



Agenda Item #: \_\_\_\_\_

# Staff Report

## City of Manhattan Beach

**TO:** Members of the Finance Subcommittee

**THROUGH:** Bruce Moe, Finance Director

**FROM:** Steve S. Charelian, Revenue Services Manager

**DATE:** March 11, 2014

**SUBJECT:** Consideration of Bad Debt Write-Off's for Referral to Collections from October 1, 2013 through December 31, 2013

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### RECOMMENDATION:

Staff recommends that the Finance Subcommittee: receive and file the attached summary report of write-offs within the authority of the Finance Director (not to exceed \$2,500).

### FISCAL IMPLICATION:

Financial Credit Network, the City's collection agency, is paid a commission on the money collected. The commission percentage ranges from 25% on regular collections to 35% for collections requiring legal action. The agency provides an initial 15-day grace period. During that period any money collected by the agency will be remitted back to the City without charge.

### BACKGROUND:

On May 17, 2011 City Council approved a policy delegating write-off authority to the Finance Director for uncollectable accounts receivable up to \$2,500. Write-offs of \$2,500 to \$7,500 require the approval of the Finance Subcommittee. Any write off of uncollectible accounts receivables greater than \$7,500 requires City Council approval. Additionally, City Council approved a contract with Financial Credit Network for services related to uncollectible debt.

### DISCUSSION:

The City reviewed, processed and sent to collections all outstanding bad debts from October 1, 2013 through December 31, 2013

- Ambulance Billing: \$88,403.68 (October 1, 2013 to December 31, 2013)
- Miscellaneous A/R \$ 7,639.96 (October 1, 2013 to December 31, 2013)
- Utility Billing: \$ 8,734.06 (October 1, 2013 to December 31, 2013)

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The write-off process is that once the appropriate authority has approved the debt for write-off, the collection agency will be contacted and provided the pertinent information to begin the collection process. Depending upon the collection time and effort, the collection agency will share between 0% and 35% of the amount collected.

By way of reporting, the Finance Subcommittee receives periodical reports for ratification of all write-offs.

**Attachments:**


1. Summary of write-offs (not to exceed \$2,500) from October 1, 2013 through December 31, 2013



# Memorandum

## City of Manhattan Beach

**TO:** Bruce A. Moe, Finance Director

**FROM:** Steve S. Charelian, Revenue Services Manager 

**DATE:** January 30, 2014

**SUBJECT:** Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables – Covering Period October 1, 2013 – December 31, 2013

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In order to maximize revenues from delinquent account holders, the services of an outside collection agency is required. The City contracts with Financial Credit Network (FCN). The City Council approved write-off limits are:

<u>Authority</u>	<u>Write Off Limits</u>
Finance Director	\$0 - \$2,500
Finance Subcommittee	\$2,501 - \$7,500
City Council	\$7,501+

The attached individual write-off amounts are all less than \$2,500 (the maximum allowable write-off limit set by policy for the Finance Director). The collection process commences after numerous attempts by City Staff to make the collections in-house. The grand totals for Ambulance, Utility (water and refuse) and Miscellaneous A/R billing are:

Write-Off Period October 1, 2013 to December 31, 2013:

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
- Ambulance Billing:	\$ 88,403.68	56
- Miscellaneous Accounts Receivable	\$ 7,639.96	8
- Utility Billing (water & refuse)	\$ 8,734.06	23

Attachments (detailed write off reports):

1. Ambulance Billing
2. Miscellaneous Accounts Receivable
3. Utility Billing (water & refuse)

FIRE DEPARTMENT (AMBULANCE) APPROVAL FOR WRITE OFFS FOR FINANCIAL CREDIT NETWORK  
 Ambulance Bad Debt Collections

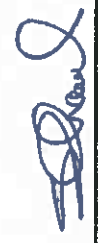
City of Manhattan Beach - Finance Department		CMB		Ambulance Bad Debt Collections				
#	Last Name	First Name	Trip Date	BATCH DATE	Run #	Incident	Balance	City
1	ABSOLO	JOSE	04/10/2013	11/22/2013	13114530	130822	\$ 1,730.25	LONG BEACH
2	ALBARADO	EDUARDO	06/20/2013		13182010	131461	\$ 1,722.25	LAWNDALE
3	BLACKWELL	DEREK	05/31/2013		13150436	131287	\$ 100.00	MANHATTAN BEACH
4	BRADFORD(PARENT)	CHARLIE	11/30/2012		12372917	122902	\$ 348.25	MANHATTAN BEACH
5	CASH	MARIA	06/20/2013		13182017	131514	\$ 1,828.25	MANHATTAN BEACH
6	COLLINS	RENIQUE	05/02/2013		13116808	131031	\$ 1,737.75	LOS ANGELES
7	CORTEZ	TEDDYSUE	07/21/2013		13210054	131772	\$ 1,759.25	REDONDO BEACH
8	DOHERTY	CRYSTAL	04/26/2013		13117516	130978	\$ 1,722.25	TORRANCE
9	DSORIO	SANDRA	04/28/2013		13117998	130997	\$ 1,729.25	REDONDO BEACH
10	FITZGERALD	MAUREEN	05/02/2013		13116836	131033	\$ 1,794.75	HERMOSA BEACH
11	FRANK	LAUREN	07/10/2013		13210873	131670	\$ 1,863.25	MANHATTAN BEACH
12	GALLAGHER	SUZANNE	06/05/2013		13150606	131336	\$ 1,730.25	LOS ANGELES
13	GROVES	BEVERLY	10/04/2012		12310904	122418	\$ 200.00	GARDENA
14	HAWKINS	SHANE	04/25/2013		13117979	130963	\$ 1,719.25	MANHATTAN BEACH
15	HEYMAN	SEAN	04/08/2012		12107273	120825	\$ 1,728.00	LOS ANGELES
16	HUSSAIN	TAHIR	06/30/2013		13189732	131572	\$ 1,819.25	MARINA DEL REY
17	JAMES	VALERIE	07/08/2013		13190162	131659	\$ 1,769.25	CULVER CITY
18	KENT	BRETT	03/20/2013		1396129	130668	\$ 1,800.75	METAIRE
19	MADRIGAL	KARINA	09/08/2012		12283135	122196	\$ 156.75	LONG BEACH
20	MCELROY	RODNEY	05/07/2013		13147053	131072	\$ 1,153.00	BANNING
21	NIEVES	JAVIER	04/27/2013		13119316	130984	\$ 1,829.25	LAWNDALE
22	OOMS	CORNELIS	04/08/2013		13114558	130808	\$ 1,239.75	MANHATTAN BEACH
23	PETERSON	BRIAN	05/26/2013		13150450	131248	\$ 1,893.75	MANHATTAN BEACH
24	PHILLIPS	BRETT	04/05/2013		1396063	130783	\$ 1,820.25	MANHATTAN BEACH
25	PINZON	JOSE	03/20/2013		1396181	130664	\$ 1,801.75	MANHATTAN BEACH
26	RANDALLE	ALEX	06/10/2013		13171280	131378	\$ 1,870.25	
27	REY	RANDY	03/14/2013		1385041	130617	\$ 1,747.25	
28	SANTAMARIA	MISAEI	04/30/2013		13116817	131018	\$ 1,820.25	LOS ANGELES
29	SHERIDAN	DAVID	06/06/2013		13171407	131345	\$ 548.18	MANHATTAN BEACH
30	SRICHANDRA	KRISTINA	07/04/2013		13190141	131612	\$ 1,862.25	MANHATTAN BEACH
31	WHITHEAD	THOMAS	07/21/2013		13210250	131758	\$ 1,819.25	
32	WINTER	KIANA	05/24/2013		13150401	13122	\$ 1,239.75	MANHATTAN BEACH
33	YOUNG	BRIAN	05/11/2013		13147118	131115	\$ 1,722.25	LOS ANGELES

FIRE DEPARTMENT (AMBULANCE) APPROVAL FOR WRITE OFFS FOR FINANCIAL CREDIT NETWORK  
 City of Manhattan Beach - Finance Department  
 Ambulance Bad Debt Collections

#	Last Name	First Name	Trip Date	CMB BATCH DATE	Run #	Incident	Balance	City
34	ANABO	MARTHIN	08/04/2013		13218608	131899	\$ 1,929.50	
35	BACTAI	HECTOR	06/22/2013		13182037	131479	\$ 1,825.25	MANHATTAN BEACH
36	BATEMAN	KEVIN	08/06/2013		1328655	131919	\$ 1,670.50	MANHATTAN BEACH
37	CHIETTIER	NICOLE	08/26/2013		13240431	132081	\$ 1,942.50	LONG ISLAND CITY
38	CLARK	KISHA	09/12/2012		12288289	122228	\$ 1,660.50	LOS ANGELES
39	CLEMENT	MICHAEL	08/31/2013		13258079	132120	\$ 1,296.00	LOS ANGELES
40	DAWN	STARR	06/16/2013		13171161	131424	\$ 1,833.00	MANHATTAN BEACH
41	FELLOWS	MARY	04/27/2013		13117995	130991	\$ 1,248.00	
42	FLORES (PARENTS)	PAULA	06/22/2013		13182071	131491	\$ 1,853.25	REDONDO BEACH
43	GONZALEZ	ALEX	07/30/2013		13211455	131864	\$ 1,856.50	LAWDALE
44	HANSHAR	BRIAN	08/18/2013		13240479	132005	\$ 1,759.25	HESPERIA
45	NAVARI (PARENTS)	JULIUS	06/08/2013		13171285	131360	\$ 1,870.25	LOS ANGELES
46	LAPINSKI	LAURA	04/12/2013		13114574	130849	\$ 1,802.25	MANHATTAN BEACH
47	LARGENT	KIMBERLY	08/03/2013		13218607	131895	\$ 1,762.25	
48	MALONEY	STEPHANIE	08/03/2013		13218601	131896	\$ 1,268.75	UNION
49	MEJIA	RUBEN	07/03/2013		13190116	131604	\$ 1,881.25	MANHATTAN BEACH
50	REYES	EDNA	07/24/2013		13211457	131801	\$ 1,778.25	
51	ROSENBERG(PARENT)	JAKE	07/04/2013		13190126	131622	\$ 1,942.50	MANHATTAN BEACH
52	ROTH	ATHENS	08/18/2013		13241313	132008	\$ 1,325.75	CALABASAS
53	SANCHEZ	ARTEMIO	09/05/2013		13262029	132179	\$ 1,765.25	LOS ANGELES
54	UNKEFER	LEVI	05/27/2013		13171632	131257	\$ 1,334.75	REDONDO BEACH
55	WINDOR	WAYNE	08/17/2013		13241541	132003	\$ 1,306.75	
56	WOLF	CHARLES	07/08/2013		13190148	131664	\$ 1,865.25	WEST HILLS

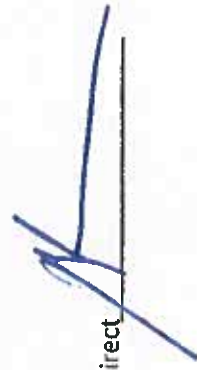
\$ 88,403.68

Date: 2/10/14



Revenue Services Manager:

Finance Direct




Miscellaneous Accounts Receivable Approval for Write-Off for Financial Credit Network

INV #	CUST #	INV. DATE	AMOUNT	Initial Invoice	Delinq Notice	1st Final Notice	2nd Final Notice	Final Letter for Collections	TYPE	NAME/MAILING ADDR	PHONE NUMBER
15-03143	003374	06/19/2013	\$ 190.00	✓	✓	✓	✓	✓	False Alarm	Teri Argos Mailing Address:	
15-03135	003878	06/19/2013	\$ 190.00	✓	✓	✓	✓	✓	False Alarm	Krysti Rosarlo	
12-03441	005390	06/27/2013	\$ 1,533.40						Sidewalk Repair	Laurn Burnett	
12-03323	006279	06/25/2013	\$ 654.50	✓	✓	✓	✓	✓	Sidewalk Repair	Michael Roughen	
12-03362	006311	06/26/2013	\$ 2,292.70	✓	✓	✓	✓	✓	Sidewalk Repair	Camm Sublette	
15-03150	006423	07/29/2013	\$ 740.35	✓	✓	✓	✓	✓	Cost Recovery	George Lamonte Brown	
15-03151	006424	07/29/2013	\$ 1,849.01	✓	✓	✓	✓	✓	Cost Recovery	Dawn Starr Heaton	
15-03219	006454	08/29/2013	\$ 190.00	MAIL RETURNED - BUSINESS CLOSED					False Alarm	Internet Galaxy	
			\$ 7,639.96								

Date: 2/10/14

Revenue Services Manager: 

Finance Director: 

UTILITY BILLING APPROVAL FOR WRITE-OFF FOR FINANCIAL CREDIT NETWORK

Account #	Primary Cust Name	Last Bill Date	Closed Date	City	State	Zip Code	Customer balance due	Account Status
1	10-1410000-02 REID, DR ANTHONY	09/09/2013	08/30/2013	INGLEWOOD	CA	90301	552.79	C
2	10-3190001-13 PALMER, MARY	12/13/2013	11/27/2013	MANHATTAN BEACH	CA	90286	201.64	C
3	10-3500900-08 FU, ROY	09/18/2013	09/09/2013	MANHATTAN BEACH	CA	90266-6902	290.61	C
4	11-1026000-07 WOODS, JONATHAN	11/26/2013	11/25/2013	MANHATTAN BEACH	CA	90266-7231	293.94	C
5	18-0610000-09 ANGELL, VALERIE	11/08/2013	09/30/2013	MANHATTAN BEACH	CA	90266	171.07	C
6	18-0730100-02 MARIN, STEVE	11/08/2013	11/08/2013	MANHATTAN BEACH	CA	90266	160.87	C
7	20-0186010-00 AHLFELDT, MARY PAT	12/13/2013	12/03/2013	LOS ALTOS	CA	94024	396.37	C
8	27-0024500-02 CHEZ SOI	10/11/2013	10/09/2013	CERRITOS	CA	90703	1235.07	C
9	29-0295020-04 FEIN, DAN	10/04/2013	10/01/2013	HERMOSA BEACH	CA	90254	109.35	C
10	37-0470700-03 MCCARTHY, CASSIDY	11/15/2013	11/08/2013	MANHATTAN BEACH	CA	90266-5801	312.28	C
11	48-0013014-07 PS LIMOUSINE SERVICES	10/24/2013	10/16/2013	MANHATTAN BEACH	CA	90266	375.60	C
12	49-0211112-12 KAH RESTAURANT	10/11/2013	10/09/2013	GARDENA	CA	90248	662.04	C
13	59-0824016-07 ARBAB, BOBBY	12/13/2013	11/21/2013	MANHATTAN BEACH	CA	90266-3547	612.91	C
14	67-1005010-04 DEMSEY, SARAH	09/11/2013	09/09/2013	MANHATTAN BEACH	CA	90266-2223	393.34	C
15	75-0108100-06 COLEMAN, ROLAND	09/20/2013	09/09/2013	LOS ANGELES	CA	90042	192.84	C
16	76-0502011-08 SADEGHI, HASSAN	09/26/2013	09/23/2013	MANHATTAN BEACH	CA	90266-7113	198.67	C
17	82-1270031-09 COLLINS, TODD	11/08/2013	11/04/2013	MANHATTAN BEACH	CA	90266-6836	341.22	C
18	83-1421010-11 SWEIS, KARL	12/13/2013	11/27/2013	MANHATTAN BEACH	CA	90266-6753	198.36	C
19	85-2034010-10 MORRISON, KIARA	09/18/2013	09/17/2013	MANHATTAN BEACH	CA	90266	340.81	C
20	86-2138020-05 DE GYARFAS, VICTOR	09/11/2013	09/09/2013	LOS ANGELES	CA	90071	360.32	C
21	88-0362601-06 WHITE, CYNTHIA	11/08/2013	10/29/2013	MANHATTAN BEACH	CA	90266	396.89	C
22	90-0092011-08 MEYER, INGRID	09/26/2013	09/24/2013	MANHATTAN BEACH	CA	90266-4149	724.69	C
23	99-1466003-08 KAH RESTAURANT	10/24/2013	10/09/2013	GARDENA	CA	90248	212.38	C
OCT-DEC 2013 COLLECTION							8734.06	

Date: 2/10/14

*[Signature]*

Revenue Services Manager:

*[Signature]*

Finance Director: