, payable within thirty (30) days upon receipt.

FEE SCHEDULE:

- 9.7% of parking ticket revenue collected
- Reimbursement for postage on delinquent notices mailed by COMPLUS on behalf of the CLIENT
- Reimbursement for handheld ticket stock (if supplied by COMPLUS)
- \$2.00 per permit fulfilled by COMPLUS

Warning Tickets: In the event that the CLIENT elects to issue warning tickets, COMPLUS will bill the CLIENT \$1.45 for each issued warning ticket.

DMV Fees are paid for by COMPLUS. However, COMPLUS reserves the right to pass along to the CLIENT, and the CLIENT agrees to pay COMPLUS, any increases charged by the various Department of Motor Vehicle agencies to provide registered owner's names

and addresses after the first year of this contract.

Web-based Payments: COMPLUS' program allows internet-based access to **FastTrack™** for the purpose of allowing the CLIENT's violators to view and pay their parking tickets online via credit cards.

COMPLUS and its affiliates have developed and programmed **FastTrack™** and are solely responsible for its functionality, and to make any and all necessary changes to ensure it conforms to all federal, local and State of *[insert state of client locale]* laws and rules and regulations, as well as any and all banking rules and regulations that pertain to all forms of credit card payment, including VISA, MASTERCARD, and Discover.

Convenience Fee Schedule for Online Payments

\$3.50 per parking ticket/ code violation being paid online

\$1.50 per permit or 3.5% of permit price, whichever is greater, for each permit purchased online

The term "Convenience Fee" as referenced in this Agreement is a fee paid by the end user of the online payment service for parking ticket payment transactions.

COMPLUS may change this convenience fee schedule upon no less than thirty (30) days written notice to CLIENT, and CLIENT may terminate the credit card payment provisions of this Agreement if CLIENT notifies COMPLUS in writing prior to the effective date of such fee schedule change of its election to so terminate such provisions (which termination will be effective on such effective date).

COMPLUS will be the credit card merchant for these transactions and the CLIENT will only be responsible for the following:

- a. To allow chargebacks to be withdrawn from the account in the event a cardholder requests to have the transaction reversed according to credit card rules, regulations and timetables, and to allow for the chargeback fee to also be withdrawn from the account under the same rules, regulations and timetables. For chargeback transactions, any tickets that were paid for said transactions will be reinstated in **FastTrack™** and become subject to further collection efforts.]
- b. Funds will be deposited directly into CLIENT's account, less convenience fees, on a daily basis.

15. COMPLUS uses Parking Ticket Payment, LLC, for all online credit card processing. Parking Ticket Payment, LLC is a Level 1 Service Provider solely dedicated to providing a method to collect online payments for all of COMPLUS's clients, and accepts and assumes full responsibility for the security of cardholder data that is processed and transmitted through the PTP, LLC web sites, on CLIENT's behalf, and for maintaining all applicable PCI DSS

requirements.

16. The Term and Conditions of the Agreement will remain in effect for a period of THREE (3) years from the date (the "Effective Date") on which COMPLUS signs this Agreement. On the third anniversary of the Effective Date, and on each anniversary date thereafter, this Agreement will automatically renew for a one-year period upon the same terms and conditions. If either the CLIENT or COMPLUS does not wish for any such renewal, it must notify the other party in writing of its intention not to renew no later than ninety (90) days prior to any such anniversary date, in which case this Agreement shall terminate on such anniversary date. In the event of termination, CLIENT will return to COMPLUS within ten (10) days of the termination of the Agreement all handhelds and other equipment, peripherals, manuals and all other materials provided to CLIENT, all of which shall be returned to COMPLUS in good working order. In the event of termination, and providing that there are no outstanding invoices and the CLIENT has returned all equipment in good working order, the CLIENT will be provided at no cost with a computer database containing parking ticket information compiled for CLIENT during the term of the Agreement.
17. Each of COMPLUS and CLIENT agrees to comply with state and federal regulations regarding the confidentiality of information. Each of COMPLUS and CLIENT further agrees that, except as otherwise expressly provided herein, the information provided by the CLIENT and/or the DMV, including the names and addresses and associated information of persons and entities that have received tickets, shall remain confidential and shall not be sold or shared with any other non-party, company or entity for any purpose, including but not limited to marketing, sales, solicitations, collection agencies and/or credit bureaus. This paragraph shall survive termination of this Agreement.
18. COMPLUS is an independent contractor, and neither COMPLUS nor its staff shall be deemed to be employed by the CLIENT.
19. This Agreement and the rights and obligations of the parties and their successors and assigns hereunder shall be interpreted, construed, and enforced in accordance with the laws of the State of New York without regard to its choice and/or conflict of laws provisions. Any legal action resulting from, arising under, out of or in connection with, directly or indirectly, this Agreement shall be commenced exclusively in any New York State court located in Westchester County, New York. All parties to this Agreement hereby submit themselves to the jurisdiction of any such court, and agree that service of process on them in any such action, suit or proceeding may be effected by the means by which notices are to be given under this Agreement. In the event of litigation by a party hereto to enforce its rights hereunder, the prevailing party shall be entitled to recover its reasonable attorney's fees, costs and disbursements.
20. All notices, requests, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given if delivered by hand or mailed, express, certified or registered mail, return receipt requested, with postage prepaid, or sent priority next day delivery by a nationally recognized overnight courier service that regularly maintains records of items picked up and delivered to the parties at the addresses first set forth above or to such other person or address as a party shall notify the other in

writing. Notices delivered personally shall be deemed communicated as of the date of actual receipt, mailed notices shall be deemed communicated as of the date three (3) business days after mailing, and notices sent by courier shall be deemed communicated as of the date two (2) business days after pick-up.

21. CLIENT is a tax exempt entity under the rules of the Internal Revenue Service and will provide COMPLUS with a copy of its tax exempt status upon request.
22. Any claim that can be brought by the CLIENT under or relating to this Agreement must be brought within one (1) year of the action or omission underlying such claim. NEITHER PARTY SHALL BE LIABLE HEREUNDER FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL LOSS OR DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR LOST SAVINGS) EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT FOR INDEMNIFICATION OBLIGATIONS HEREUNDER, IN NO EVENT SHALL EITHER PARTY'S AGGREGATE LIABILITY FOR ANY MATTER ARISING OUT OF THE SUBJECT MATTER OF THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, EXCEED THE AMOUNT OF THE FEES PAID TO COMPLUS UNDER THIS AGREEMENT. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, THE REMEDIES PROVIDED HEREIN ARE THE PARTIES' SOLE AND EXCLUSIVE REMEDIES.
23. This instrument contains the entire agreement between the parties as to subject matter herein and supersedes all prior agreements whether oral or written between the parties hereto. This Agreement may be modified only by a written instrument signed by the parties.
24. This Agreement may be executed in counterparts each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile shall be equally as effective as delivery of a manually executed counterpart of this Agreement.

The signing of the enclosed copy and returning to COMPLUS will indicate the CLIENT'S acceptance of this Agreement, and the Terms and Conditions contained therein.

Accepted by:

COMPLUS DATA INNOVATIONS, INC.

Name: Jeff G. Grossman

Title: President

Date: 01/19/2017

CITY OF KINGSTON, NY

Name: Steven T. Noble

Title: Mayor

Date: 1/18/17

SCHEDULE I
TO THE
AGREEMENT BY AND BETWEEN
CITY OF KINGSTON, NY (CLIENT)
AND
COMPLUS DATA INNOVATIONS, INC. (COMPLUS)

DATED: _____, 2017

The following equipment/software will be provided to the CLIENT for the sole purpose of providing access to **FastTrack™**.

- Four (4) N5 handheld ticket writers with docking cradles
- Six (6) licenses to **FastTrack™** software
- One (1) PC
- One (1) laser printer
- One (1) license to real-time reporting utility
- Integration with Parkeon kiosks and Parkeon pay-by-cell
- Four (4) data plans for N5 ticket writers Up to 2GB data per month per data plan. Additional data beyond 2GB will be reimbursable by the CLIENT

ADDENDUM

THIS AGREEMENT CONSTITUTES AN AMENDMENT TO THE CONTRACT EFFECTIVE JANUARY 12, 2017 FOR PARKING ENFORCEMENT AND MANAGEMENT BY AND BETWEEN THE CITY OF KINGSTON, NY AND COMPLUS DATA INNOVATIONS, INC.

WHEREAS, pursuant to this addendum (this "Addendum") the parties wish to supplement the terms of the Agreement to include the additional terms set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties' hereby supplement the Agreement as follows:

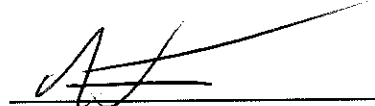
Agreement

1. COMPLUS agrees to be responsible for telephone calls and emails (inbound and outbound) related to CLIENT parking permits. COMPLUS will continue to provide fulfillment services for all parking permit requests received via the BuyMyPermit.com website and U.S. mail, which includes the return of applications that cannot be processed.
2. COMPLUS agrees to ensure permit records are maintained based on information provided by CLIENT and permit customers.
3. CLIENT agrees to the fee schedule of \$3.50 per permit issued for the services detailed above. Invoices will be submitted on a monthly basis, payable within thirty (30) days upon receipt.
4. CLIENT agrees that COMPLUS will be its exclusive provider for the processing and fulfillment of parking permits.

The signing of the enclosed copy and return to Complus Data Innovations, Inc. will indicate the City of Kingston, NY acceptance of this Addendum and the Terms and Conditions contained therein.

Accepted by:

COMPLUS DATA INNOVATIONS, INC.

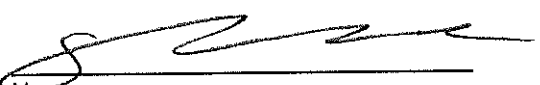


Name: ARIEL KUNNAR

Title: CEO

Date: 12.8.17

CITY OF KINGSTON, NY



Name: _____

Title: Mayor

Date: 12/6/17

ADDENDUM

An agreement was made by and between COMPLUS DATA INNOVATIONS, INC. ("COMPLUS"), with offices at 120 WHITE PLAINS ROAD, TARRYTOWN, NY 10591 and the CITY OF KINGSTON, NY (CLIENT), with offices at 420 Broadway, Kingston, NY 12401 on the 12th day of January 2017 (hereinafter referred to as the "Agreement").

WHEREAS, pursuant to this addendum (this "Addendum") the parties wish to supplement the terms of the Agreement to include the additional terms set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties' hereby supplement the Agreement as follows:

Agreement

1. COMPLUS agrees to assign any parking ticket that meets the following criteria to a secondary collections process, where permitted by the state DMV.
 - a. At least four delinquent violation notice(s) have been mailed on the ticket, including a Final Notice
 - b. 60 days have elapsed since the Final Notice and the ticket remains delinquent.

COMPLUS has contracted with Capital Recovery Systems, Inc. (Capital Recovery) for secondary collection processing. Capital Recovery shall engage in collection activities including, but not limited to, skip-tracing accounts, sending letters, and making calls to debtors on all accounts placed by COMPLUS into collections on behalf of CLIENT.

COMPLUS will also accept web payments for tickets in collection at www.parkingticketpayment.com/kingston.

Capital Recovery will utilize a call script pre-approved by CLIENT for outbound calls.

COMPLUS will bill CLIENT thirty-two point seven percent (32.7%) of parking ticket revenue collected on tickets sent to collections.

Under the terms of the COMPLUS Agreement with Capital Recovery, Capital Recovery has agreed to indemnify COMPLUS and its clients from any liability resulting from acts or omissions of Capital Recovery or any employees or agent of Capital Recovery.

CLIENT shall approval all language contained in the notices sent by Capital Recovery and all call script language.

If either CLIENT or COMPLUS does not wish to continue assigning parking tickets to secondary collections, such party must notify the other party in writing of its intention at any time during the duration of the Agreement.

The parties reaffirm no other terms or conditions of the Agreement not otherwise modified or amended shall not be negated or changed as a result of this Addendum.

The signing of the enclosed copy and return to Complus will indicate acceptance of this Addendum.

Accepted by:

COMPLUS DATA INNOVATIONS, INC. CITY OF KINGSTON, NY

Name: Ariel Kunar
Title: Chief Executive Officer
Date:

Name:
Title:
Date:



Company Overview

Capital Recovery Systems is an expert in collecting delinquent debts, with a unique specialization in collecting traffic fines, parking tickets, camera violations, utilities, and taxes. CRS has recovered **hundreds of millions of dollars** in delinquent debt for over 500 clients throughout the country, all while maintaining an **A+ rating from the Better Business Bureau**.

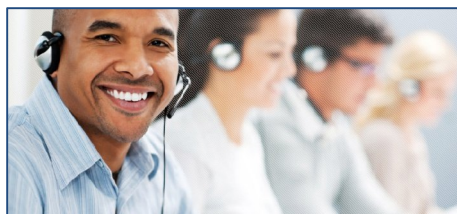
History

Capital Recovery Systems was founded in Ohio in 1997. We quickly found that local municipalities and counties were very under-serviced when it came to collecting debts delinquent debts, particularly when it came to vehicle-related violations. Over the years we tailored our services in order to maximize our recovery on behalf of our clients, with our own success coming as a byproduct. We have steadily expanded our services to **over 500 counties and municipalities** across the country since then, and constantly strive to find ways to add more value for our clients.

Our Approach

At Capital Recovery Systems, **our number one priority is to maintain our client's positive reputation**, while achieving maximum revenue recovery. Particularly when serving government clients, we are collecting debts from their constituents, and the good will between those debtors and the client *has to be preserved above anything else*. This necessity has driven us to create a unique and very effective approach to collecting that sets us apart from other agencies.

With most collection agencies, you have a group of individual collectors who earn commission on every debt that they are able to collect. When collectors are motivated too heavily by commission they will tend to use aggressive and manipulative tactics that can border on harassment, and even violate the law. It also creates issues with logistics and morale, where collectors fight over "account ownership". We know this to be the case, because like other collection agencies we struggled through it as a company for a number of years.



What we came to realize was that the vast majority (over 90%) of payments were coming from effective use of technology, rather than out-going calls from our collectors. Our skip-tracing, data scrubs, letters and automated dialer were generating payments, and many of the payments taken over the phone were prompted by letters or automated messages sent to the debtors. With that revelation came the decision to change our approach to one of customer service, and employ Customer Service Representatives, not collectors.

Now, all of our Customer Service Representatives are paid a higher wage and don't have to worry about commission. Our CSRs use specific phone scripts and have yearly training in customer service and FDCPA regulations. Instead of drama over "account ownership", we have a team of representatives that work together to recover revenue while being courteous and respectful.

The end result for our clients is tremendous: *We now receive only 1 complaint in every 18 million contacts we make*, which is a staggering statistic in the collections industry. Not only does it generate far fewer complaints, but it actually yields better revenue recovery. Our collection efforts are more successful than ever (*often tripling the industry average of 11.2% recovery on municipal debts*), and it is a rare event indeed when a client receives a complaint over the conduct of our staff. *We have essentially taken the focus off of the collectors earning commission, and put it back on the best interest of our clients, where it should be.*

Our Successful Outcomes

As mentioned earlier we have recovered hundreds of millions of dollars for our clients, working with clients of all sizes. Our approach to collecting allows us to treat all clients with the same amount of dedication, whether they are a large city like Toledo, Ohio, or a small village with very few annual cases. That level of service is why we have a client retention rate of over 90%, despite being a part of an industry with typically high client turnover.

We use an effective combination of skip-tracing, letter campaigns, automated calls, and calls by personnel to help collect your delinquent debts. We invest more time, money and effort into collecting than any of our competitors, which has allowed us to achieve an average recovery rate of 30.2%, nearly three times the national average of 11.2% in municipal collections (*according to a 2013 ACA International Collections Market Survey*).

Here are some examples to illustrate our success, including both small and large clients:

Client	Revenue Recovered	Recovery Rate
Lorain Municipal Court (OH)	\$7,388,044	73.50%
Gas City Court (IN)	\$1,586,679	58.67%
Toledo Municipal Court (OH)	\$17,178,351	37.75%
Newburgh Heights Mayors Court (OH)	\$150,829	62.29%
Beech City Court (IN)	\$673,932	44.29%
Amelia Village (OH)	\$141,256	82.32%

We have recovered over \$1,000,000 for more than 50 different clients.

Summary

In short, Capital Recovery Systems gives you the best of all worlds when it comes to a collection agency: the experience of a company with a vast client base, and the attention to customer service that you expect of a medium-sized company.

We hope you'll give us an opportunity to show you why our clients tend to stick with us, and how our recovery rates can help you improve your bottom line.

COLLECTION PROCEDURES

Hours of Operation: 8am – 7pm Monday through Friday

8am – 12pm Saturday

When you place accounts with CRS they are received by our Data Management Team, who will convert the files (as necessary) to fit into our database. **Our team can accept account placement files in any format that the court prefers.** The same day that the accounts are placed, we run a number of “Scrubs” on the accounts, which help us gather all the correct information on the defendants. These scrubs include:

- National Change of Address Database
- Address Element Correction,
- Scrubs that identify defendants who are deceased
- Scrubs that identify defendants who are a potential litigation risk. (These accounts are worked with the same diligence and effort, but it is better that the collectors know ahead of time that these defendants may be looking for any excuse to complain or sue. While we strive to be courteous and mindful of regulations with every communication, warning collectors of a potentially litigious defendant serves as a good reminder that the mishandling of any accounts can bring terrible consequences.)

We also check to see if the phone numbers we have are cell phone numbers or landlines, as cell phones require different protocol (you cannot use an automatic dialer on cell phones without prior consent).

Once the accounts are scrubbed, **any accounts that are flagged with a bad address are automatically Skip Traced**, and any new information found is returned to us the same day. If there is no new information on an account then we have one of our CSRs manually Skip Trace the account.

Once we have the most detailed and accurate information on the accounts, we assign a letter strategy. **The next day at 6:00 am, the first round of letters are sent out.** The letter strategy determines the type of letter that is sent out, as well as the interval at which following letters will be sent. We time this carefully to allow defendants adequate time to pay, while remaining vigilant in our collection attempts.



Any accounts that have a good phone number (either from the information sent by the Court or through one of our skip traces), **will be called by our dialer with an automated message (every 5 business days unless a contact is made and the schedule is changed accordingly).** Our messages inform the defendant of their debt and that it is now in collections, and they ask them to please return our call. **We also use daily calling campaigns where our collectors target specific defendants, such as those who broke a promise to pay by a certain date, or those who have paid debts with us in the past.** The automated dialer connects our CSRs immediately whenever a phone is answered

(with no gap in time where the defendant is left on the line like you will sometimes experience with telemarketers).

Once we have defendants on the phone, we give them what we call a “mini-Miranda”, where we let them know that we are collection agents working on behalf of the client, in an attempt to collect a debt. Our first approach is to attempt to collect the debt in full, encouraging them to use whatever means available to resolve the debt, while maintaining a customer-service style attitude. **We are never rude or aggressive, and treat defendants with dignity.** When paying in full is not an option, we offer to set up a payment plan with them, and let them know that they have a variety of options to ultimately resolve their debt.

Our first priority is to collect balances in full when possible. However, we can also set up payment plans with the debtor to help accommodate their financial needs. We encourage the debtors to pay as much as they can on a monthly basis in order to resolve the debt quickly (which will often mean the reinstatement of their driver’s license or release of a registration block with our given client base). We send out payment reminder letters 17 days before a payment is due to encourage debtors not to break their promises to pay.

Follow-up on Accounts

Once CRS has exhausted its initial collection efforts, we have a few more measures to make sure we are recovering the most out of each account. One such measure is our Tax Season Campaign:

Any accounts that are not paid within the time frame of the initial letter cycle will be eligible for a Tax Season Campaign letter for five years (meaning up to five additional collection notices each year). Between late December and late February we will re-skip trace these accounts and send them a letter encouraging them to “use any government refund they may receive to pay off their government obligations”. This campaign is very effective and has improved the recovery rate of all of our clients.

On top of the tax season campaign, we continue our efforts to collect the accounts using our automated dialer technology. Our two automated dialers allow us to make thousands of calls every day at a fraction of the cost of a normal phone call, meaning we can continue our attempts to contact debtors for years. With our services, there is no limit to the number of phone calls we make on an account, and we frequently re-skip trace accounts for better phone numbers if we have no luck with a given phone number over a long period.

Chapter 390. Vehicles and Traffic

Part 2. Traffic Regulations

Article XI. Immobilization, Removal and Storage of Vehicles

[Amended 8-1-2006 by L.L. No. 4-2006, approved 8-18-2006]

§ 390-79. Authority to impound vehicles.

When any vehicle is parked or abandoned on any street, highway or parking area within this City during a snowstorm, flood, fire or other public emergency which affects that portion of the public street, highway or parking area upon which said vehicle is parked or abandoned, or when any vehicle is found unattended on any street, highway or parking lot within the City where said vehicle constitutes an obstruction to traffic or when any vehicle is parked or abandoned on any street, highway or parking lot within this City where stopping, standing or parking is prohibited, said vehicle may be removed by or under the direction of the Police Department of the City of Kingston.

§ 390-79.1. Legislative findings; purpose.

- A. The Common Council of the City of Kingston finds that significant numbers of vehicle owners fail to respond to parking summonses issued for violations of parking orders, rules, regulations, ordinances and local laws; that a significant number of such owners are persistent violators; and that by reason of out-of-state registration of such vehicles, transfer of ownership and reregistration of such vehicles and other devices, violators frequently are able to evade existing enforcement measures.
- B. By reason of the foregoing, the Common Council of the City of Kingston finds that the health, welfare and safety will be served by adoption of a local law providing additional means of enforcing parking orders, rules, regulations, ordinances, and local laws in the case of vehicle owners who fail to timely respond to summonses issued for parking violations.
- C. The Common Council of the City of Kingston does hereby ordain and enact this article to accomplish the aforesaid purposes.

§ 390-80. Immobilization and impounding of vehicles authorized.

- A. The Chief of Police, Comptroller or designee hereby is authorized to provide for the immobilization of vehicles against which three or more parking summonses have been issued if

two or more of such summonses have not been answered within 45 days of the appearance date or dates shown on such summonses.

- B. Such vehicles may be immobilized and left where found, secured by the use of a steel lock or such other immobilization device as may be designated by the Chief of Police, Comptroller or designee.
- C. Such immobilization shall be at the expense of the owner of the vehicle.
- D. Any vehicle that has been immobilized and not lawfully released or lawfully removed by the owner of the vehicle for 72 hours from the time of such initial immobilization may be impounded by the Chief of Police, which removal, boot release fee and storage shall be at the expense of the owner of the vehicle.
- E. Storage and charges for storage and removal of vehicles for other than parking summonses shall be as provided in § 390-64.

§ 390-81. Notice and warning to owner.

- A. When an immobilization device is used, the Police Department, or its agents, or Parking Violations Bureau employees shall attach to the vehicle, in such form as may be directed by the Chief of Police, Comptroller or designee, a notice containing the following information:
 - (1) The location and identifying characteristics of the vehicle.
 - (2) The date and time of placement of the device and the signature of the installer.
 - (3) Notice that further parking restrictions will be waived during the immobilization period for a period of five days from the date of immobilization.
 - (4) Notice that any person tampering with the device or the vehicle will be subject to criminal prosecution and liable for any loss to the City.
 - (5) The steps which the owner must take to obtain the release of the vehicle.
 - (6) Such other information, statements, notices and warnings as the Chief of Police, Comptroller or designee may from time to time determine to be appropriate.
- B. Notice of removal of a vehicle and recovery of the vehicle by the owner for other than parking summonses shall be as provided in § 390-64.

§ 390-81.1. Tampering or attempted removal; penalties for offenses.

- A. No person shall attempt to or tamper with, deface, remove or destroy an immobilization device or move a vehicle immobilized as herein provided.
- B. A violation of this section shall be punishable by a fine not exceeding \$250 or by imprisonment for up to 10 days, or both.

§ 390-81.2. Vehicle release to owner.

- A. Any vehicle immobilized as herein provided shall be promptly released to its owner upon:

- (1) Payment of the expenses of immobilization which hereby are found to be \$40; and either
 - (2) An order of the City Court authorizing such release; or
 - (3) The owner furnishing security for appearance in City Court to answer parking summonses outstanding against such vehicle and the expense of immobilization.
- B. The amount of such security shall not exceed the total of the maximum fines permitted upon conviction of the offenses charged in outstanding summonses against the vehicle or the vehicle owner's failure to timely answer, plus the expense of immobilization.
- C. Any police officer on desk duty at the Kingston Police Station or Parking Enforcement Officer, or Parking Violation Bureau Employee(s) of the Comptroller's Office of the City of Kingston shall be authorized to establish a date for the vehicle owner's appearance in Kingston City Court to answer outstanding parking summonses, to determine the amount of security required and to accept same together with the expense of immobilization. In determining the amount of such security, consideration shall be given to the likelihood of the vehicle owner appearing in Kingston City Court to answer outstanding summonses and the number of outstanding summonses involved. Security payments shall be promptly transmitted to the Kingston City Court.
- D. While a vehicle is immobilized as herein provided, any parking restrictions of which such vehicle may be in violation, except as provided herein, shall be suspended as they apply to such vehicle for a period of three days from the initial date of immobilization.



Company Overview

Capital Recovery Systems is an expert in collecting delinquent debts, with a unique specialization in collecting traffic fines for courts and local municipalities. CRS has recovered over **\$180,000,000** in delinquent debt for over 350 local courts and municipalities throughout the country, all while maintaining an **A+ rating from the Better Business Bureau**.

History

Capital Recovery Systems was founded in Ohio in 1997 to work exclusively for government clients. We quickly found that local governments were very under-served when it came to collecting debts for courts, particularly traffic fines and court costs. We took on our first major court client in 2000 with Clark County Municipal Court in Ohio, and started to develop innovative methods and procedures to tailor our services specifically to collecting traffic fines. We have steadily expanded our services to **over 350 counties and municipalities** across the country since then, and constantly strive to find ways to add more value for our clients.

Our Approach

At Capital Recovery Systems, **our number one priority is to maintain our client's positive reputation**, while achieving maximum revenue recovery. We understand that when we serve government clients, we are collecting debts from their constituents, and that the good will between those debtors and the client *has to be preserved above anything else*. This necessity has driven us to create a unique and very effective approach to collecting that sets us apart from other agencies.

With most collection agencies, you have a group of individual collectors who earn commission on every debt that they are able to collect. When collectors are motivated too heavily by commission they will tend to use aggressive and manipulative tactics that can border on harassment, and even violate the law. It also creates issues with logistics and morale, where collectors fight over "account ownership". We know this to be the case, because like other collection agencies we struggled through it as a company for a number of years.



What we came to realize was that the vast majority (over 90%) of payments were coming from effective use of technology, rather than out-going calls from our collectors. Our skip-tracing, data scrubs, letters and automated dialer were generating payments, and many of the payments taken over the phone were prompted by letters or automated messages sent to the debtors. With that revelation came the decision to change our approach to one of customer service, and employ Customer Service Representatives, not collectors.

Now, all of our Customer Service Representatives are paid a higher wage and don't have to worry about commission. Our CSRs use specific phone scripts and have yearly training in customer service and FDCPA regulations. Instead of drama over "account ownership", we have a team of representatives that work together to recover revenue while being courteous and respectful.

The end result for our clients is tremendous: ***We now receive only 1 complaint in every 18 million contacts we make***, which is a staggering statistic in the collections industry. Not only does it generate far fewer complaints, but it actually yields better revenue recovery. Our collection efforts are more successful than ever (***often tripling the industry average of 11.2% recovery on municipal debts***), and it is a rare event indeed when a client receives a complaint over the conduct of our staff. ***We have essentially taken the focus off of the collectors earning commission, and put it back on the best interest of our clients, where it should be.***

Our Successful Outcomes

As mentioned earlier we have recovered over **\$180 million** for our clients, working with clients of all sizes. Our approach to collecting allows us to treat all clients with the same amount of dedication, whether they are a large city like Toledo, Ohio, or a small village with very few annual cases. That level of service is why we have clients who have stuck with us for many years, sometimes over a decade, despite being a part of an industry with typically high client turnover.

Here are some examples to illustrate our success, including both small and large clients:

Client	Revenue Recovered	Recovery Rate
Lorain Municipal Court (OH)	\$6,534,986	47.86%
Gas City Court (IN)	\$1,419,019	56.27%
Toledo Municipal Court (OH)	\$12,342,459	33.83%
Newburgh Heights Mayors Court (OH)	\$97,469	50.57%
New Haven City Court (IN)	\$90,847	34.24%
Amelia Village (OH)	\$119,899	68.24%

We have recovered **over \$1,000,000** for all of the following clients:

Barberton Municipal Court	Eaton Municipal Court	Montgomery County Courts
Berea Municipal Court	Fairfield County Court	Parma Municipal Court
Butler County Courts	Franklin County Municipal Court	Philadelphia Traffic Court
Cambridge Municipal Court	Gas City Court	Portage Municipal Courts
Canton Municipal Court	Hamilton County Clerk	Rocky River Municipal Court
Carmel City Court	Licking County Municipal Court	Shaker Heights Municipal Court
Citrus County Circuit County	Lorain Municipal Court	Sylvania Municipal Court
Clark County Municipal Court	Marietta Municipal Court	Toledo Municipal Court
Dayton Municipal Court	Marion County Clerk	Vandalia Municipal Court
Dayton Photo Speed	Miamisburg Municipal Court	Warren Municipal Court

Our Key Personnel

Craig Klein – General Manager and President

Craig founded CRS in 1997 and has been a collection industry leader for over three decades. Using his government experience, CRS has developed a niche in state and local government court collections. Craig is responsible for the overall management of collection activities, and ensuring all work is performed in compliance with local, state, and federal regulations.

Dennis Johnson – Vice President and Operations Manager

Dennis has been a part of CRS since the beginning. Dennis is a driving force of CRS and has developed new collection strategies for more than 350 court clients. He will oversee all aspects of the day-to-day operations and ensure that the contract is implemented according to the Southlake Municipal Court's requirements and expectations.

Phil Cornell – Director of Sales & Marketing

Phil has been involved in government collections for more than 25 years now. His expertise ranges from State Government Collections to Local Court Collections. Phil has been responsible for the addition of over 450 government clients since coming to CRS. His clients have placed more than \$600 million with CRS since 2004.

Debbie DiAlbert – Director of Operations

Debbie joined the CRS team in 2006 as a valued member of our administration team. Using her knowledge of customer service, human resources, and accounting practices, Debbie has helped establish standards and procedures to ensure quality and compliance in our company. Her efforts have empowered management and staff at CRS to work together for one common goal – to minimize complaints and maximize our collection efforts.

Marquette Slappy – Senior Collection Manager

Marquette has 16 years of court collections experience, 12 of which have been spent with Capital Recovery Systems. She will oversee the management of your portfolio. She started her career as an account representative for a major credit card company prior to her work in third-party government collections. Early in her career she was honored with the title of Collector of the Year. Marquette began as a unit manager and within two years had diligently worked her way into the Senior Collection Manager roll for CRS. As Senior Collection Manager, her duties include management of our entire portfolio as it relates to our account representatives. She also handles our client relationships as a start-up and continuing operations liaison.

John Cavanaugh – Director of Information Technology

John joined Capital Recovery Systems in 2009 and is responsible for a completely automated and customized process that keeps our systems up to speed with changing client demands. His attention to detail and his skill at working multiple projects with tight deadlines make him a major asset to the team. John is responsible for system maintenance and security, implementation of software, and ensuring the systems are operational 24/7.

Nancy Benedum – Data Management Supervisor

Nancy started working with CRS in June of 2005 and has over 25 years of experience with office automation systems. Nancy brings a high level of troubleshooting and problem-solving skills to the team. Nancy is responsible for the implementation and continued quality of your data.

Alex Gregory- Marketing Coordinator

Alex joined the CRS team in April 2013. Alex is responsible for outreach to both clients and prospective clients alike, as well as providing a broad perspective on various state and local markets. With a background in statistical analysis and research, he works on initiatives that enhance value to clients and improve client profitability.

John DiAlbert – Legal Compliance Manager

Prior to joining CRS full-time in 2010, John was an attorney with a family practice that had a close working relationship with CRS. Since coming on board, John has assumed the responsibility of making sure all of our actions and communications are compliant with FDCPA and TCPA regulations, as well as compliant with state and local laws regarding collections. We are proud to have John as our staff legal consultant, and benefit greatly from his knowledge of government and collection law.

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CITY OF KINGSTON PARKING TICKET

DATE 01/03/2018

A G I N G O F A C C O U N T S R E C E

I V A B L E

PENALTIES	AGE OF TICKETS PARTIAL PD/DISM	NUMBER OF TICKETS TOTAL VALUE	VALUE OF FINES	VALUE OF
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	0-30 DAYS	390	\$9,185.00	
\$3,630.00	\$.00	\$12,815.00		
	31-60 DAYS	326	\$7,755.00	
\$7,660.00	\$.00	\$15,415.00		
	61-90 DAYS	123	\$2,950.00	
\$2,955.00	\$20.00	\$5,885.00		
	91-180 DAYS	408	\$9,745.00	
\$9,745.00	\$220.00	\$19,270.00		
	181-365 DAYS	1,078	\$35,220.00	
\$24,520.00	\$805.00	\$58,935.00		
	OVER 1 YEAR	2,387	\$53,590.00	
\$48,620.00	\$460.00	\$101,750.00		
	OVER 2 YEARS	2,031	\$49,080.00	
\$41,365.00	\$780.00	\$89,665.00		
	OVER 3 YEARS	2,013	\$49,620.00	
\$41,150.00	\$590.00	\$90,180.00		
	OVER 4 YEARS	972	\$32,790.00	
\$19,145.00	\$400.00	\$51,535.00		
	OVER 5 YEARS	9,621	\$236,160.00	
\$213,570.00	\$5,740.00	\$443,990.00		
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	T O T A L S	19,349	\$486,095.00	
\$412,360.00	\$9,015.00	\$889,440.00		

Communication from Alderman Patrick O'Reilly to Alderman At-Large James Noble

Re: Motion to Reconsider

Alderman At-Large Noble,

As per your recommendation at our common council meeting on January 9th 2018, I am submitting a communication to revisit the zoning issue of the Alms house, 300 Flatbush Ave, after the city received a decision from the courts written by Judge Mott. Our common council was advised by Corporation Counsel on January 8th, 2018 that we had no option to re-vote. I would like to make a motion that we as a newly elected body, by the citizens of our community, revisit the determination by the President of the common council, bases on erroneous advice of the Corporation Council that there was no option to revote. Without specific mention by Judge Mott, the Corporation Council's lack of specific legal reference leads me to believe this is a matter which should be reconsidered by our laws and rules committee for further review of the merits of RUBCO's zoning request. Upon such a review this request could then move back to the newly elected Common Council for a re-vote beyond a reasonable doubt and with majority rules.

I hope my communication won't be considered lightly and look forward to a response in due time.

Respectfully submitted,

Patrick O'Reilly

Alderman Ward 7

