



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:** June 16, 2016

**SUBJECT:** Bad Debt Write-Offs to Collections from Q1 (January 1, 2016 – March 31, 2016).



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### 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 January 1, 2016 through March 31, 2016. The accounts listed below were within the \$2,500 signing authority of the Finance Director and have been sent to FCN.

- Ambulance Billing: \$ 69,565.16 (January 1, 2016 – March 31, 2016)
- Miscellaneous A/R \$ 8,083.71 (January 1, 2016 – March 31, 2016)
- Utility Billing: \$ 4,652.83 (January 1, 2016 – March 31, 2016)
- Parking Citations: \$ 51,578.00 (January 1, 2016 – March 31, 2016)

During this period January 1, 2016 – March 31, 2016 the City had one past due account greater than \$2,500, but less than \$7,500 which is over the signing authority of the Finance Director and requires Finance Subcommittee approval. Invoice No. 15-04191 in the amount of \$2,963.60 is for PD Cost Recovery. Government code section No. 53150 allows for the City to collect up to \$12,000 for cost recovery. This account has not yet been sent to FCN.

- Miscellaneous A/R                      \$ 2,963.60    (Requires FSC Approval)

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 per line item) from January 1, 2016 – March 31, 2016.
2. Invoice for PD cost recovery which exceed the \$2,500 threshold and requires FSC approval.



CITY OF  
**MANHATTAN BEACH**  
**ACCOUNTS RECEIVABLE**  
 1400 HIGHLAND AVENUE  
 MANHATTAN BEACH, CALIFORNIA 90266  
 (310) 802-5556

**INVOICE**      15-04191



DATE	12/14/2015
CUSTOMER #	007322
AMT DUE	2,963.60

<<< DUPLICATE INVOICE >>>

AMOUNT PAID \_\_\_\_\_



MANHATTAN BEACH, CA 90266

PLEASE RETURN THIS PORTION WITH YOUR REMITTANCE

CITY OF MANHATTAN BEACH      (310) 802-5556

DESCRIPTION	AMOUNT
Police-Dui Cost Recovery	2,963.60
Police-Dui Cost Recovery DUI TRAFFIC COLLISION COST RECOVERY. SEE ATTACHED. Date of Incident 11/28/2015 Billing Amount: 2963.60	
Total Amount Due:	2,963.60
CUSTOMER NO. 007322	DUE DATE: 01/13/2016
	2,963.60



# Memorandum

## City of Manhattan Beach

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

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

**DATE:** June 16, 2016

**SUBJECT:** Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables – Covering Period January 1, 2016 – March 31, 2016

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), Miscellaneous A/R billing and Parking Citations are:

Write-Off Period January 1, 2016 – March 31, 2016:

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
- Ambulance Billing:	\$ 69,565.16	74
- Miscellaneous Accounts Receivable	\$ 8,083.71	20
- Utility Billing (water & refuse)	\$ 4,652.83	17
- Parking Citations	\$ 51,578.00	599

Attachments (detailed write off reports):

1. Ambulance Billing
2. Miscellaneous Accounts Receivable
3. Utility Billing (water & refuse)
4. Parking Citations (via Turbo Data)

## AMBULANCE BILLING ACCOUNTS

No.	Account Number	Lastname	City	State	Balance
1	17810488	MORRISON	MANHATTAN BEACH	CA	\$ 1,913.75
2	17810423	FULLER	MANHATTAN BEACH	CA	\$ 363.75
3	17820997	WOODS	MESA	AZ	\$ 281.75
4	17952686	BRUNDAGE	SIOUX FALLS	SD	\$ 183.33
5	18715225	TOPPENBERG	MANHATTAN BEACH	CA	\$ 1,128.50
6	18715322	FIORITO III	MANHATTAN BEACH	CA	\$ 1,093.61
7	19594001	MELLON	MANHATTAN BEACH	CA	\$ 50.00
8	19594234	PATMAN	HERMOSA BEACH	CA	\$ 1,759.25
9	19790823	MURRILLO	INGLEWOOD	CA	\$ 75.00
10	19831257	ZENEVITCH	SAN DIEGO	CA	\$ 100.00
11	20176371	SEARLESS	MANHATTAN BEACH	CA	\$ 1,383.96
12	19931250	GARCIA	INGLEWOOD	CA	\$ 50.00
13	20287164	BARASANI	MANHATTAN BEACH	CA	\$ 1,688.45
14	20571634	PEDROTTI	LENNOX	CA	\$ 1,844.00
15	20608073	TURNER	COMPTON	CA	\$ 1,759.50
16	20608080	ALLIEGRO	HERMOSA BEACH	CA	\$ 1,564.61
17	20766383	CARRAWAY	LAS VEGAS	NV	\$ 252.15
18	20878508	MORRIS	MANHATTAN BEACH	CA	\$ 1,844.25
19	20878265	MERKIN	MANHATTAN BEACH	CA	\$ 351.90
20	21122032	DOMINGO	BELMONT	CA	\$ 184.42
21	21122098	ODNEAL	MANHATTAN BEACH	CA	\$ 100.00
22	21713700	GALLAGHER	MANHATTAN BEACH	CA	\$ 1,863.25
23	21842678	FIRE	MANHATTAN BEACH	CA	\$ 1,778.50
24	24213593	BARRERA	TORRANCE	CA	\$ 1,970.25
25	22079370	SHAYDUKIMMERMAN	DUBLIN	CA	\$ 185.25
26	22079828	BAKER	MANHATTAN BEACH	CA	\$ 1,835.50
27	22128479	CENDRE	MANHATTAN BEACH	CA	\$ 1,759.50
28	22128737	DIAZ	HAWTHORNE	CA	\$ 1,898.75
29	22128574	SWEENEY	LAWNDALE	CA	\$ 1,882.25
30	22205179	CANALES	LOS ANGELES	CA	\$ 1,844.25
31	22302527	CARPER	INDIO	CA	\$ 1,797.50
32	22493203	CHAFAI	MANHATTAN BEACH	CA	\$ 250.00

## AMBULANCE BILLING ACCOUNTS

No.	Account Number	Lastname	City	State	Balance
33	22493241	VERSOZA	MISSION VIEJO	CA	\$ 250.00
34	22493433	HEMPHILL	TAYLOR	MI	\$ 1,353.00
35	22493298	BASTIAN	MANHATTAN BEACH	CA	\$ 951.44
36	22494715	BECKWITH	MANHATTAN BEACH	CA	\$ 748.15
37	22505287	GRAY	MANHATTAN BEACH	CA	\$ 1,923.50
38	22505328	PARIS	HERMOSA BEACH	CA	\$ 100.00
39	22657012	RECINOS	MANHATTAN BEACH	CA	\$ 2,053.75
40	22837062	HUNT	REDONDO BEACH	CA	\$ 1,542.57
41	22762196	DZIEMINSKI	LAWNDALE	CA	\$ 102.86
42	22837234	NAVARRO	MANHATTAN BEACH	CA	\$ 1,279.00
43	22836239	RODRIGUEZ			\$ 1,834.75
44	22837264	PACE	MANHATTAN BEACH	CA	\$ 1,279.00
45	22836105	BOYD	MANHATTAN BEACH	CA	\$ 1,298.00
46	22836757	EZIDORE	BEVERLY HILLS	CA	\$ 602.30
47	23095465	FLAHERTY	MANHATTAN BEACH	CA	\$ 200.00
48	22836479	SANTOS	LOS ANGELES	CA	\$ 102.86
49	22837446	GULLEY	VENTURA	CA	\$ 1,355.00
50	24514428	RAMACIERI	HAWTHORNE	CA	\$ 1,933.50
51	22927991	TATE	MANHATTAN BEACH	CA	\$ 666.58
52	22928435	SWARTZ	MANHATTAN BEACH	CA	\$ 1,279.00
53	23095766	VASQUEZ	FONTANA	CA	\$ 132.94
54	23095425	MICHAEL	MANHATTAN BEACH	CA	\$ 102.74
55	23095743	MICHAEL	HERMOSA BEACH	CA	\$ 1,177.10
56	23095724	ODLE	MANHATTAN BEACH	CA	\$ 200.00
57	23095787	CULIBRK	MANHATTAN BEACH	CA	\$ 250.00
58	23095362	PETER	MANHATTAN BEACH	CA	\$ 1,514.92
59	23186681	CULIBRK	MANHATTAN BEACH	CA	\$ 250.00
60	23186819	RIORDAN	MANHATTAN BEACH	CA	\$ 1,190.25
61	24213598	HAYNES	LAWNDALE	CA	\$ 1,802.75
62	24100937	LEMESURIER	TORRANCE	CA	\$ 630.37
63	24119476	FERRIER	EL SEGUNDO	CA	\$ 427.37
64	24119317	LINKE	MANHATTAN BEACH	CA	\$ 386.70
65	24119584	JONES	LOS ANGELES	CA	\$ 226.42

### AMBULANCE BILLING ACCOUNTS

No.	Account Number	Lastname	City	State	Balance
66	24100876	DION	HERMOSA BEACH	CA	\$ 250.00
67	24101007	HAINES	MANHATTAN BEACH	CA	\$ 1,933.50
68	24101214	BAGGE	MANHATTAN BEACH	CA	\$ 250.00
69	24213680	BERNARD	CHICAGO	IL	\$ 87.76
70	24101157	GORDON	CHICAGO	IL	\$ 1,990.50
71	24376778	GILBERT	MANHATTAN BEACH	CA	\$ 219.50
72	24316116	BRYGART	REDONDO BEACH	CA	\$ 200.00
73	24377527	CRITTENDON	LONG BEACH	CA	\$ 50.00
74	24377459	RUPP	CULVER CITY	CA	\$ 399.90
					<b>\$ 69,565.16</b>

Date: 6/8/16


Revenue Services Manager: 

Finance Director: 

**MISCELLANEOUS ACCOUNTS RECEIVABLE**

No.	Invoice #	Type	Lastname	City	State	Balance
1	15-04232	FALSE ALARM	SHOEMAKER	MANHATTAN BEACH	CA	\$ 190.00
2	15-04140	FALSE ALARM	SHOEMAKER	MANHATTAN BEACH	CA	\$ 380.00
3	15-04235	FALSE ALARM	SANNELLA	MANHATTAN BEACH	CA	\$ 290.00
4	15-04208	FALSE ALARM	LOOKER	EL SEGUNDO	CA	\$ 190.00
5	15-04219	FALSE ALARM	THOMPSON	MANHATTAN BEACH	CA	\$ 290.00
6	15-04201	FALSE ALARM	KOGAN	MANHATTAN BEACH	CA	\$ 380.00
7	15-04129	FALSE ALARM	KRUG	MANHATTAN BEACH	CA	\$ 290.00
8	15-04174	FALSE ALARM	MELINDA	MANHATTAN BEACH	CA	\$ 290.00
9	15-04171	FALSE ALARM	LIPSKY	MANHATTAN BEACH	CA	\$ 290.00
10	12-04301	CITATION	CHRISTMAS	SAUGUS	CA	\$ 53.00
11	15-04192	FALSE ALARM	HATHAWAY	MANHATTAN BEACH	CA	\$ 190.00
12	15-04236	FALSE ALARM	PCG MB LLC	EL SEGUNDO	CA	\$ 190.00
13	15-04242	COST RECOVERY	CASE	LAWNDALE	CA	\$ 814.99
14	15-04243	COST RECOVERY	GEORGE	MANHATTAN BEACH	CA	\$ 666.81
15	15-04246	ALARM PERMIT	AMERICAN APPAREL	MANHATTAN BEACH	CA	\$ 190.00
16	15-02968	COST RECOVERY	GALINDO	MANHATTAN BEACH	CA	\$ 378.39
18	15-04092	FALSE ALARM	LEVEL 10	MANHATTAN BEACH	CA	\$ 190.00
19	15-04296	FALSE ALARM	NIVEN	MANHATTAN BEACH	CA	\$ 380.00
20	15-04064	COST RECOVERY	OBSUSANYA	VAN NUYS	CA	\$ 2,440.52
						<b>\$ 8,083.71</b>

Date: 6/8/16

Revenue Services Manager: 

Finance Director: 



## UTILITY BILLING ACCOUNTS

No.	Account Number	Lastname	City	State	Balance
1	16-0740000-07	LIFLAND	MANHATTAN BEACH	CA	\$ 450.39
2	16-0850000-09	CAMERON	MANHATTAN BEACH	CA	\$ 94.31
3	34-0142111-07	ARMOUR	MANHATTAN BEACH	CA	\$ 63.01
4	36-0313110-01	MORRISON	MANHATTAN BEACH	CA	\$ 355.37
5	41-0404010-11	BOCTOR	TUSTIN	CA	\$ 87.53
6	50-0426015-06	CAMERON	MANHATTAN BEACH	CA	\$ 119.37
7	55-0056020-11	ARDEN	MANHATTAN BEACH	CA	\$ 463.55
8	60-0865011-05	GOLDENBERG	ROLLING HILLS	CA	\$ 132.25
9	60-0867030-09	GOLDENBERG	ROLLING HILLS	CA	\$ 132.25
10	80-0978010-16	ELIE	LOS ANGELES	CA	\$ 686.26
11	81-1137020-00	OBRIEN	MANHATTAN BEACH	CA	\$ 412.45
12	85-1968020-17	CHAUDHARY	MANHATTAN BEACH	CA	\$ 71.16
13	85-1972021-05	FREEMAN	JUPITER	FL	\$ 127.11
14	90-0156022-15	POWELL	MANHATTAN BEACH	CA	\$ 230.26
15	98-0248010-12	SEYMAN	TORRANCE	CA	\$ 184.81
16	99-1392001-03	ISLAND SPORT	SAN PEDRO	CA	\$ 265.03
17	99-5600110-00	FRESH & EASY NEIGHBORHOOD	OMAHA	NE	\$ 777.72
					<b>\$ 4,652.83</b>

Date: \_\_\_\_\_

6/8/16

Revenue Services Manager: \_\_\_\_\_

*[Signature]*

Finance Director: \_\_\_\_\_

*[Signature]*

**PARKING CITATIONS**

MONTH ENDING	No. OF CITATIONS	AMOUNT	AVG VALUE
01/31/2016	203	\$ 17,479.00	\$86.00
02/29/2016	189	\$ 15,807.00	\$84.00
03/31/2016	207	\$ 18,292.00	\$88.00

599

**\$ 51,578.00**

Date: 6/8/16

Revenue Services Manager: *Spaul*

Finance Director: \_\_\_\_\_