

TO: THE COMMON COUNCIL: DATE: February 18, 2003

FROM: DEPARTMENT: Audit and Control

 DIVISION: Audit

 SUBJECT: [: User Fee System

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PRIOR COUNCIL REFERENCE: (IF ANY) [:

Ex. (Item No. xxx, C.C.P. xx/xx/xx)

TEXT: (TYPE SINGLE SPACE BELOW)

Audit Findings

1. There are 299 properties that are not being billed by the User Fee system.
2. The property classes range from vacant land to multiple dwellings.
3. Property owners include City agencies (BURA,BNRC,BMHA) and some well-known individuals.
4. The sample physical inventory revealed garbage totes and recycle boxes at locations that are not on the User Fee system and hence are never billed for the garbage pickup that the City of Buffalo provides.

Audit Request

We wrote to the Commissioner and Deputy Commissioner and asked the obvious questions about our results and suggested recommendations.

- Should these properties be in the User fee billing system
- If not, please inform us as to the reason
- For those that should be included, please set them up for retroactive billing.
- Inform us of the results
- Our letters were dated in February, March and June of 2002

Audit Reply

The commissioner's reply (enclosed) stated that they "reviewed the properties in question,... Our research has revealed that these are properties that have been subject to some form of property change during this past year."

And he further states that "Since the Department of Assessment adds these new properties to the City roll after July 1st..." "has taken steps to send this information.....Attached is a form developed by the Department of Assessment that will be used to notify the User Fee office of these property changes."

Audit Recommendations

1. Implement the system suggested in the reply.
 2. Specific answers for the 299 instances need to be documented. Logic would indicate other problems with updating must exist. If the first comparison ever done between these two systems revealed 299 instances, how can we be assured that the manual input form will solve everything.
 3. Collect on retroactive billings
 4. Recommend system architecture improvements including a CIF.
 5. Consider updating real estate records consistent with County updates.
 6. How many other systems have incorrect property locations and property owners?
 7. Investigate regional initiatives with County real estate records.
- Run the system file data and compare semiannually

TYPE DEPARTMENT HEAD NAME: Andrew San Filippo

TYPE TITLE: Acting Comptroller

SIGNATURE OF DEPARTMENT HEAD

