





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:** December 1, 2014

**SUBJECT:** Consideration of Bad Debt Write-Off's to Collections from July 1, 2014 through September 30, 2014

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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 and processed to collections all outstanding bad debts from July 1, 2014 through September 30, 2014

- Ambulance Billing: \$18,173.45 (July 1, 2014 to September 30, 2014)
- Miscellaneous A/R \$ 9,622.67 (July 1, 2014 to September 30, 2014)
- Utility Billing: \$13,960.92 (July 1, 2014 to September 30, 2014)

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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 July 1, 2014 through September 30, 2014




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# Memorandum

## City of Manhattan Beach

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

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

**DATE:** November 12, 2014

**SUBJECT:** Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables – Covering Period July 1, 2014 – September 30, 2014

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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 July 1, 2014 – September 30, 2014:

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
- Ambulance Billing:	\$ 18,173.45	11
- Miscellaneous Accounts Receivable	\$ 9,622.67	17
- Utility Billing (water & refuse)	\$ 13,960.92	50

Attachments (detailed write off reports):

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

AMB TRANSPORTS						
#	Account Number	Lastname	Firstname	City	State	Total Current Charges-Last
1	17288776	Smith	Aaron	MANHATTAN BEACH	CA	\$ 1,169.25
2	17382304	Nieves	Francisco	LAWDALE	CA	\$ 1,478.00
3	17382561	Cherniak	Sandra	MANHATTAN BEACH	CA	\$ 1,797.25
4	17811050	Fasoli	Adele	HERMOSA BEACH	CA	\$ 1,913.50
5	17869021	Kaptryan	Andy	SAN FRANCISCO	CA	\$ 1,852.25
6	18226386	Moody	Louise	LOS ANGELES	CA	\$ 1,882.00
7	18348807	Kells	Margaret	HERMOSA BEACH	CA	\$ 1,315.50
8	18717001	Beach	Kathy	TORRANCE	CA	\$ 1,797.25
9	19434637	Limongeli	Kira	GALLATIN	TN	\$ 1,949.50
10	19434677	Brooks Jr	Damien	LOS ANGELES	CA	\$ 1,759.25
11	19461260	Schlichter	Marisa	REDONDO BEACH	CA	\$ 1,259.70
<b>Total:</b>						<b>\$ 18,173.45</b>

Date: 11/13/14


Revenue Services Manager: 

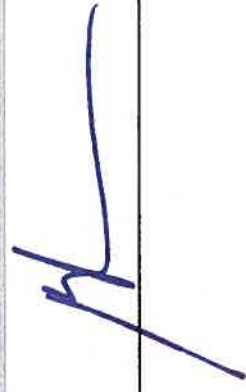
Finance Director: 

	Account #	Account Type	Account Status	Primary Cust Name	Prime Customer Phone	Last Bill Date	Prime Location Address	Closed Date	Customer balance due
1	11-0120501-08	01	C	YOKOI, MICHIKO/TOSHIYUKI				08/29/2014	112.26
2	11-0300055-02	01	C	QUISENBERRY, DANIEL				05/30/2014	181.10
3	11-0400005-03	01	C	LAPORTE, GERALD				09/02/2014	261.12
4	16-1340600-11	01	C	ESMAILZADEH, HAYDEN				06/30/2014	136.89
5	16-2270002-01	01	C	DILLON, PATRICIA				07/08/2014	220.26
6	17-0890000-09	01	C	GRANT, KIMBERLY				08/12/2014	84.36
7	18-0570000-09	01	C	HORECZKO, GREG				07/31/2014	319.83
8	19-0059023-05	11	C	CAMPBELL, JUDY				08/14/2014	64.32
9	20-0158014-07	01	C	BUSH, JENNIFER				06/27/2014	372.99
10	20-0186010-02	01	C	ITURBE, ANDREA				06/30/2014	1834.44
11	20-0186121-24	01	C	PINTO, VERONICA				06/30/2014	164.41
12	22-0424010-04	01	C	ELKIN, ANDREW				07/18/2014	311.74
13	26-1069456-19	01	C	HENRY, CLOYCE				07/23/2014	300.27
14	29-0269020-04	01	C	REMMEN, BARRY				05/30/2014	307.03
15	31-0582220-04	01	C	CLEGG, TIMOTHY				06/03/2014	159.17
16	35-0228023-05	11	C	WAVE SOUND INC				06/06/2014	1510.29
17	37-0470700-04	01	C	ADAMS, SHANE				09/02/2014	201.43
18	39-0116122-11	01	C	COOK, CLIFF				04/28/2014	17.05
19	41-0426010-05	01	C	TEOPHIL, LEANNE/HARRY				06/30/2014	25.27
20	42-0583013-12	01	C	NOE, NANCY				09/08/2014	198.58
21	48-0167040-07	02	C	HOT DOGGERS				08/01/2014	129.42
22	50-0456010-04	01	C	DEMARIA, PETER T				07/30/2014	534.16
23	52-0699010-08	01	C	DALSEMER, IAN				07/11/2014	80.47
24	54-0957024-12	01	C	TILAK, VANDANA				09/01/2014	100.55
25	55-0012010-12	01	C	CAMERON, BRYNN				07/10/2014	270.01
26	55-0062010-03	01	C	PARSA, DAVID				08/26/2014	505.29
27	56-0204025-08	01	C	SMITH, KEVIN				07/07/2014	53.02
28	61-1179025-06	01	C	VISTY JR, R S				07/25/2014	173.35
29	62-0033028-12	01	C	RINNE, JEFF				07/01/2014	171.36
30	63-0232041-06	01	C	CONRAD, LISA				07/15/2014	256.34
31	64-0436011-04	01	C	WOLFE, ALLEN				07/08/2014	735.21
32	66-0828010-08	01	C	CONLEY, MARK				06/03/2014	63.23

Account #	Account Type	Account Status	Primary Cust Name	Prime Customer Phone	Last Bill Date	Prime Location Address	Closed Date	Customer balance due
33	01	c	DUBINSKY, BRIAN				05/28/2014	212.25
34	01	c	KOGAN, JESSIE				06/04/2014	782.04
35	01	c	ALARCON, LANCE				06/03/2014	350.74
36	01	c	JONAS, SCOTT				07/11/2014	75.00
37	01	c	NAPP, MARC				05/30/2014	359.79
38	01	c	MARTEL, SAM				07/31/2014	394.33
39	01	c	CLANCY, COLLEEN				08/18/2014	264.68
40	01	c	HOFFMAN, BRANDE				06/20/2014	188.16
41	01	c	BELL, HEATHER				06/23/2014	63.66
42	05	c	VERSAILLES				08/06/2014	30.09
43	01	c	SILVERSHEIN, ROBERT				07/14/2014	157.87
44	01	c	CROW, FELICIA				06/30/2014	213.22
45	09	c	BAJA FRESH MEXICAN GRILL				06/02/2014	365.35
46	02	c	GREAT EARTH VITAMINS				08/06/2014	107.67
47	02	c	MANHATTAN BEACH JR #2				06/04/2014	58.40
48	01	c	LOCKE, PATRICIA				07/24/2014	141.22
49	01	c	JOAQUIN, JILL				07/01/2014	196.32
50	2	c	BAJA FRESH MEXICAN GRILL				08/31/2014	144.91
								13960.92

Date: 11/13/14

Revenue Services Manager: 

Finance Director: 

**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
15-03477	001784	04/30/2014	\$ 285.00	✓	✓	✓	✓	✓	False Alarm	Robert M Werle	
15-03099	004692	04/29/2013	\$ 1,089.47	✓	✓	✓	✓	✓	Cost Recovery	Michael Alan Bark	
15-02968	006001	12/28/2012	\$ 653.39	✓	✓	✓	✓	✓	Cost Recovery	Maynor Americo Galindo	
12-03341	006291	06/25/2013	\$ 348.80	✓	✓	✓	✓	✓	Sidewalk Repair	Julie Thornton	
15-03156	006428	07/29/2013	\$ 1,800.00	✓	✓	✓	✓	✓	Cost Recovery	Benjamin M. Shisler	
15-03343	006528	01/08/2014	\$ 290.00	✓	✓	✓	✓	✓	False Alarm	Julie Hoheb	
15-03366	006537	01/08/2014	\$ 475.00	✓	✓	✓	✓	✓	False Alarm	Sunny Beutler	
15-03456	006572	04/30/2014	\$ 290.00	✓	✓	✓	✓	✓	False Alarm	Kelly or Dan Drescher	
16-02537	006580	03/06/2014	\$ 215.00	✓	✓	✓	✓	✓	F.D. Permit	Enriched Farms	
15-03431	006585	03/06/2014	\$ 451.68	✓	✓	✓	✓	✓	Cost Recovery	Denise Pricilla Zapata	
15-03444	006593	03/11/2014	\$ 290.00	✓	✓	✓	✓	✓	False Alarm	Suzanne Adam	



**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
15-03449	006596	04/17/2014	\$ 853.40	✓	✓	✓	✓	✓	Cost Recovery	Nia Khadjjah Bolton	
15-03455	006602	04/17/2014	\$ 497.81	✓	✓	✓	✓	✓	Cost Recovery	John Richard Wells	
15-03462	006604	04/30/2014	\$290.00	✓	✓	✓	✓	✓	False Alarm	Thomas Howard	
15-03471	006609	04/30/2014	\$290.00	✓	✓	✓	✓	✓	False Alarm	Mylan Stepanovich	
15-03479	006660	05/22/2014	\$853.38	✓	✓	✓	✓	✓	Cost Recovery	Bren Christoph Conner	
			<b>\$ 8,972.93</b>								

Date: 11/13/14

Revenue Services Manager: 

Finance Director: 