



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 19, 2015

SUBJECT: Bad Debt Write-Offs to Collections from October 1, 2014 through December 31, 2014.

RECOMMENDATION:

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

FISCAL IMPLICATION:

Financial Credit Network (FCN), 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:

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 October 1, 2014 through December 31, 2014. These write-offs were sent to FCN on March 5, 2015.

- Ambulance Billing: \$32,747.07 (October 1, 2014 to December 31, 2014)
- Miscellaneous A/R \$ 9,445.96 (October 1, 2014 to December 31, 2014)
- Utility Billing: \$16,179.84 (October 1, 2014 to December 31, 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 October 1, 2014 to December 31, 2014



Memorandum

City of Manhattan Beach

TO: Bruce A. Moe, Finance Director

FROM: Steve S. Charelian, Revenue Services Manager 

DATE: February 23, 2015

SUBJECT: Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables – Covering Period October 1, 2014 – December 31, 2014

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, 2014 to December 31, 2014:

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
- Ambulance Billing:	\$ 32,747.07	22
- Miscellaneous Accounts Receivable	\$ 9,723.71	14
- Utility Billing (water & refuse)	\$ 16,179.84	42

Attachments (detailed write off reports):

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

AMB TRANSPORT SERVICE

No.	Account Number	Lastname	First Initial	City	State	Balance
1	17406907	Zamora	K	INGLEWOOD	CA	\$1,759.25
2	18348807	Kells	M	HERMOSA BEACH	CA	\$1,315.50
3	18470717	Anderson	M	DARDANELLE	CA	\$1,844.00
4	18496607	Dejong	P	LOMITA	CA	\$1,840.95
5	18796072	Myronowicz	M	MANHATTAN BEACH	CA	\$1,353.50
6	18796179	Corona	R	MANHATTAN BEACH	CA	\$1,180.00
7	18847034	Viatoro	S	MANHATTAN BEACH	CA	\$1,450.75
8	19434610	Schaefer	J	MANHATTAN BEACH	CA	\$1,765.50
9	19543874	Demello	F	FALL RIVER	MA	\$1,713.25
10	19629403	Shy	D	LOS ANGELES	CA	\$1,863.00
11	17406742	Francis	M	MANHATTAN BEACH	CA	\$961.95
12	17495208	Peterson	K	CERRITOS	CA	\$1,852.25
13	17629415	Jacinto	E	MANHATTAN BEACH	CA	\$200.00
14	17629515	Harlow	D	MANHATTAN BEACH	CA	\$100.00
15	17811137	Walker	K	TORRANCE	CA	\$1,818.50
16	17869135	Martelli	A	BELLINGHAM	WA	\$1,759.25
17	17952902	Diab	W	GARDENA	CA	\$1,740.25
18	17952942	Fekrinia	J	REDONDO BEACH	CA	\$1,335.92
19	18226402	Parker	K	SANTA MONICA	CA	\$1,353.50
20	18262713	McLure	R	REDONDO BEACH	CA	\$1,890.25
21	18460610	Bue	R	HERMOSA BEACH	CA	\$1,721.25
22	18483212	Gertich	J	HAWTHORNE	CA	\$1,928.25

\$ 32,747.07

Date: 2/24/15

Revenue Services Manager:



Finance Director:



MISCELLANEOUS ACCOUNTS RECEIVABLE

No.	Invoice No.	Type	Name	City	State	Balance
1	12-03691	Sidewalk Repair	C First	Manhattan Beach	CA	\$ 729.00
2	15-03508	False Alarm	El Torito Restaurant	Manhattan Beach	CA	\$ 475.00
3	15-03555	False Alarm	El Torito Restaurant	Manhattan Beach	CA	\$ 760.00
4	15-03502	False Alarm	M Traylor	Manhattan Beach	CA	\$ 190.00
5	15-03541	False Alarm	M Traylor	Manhattan Beach	CA	\$ 285.00
6	15-03258	Cost Recovery	H G Cammarata	Hermosa Beach	CA	\$ 1,351.19
7	15-03289	Cost Recovery	Y A Monteagudo	Hawthorne	CA	\$ 379.29
8	15-03536	False Alarm	J Bianculli	Manhattan Beach	CA	\$ 435.00
9	15-03450	Cost Recovery	A Dimeo	Mays Landing	NJ	\$ 850.00
10	12-03637	Sidewalk Repair	I Vogt	Manhattan Beach	CA	\$ 135.00
11	15-03483	Cost Recovery	A J Beckford	North Hollywood	CA	\$ 1,271.34
12	15-03486	Cost Recovery	C M Shaw	Palmdale	CA	\$ 995.62
13	15-03517	Cost Recovery	E L Daroza IV	Manhattan Beach	CA	\$ 665.02
14	15-03519	Cost Recovery	R D Gaddis	Hermosa Beach	CA	\$ 924.50

\$ 9,445.96

Date: 2/24/15

Revenue Services Manager: 

Finance Director: 

UTILITY BILLING ACCOUNTS

No.	Account #	Status	Prime Customer Name	City	State	Balance
1	10-1075001-10	c	C PUSATERI	MANHATTAN BEACH	CA	\$ 458.03
2	10-1311502-01	c	EPTIC MEDIA GROUP	PARAMOUNT	CA	\$ 235.83
3	10-3873000-12	c	S PANZARELLA	MANHATTAN BEACH	CA	\$ 265.78
4	23-0689040-15	c	L CABANES	MANHATTAN BEACH	CA	\$ 130.06
5	26-0993038-05	c	A CURRAN	SCOTTSDALE	AZ	\$ 253.34
6	31-0593000-06	c	P TRAUGHBER	MANHATTAN BEACH	CA	\$ 261.86
7	32-0647210-12	c	T LIVIAN	ROLLING HILLS	CA	\$ 54.45
8	33-0025110-07	c	M REISER	SIOUX FALLS	SD	\$ 491.52
9	34-0169030-07	c	M RUDERMAN	MANHATTAN BEACH	CA	\$ 235.81
10	37-0432021-08	c	S WHEAT	SHERMAN OAKS	CA	\$ 133.08
11	38-0552016-09	c	R HERMAN	HERMOSA BEACH	CA	\$ 323.05
12	42-0533023-09	c	C MILLER	MANHATTAN BEACH	CA	\$ 262.32
13	45-0212021-02	c	J MILLER	HERMOSA BEACH	CA	\$ 531.01
14	45-0254012-10	c	M KRESSER	MANHATTAN BEACH	CA	\$ 147.73
15	46-0412021-00	c	S MELLON	MANHATTAN BEACH	CA	\$ 506.05
16	49-0239022-15	c	N CONTRERAS	RANCHO PALOS VERDES	CA	\$ 609.51
17	50-0354011-06	c	J QUATTLEBAUM	MANHATTAN BEACH	CA	\$ 235.94
18	50-0413016-06	c	P YOLLIN	REDONDO BEACH	CA	\$ 319.14
19	59-0743010-01	c	S SHIELDS	GARDENA	CA	\$ 506.98
20	61-1132013-09	c	R FINLAYSON	HEBER CITY	UT	\$ 82.20
21	67-0991010-06	c	K PEERS	MANHATTAN BEACH	CA	\$ 116.13
22	68-0004011-08	c	DOUBLE MB LLC	ROLLING HILLS ESTATES	CA	\$ 78.41
23	68-0146011-07	c	J WOOD	MANHATTAN BEACH	CA	\$ 655.19
24	69-0420015-09	c	C EGLIN	ORLANDO	FL	\$ 187.85
25	71-0719034-20	c	J WASKO	MANHATTAN BEACH	CA	\$ 22.37
26	72-0909021-12	c	L ESCOBAR	RESEDA	CA	\$ 85.94
27	73-1086011-06	c	S ROSENTHAL	SAN PEDRO	CA	\$ 1,699.50
28	74-1125020-06	c	L POLA	HERMOSA BEACH	CA	\$ 1,597.92
29	75-0141010-09	c	T SIM	MOHAVE VALLEY	AZ	\$ 182.89
30	76-0503013-12	c	T DOWNS	REDONDO BEACH	CA	\$ 167.16
31	77-0719011-04	c	C WOJICK	REDONDO BEACH	CA	\$ 843.45
32	80-1008012-05	c	E CRICKSMAN	MANHATTAN BEACH	CA	\$ 280.31
33	80-1056021-05	c	N ANGENENT	HAWTHORNE	CA	\$ 301.22
34	86-2178011-12	c	C GREELY	MANHATTAN BEACH	CA	\$ 690.64
35	88-0245149-08	c	K JOSEPH	REDONDO BEACH	CA	\$ 252.43
36	89-0564011-00	c	M DAVIS	MANHATTAN BEACH	CA	\$ 301.43
37	92-0381011-10	c	A SANTA-MARIA	MANHATTAN BEACH	CA	\$ 370.94
38	93-0013011-10	c	E RICHEY	SOUTH LAKE	TX	\$ 287.04
39	97-0137010-02	c	G L IRELAND	FLAGSTAFF	AZ	\$ 126.73
40	98-0186011-03	c	J WHITLOCK	MANHATTAN BEACH	CA	\$ 337.30
41	98-0552011-03	c	MAGIC SKEWERS	TORRANCE	CA	\$ 376.62
42	99-2537001-07	c	MAGIC SKEWERS	TORRANCE	CA	\$ 1,174.68

\$ 16,179.84

Date: 2/24/15

Revenue Services Manager: 

Finance Director: 