





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

# Staff Report

## City of Manhattan Beach

**TO:** Members of the Finance Subcommittee  
**THROUGH:** Steve S. Charelian, Finance Director   
**FROM:** Cynthia F. Mickschl, Acting Revenue Services Manager   
**DATE:** July 15, 2019  
**SUBJECT:** Bad Debt Write-Offs to Collections from January 1, 2019 – March 31, 2019.

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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 \$5,000).

### 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 \$5,000. Write-offs of \$5,001 to \$10,000 require the approval of the Finance Subcommittee. Any write off of uncollectible accounts receivables greater than \$10,000 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, 2019 – March 31, 2019. These write-offs will be sent to FCN on July 20, 2019.

- Ambulance Billing: \$ 99,662.27 (January 1, 2019 – March 31, 2019)
- Miscellaneous A/R \$ 17,027.79 (January 1, 2019 – March 31, 2019)
- Utility Billing: \$ 8,240.51 (January 1, 2019 – March 31, 2019)
- Parking Citations: \$ 36,063.00 (January 1, 2019 – March 31, 2019)

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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 \$5,000 per line item) from January 1, 2019 – March 31, 2019



# Memorandum City of Manhattan Beach

**TO:** Steve S. Charelian, Finance Director *SC*

**FROM:** Cynthia F. Mickschl, Acting Revenue Services Manager *CFM*

**DATE:** July 15, 2019

**SUBJECT:** Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables – Covering Period January 1, 2019 – March 31, 2019.

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 - \$5,000
Finance Subcommittee	\$5,001 - \$10,000
City Council	\$10,001+

The attached individual write-off amounts are all less than \$5,000 (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, 2019 – March 31, 2019:

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
Ambulance Billing:	\$ 99,662.27	53
Miscellaneous Accounts Receivable:	\$ 17,027.79	22
Utility Billing (water & refuse):	\$ 8,240.51	36
Parking Citations:	\$ 36,063.00	410

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	Last Name	City	State	Balance
1	46654782	ANZELMI	GARDENA	CA	\$1,520.25
2	46882545	AYALA	MANHATTAN BEACH	CA	\$2,337.75
3	46654732	BILODEAU	PUYALLUP	WA	\$2,308.75
4	46479188	BOAG	MANHATTAN BEACH	CA	\$2,453.75
5	46667526	BOGUT	MANHATTAN BEACH	CA	\$2,455.50
6	47431208	BONANNO	MANHATTAN BEACH	CA	\$2,318.75
7	46432797	CABAN	HERMOSA BEACH	CA	\$2,356.75
8	47310746	CAMPAGNA	MANHATTAN BEACH	CA	\$782.05
9	47310752	CARRIZALES	EL MONTE	CA	\$2,308.75
10	46479189	CARTER	BOULDER CITY	NV	\$1,521.00
11	46654753	CEPERO	VAN NUYS	CA	\$2,468.50
12	46654775	CHESTNUT	LEMOORE	CA	\$2,308.75
13	47224522	COADY	MANHATTAN BEACH	CA	\$2,337.75
14	46986198	COHEN	N HOLLYWOOD	CA	\$2,401.75
15	47019909	COOPER	SANTA MONICA	CA	\$40.00
16	47504403	COOPER	MANHATTAN BEACH	CA	\$2,484.50
17	46896003	COS			\$2,337.75
18	46667466	DAVIS	TORRANCE	CA	\$2,417.50
19	47047473	FIorentino	MANHATTAN BEACH	CA	\$2,465.50
20	47031024	HIGI	MANHATTAN BEACH	CA	\$200.00
21	47107913	HINTON	MANHATTAN BEACH	CA	\$2,308.75
22	46853975	ISTOCK	MANHATTAN BEACH	CA	\$1,607.75
23	46882567	IZZO	MANHATTAN BEACH	CA	\$1,493.75
24	46654739	KOLAR	LOS ANGELES	CA	\$225.00
25	47060217	LANE			\$1,629.75
26	46667563	LOUCKS	HERMOSA BEACH	CA	\$705.51
27	47311188	MANLY	MANHATTAN BEACH	CA	\$2,468.50
28	47249184	MANZ	HUNTINGTON BEACH	CA	\$2,330.75
29	47249138	MARCINOWSKI			\$2,378.75
30	47019899	MARKARIAN	HOLLYWOOD	CA	\$2,318.75
31	47323492	MARUYAMA	MANHATTAN BEACH	CA	\$1,493.75
32	47076089	MCGEHEE	TORRANCE	CA	\$1,626.75
33	47431198	MOWBRAY			\$2,318.75
34	46667545	OATRIDGE	BREMERTON	WA	\$1,629.75
35	46461860	OCCA	MANHATTAN BEACH	CA	\$2,421.75
36	46710565	OHANNESIAN	WEST HILLS	CA	\$704.42
37	47249183	OLIVAS	PARAMOUNT	CA	\$2,427.50
38	47249142	PARKES			\$2,368.75

## AMBULANCE BILLING ACCOUNTS

39	47197201	PARKS	PLAYA DEL REY	CA	\$1,676.75
40	46667531	PENNINGS	HERMOSA BEACH	CA	\$2,465.50
41	46882554	RAVIN	MANHATTAN BEACH	CA	\$1,292.23
42	46667528	RODRIGUEZ	GLENDALE	CA	\$769.89
43	47478783	ROSE			\$2,417.50
44	47417821	RYAN	MANHATTAN BEACH	CA	\$2,318.75
45	46775701	SHERMAN	HERMOSA BEACH	CA	\$1,856.25
46	46493795	SHORTT	LAGUNA BEACH	CA	\$1,645.75
47	46897252	VANHORN	REDONDO BEACH	CA	\$225.00
48	47478633	VEIRA	TORRANCE	CA	\$1,407.00
49	47148409	WALKER	LOS ANGELES	CA	\$2,241.00
50	46882563	WATTS	LOS ANGELES	CA	\$2,468.50
51	47431191	WENNERSTAND			\$2,318.75
52	46667524	WILLIAMS	MANHATTAN BEACH	CA	\$1,849.66
53	46479184	WOFFORD			\$2,425.76
				<b>Total:</b>	<b>\$99,662.27</b>

Date:

7/8/19

Revenue Services Manager:

*efm.*

Finance Director:

*[Signature]*

**MISCELLANEOUS ACCOUNTS RECEIVABLE**

No.	Invoice #	Type	Lastname	City	State	Balance
1	15-05333	FALSE ALARM	DESAI	MANHATTAN BEACH	CA	\$190.00
2	15-05303	FALSE ALARM	ENSON	MANHATTAN BEACH	CA	\$190.00
3	15-05364	FALSE ALARM	EL PORTO LIQUOR MARKET	MANHATTAN BEACH	CA	\$190.00
4	16-03674	FIRE OPS PERMIT	EL PORTO LIQUOR MARKET	MANHATTAN BEACH	CA	\$223.00
5	15-05395	FALSE ALARM	EL PORTO LIQUOR MARKET	MANHATTAN BEACH	CA	\$285.00
6	15-05338	FALSE ALARM	EL TORITO	TEMPE	AZ	\$290.00
7	15-05258	FALSE ALARM	FIRESTONE	MANHATTAN BEACH	CA	\$290.00
8	15-05279	FALSE ALARM	BANC OF CALIFORNIA	MANHATTAN BEACH	CA	\$290.00
9	15-05285	FALSE ALARM	4G WIRELESS INC	MANHATTAN BEACH	CA	\$380.00
10	15-05309	FALSE ALARM	ROBINSON	MANHATTAN BEACH	CA	\$380.00
11	15-05346	FALSE ALARM	ROBINSON	MANHATTAN BEACH	CA	\$380.00
12	15-05359	FALSE ALARM	GELATO LOUNGE LLC	MANHATTAN BEACH	CA	\$380.00
13	15-05312	FALSE ALARM	BANC OF CALIFORNIA	MANHATTAN BEACH	CA	\$625.00
14	15-05279	FALSE ALARM	ROBINSON	MANHATTAN BEACH	CA	\$665.00
15	15-05166	COST RECOVERY	TORMEY	PLAYA VISTA	CA	\$985.66
16	15-05323	FALSE ALARM	SOUTH BAY GOLD	MANHATTAN BEACH	CA	\$1,160.00
17	15-05264	FALSE ALARM	SOUTH BAY GOLD	MANHATTAN BEACH	CA	\$1,305.00
18	15-05370	COST RECOVERY	SUSSMAN	NORTHRIDGE	CA	\$1,541.90
19	15-05369	COST RECOVERY	TEORA	MANHATTAN BEACH	CA	\$1,619.00
20	15-05305	COST RECOVERY	HARTMAN	CARSON CITY	NV	\$1,696.09
21	15-05306	COST RECOVERY	JOHNSON	SANTA BARBARA	CA	\$1,844.31
22	15-05242	COST RECOVERY	MONTOYA	LAWNDALE	CA	\$2,117.83
						<b>\$17,027.79</b>

Date: 7/8/19

Revenue Services Manager: 

Finance Director: 

## UTILITY BILLING ACCOUNTS

No.	Account Number	Lastname	City	State	Balance
1	79-0959020-03	YUN	MANHATTAN BEACH	CA	\$ 54.72
2	27-0014023-14	PATTERSON	MANHATTAN BEACH	CA	\$ 57.59
3	86-2172010-06	JAIN	BELLFLOWER	CA	\$ 64.38
4	17-0300010-17	SEALS	MANHATTAN BEACH	CA	\$ 66.47
5	29-0291013-10	MAK	LOS ANGELES	CA	\$ 67.14
6	87-0144010-08	JANKOWSKI	DIAMOND BAR	CA	\$ 78.54
7	62-0082015-09	COOPER	MARINA DEL REY	CA	\$ 82.61
8	45-0177040-14	HERMES	MANHATTAN BEACH	CA	\$ 96.70
9	67-0953010-24	WATANABE	RANCHO PALOS VERDES	CA	\$ 101.87
10	43-0790012-04	SCHOENECKER	MANHATTAN BEACH	CA	\$ 123.92
11	40-0139110-08	SCOLES	MANHATTAN BEACH	CA	\$ 127.17
12	68-0022020-07	ACOSTA	MANHATTAN BEACH	CA	\$ 150.26
13	24-0779023-13	MEYERS	MANHATTAN BEACH	CA	\$ 159.16
14	75-0114100-01	WU	MANHATTAN BEACH	CA	\$ 173.24
15	76-0455037-10	TRAN	MANHATTAN BEACH	CA	\$ 179.61
16	20-0245013-04	HUSH HUSH HAIR SALON	MANHATTAN BEACH	CA	\$ 181.51
17	77-0685030-05	SHAH	MANHATTAN BEACH	CA	\$ 182.84
18	87-0123010-04	FREEMAN	GARDENA	CA	\$ 185.72
19	45-0181872-20	HURLEY	HOLLYWOOD	CA	\$ 215.48
20	84-1714116-09	REED	INGLEWOOD	CA	\$ 229.33
21	89-0546012-01	RM EL TORITO LLC #66	SPOKANE	WA	\$ 234.92
22	31-0442020-09	CAREY	AVALON	CA	\$ 251.91
23	92-0335011-10	MARIN	LAWNDALE	CA	\$ 255.31
24	40-0181141-15	FORTIN	REDONDO BEACH	CA	\$ 273.01
25	53-0836200-06	STORER	MANHATTAN BEACH	CA	\$ 273.03
26	78-0809022-16	CAINE	MANHATTAN BEACH	CA	\$ 289.02
27	42-0628014-10	DURAZO	MANHATTAN BEACH	CA	\$ 289.86
28	77-0575020-01	MIKEL	TURLOCK	CA	\$ 329.59
29	89-0546112-08	RM EL TORITO LLC #66	SPOKANE	WA	\$ 330.66
30	16-1340300-09	BUENAVENTURA	MANHATTAN BEACH	CA	\$ 346.53
31	31-0569114-14	COLLINS	HERMOSA BEACH	CA	\$ 348.13
32	42-0645021-03	GLOWACKI	MANHATTAN BEACH	CA	\$ 380.93
33	23-0729010-04	CHANDLER	MANHATTAN BEACH	CA	\$ 391.03
34	89-0451700-03	NADKAR	EL SEGUNDO	CA	\$ 423.28
35	50-0458011-11	ANDERSON	SAN JUAN CAPISTRANO	CA	\$ 591.31
36	10-1073001-13	ROBINSON	MANHATTAN BEACH	CA	\$ 653.73
					<b>\$ 8,240.51</b>

Date:

7/8/19.

Revenue Services Manager:

*[Signature]*

Finance Director:

*[Signature]*

**PARKING CITATIONS**

<b>MONTH ENDING</b>	<b>No. OF CITATIONS</b>	<b>AMOUNT</b>	<b>AVG VALUE</b>
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<b>1/31/2019</b>	<b>142</b>	<b>\$ 12,645.00</b>	<b>\$89.00</b>
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<b>2/28/2019</b>	<b>139</b>	<b>\$ 11,875.00</b>	<b>\$85.00</b>
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<b>3/31/2019</b>	<b>129</b>	<b>\$ 11,543.00</b>	<b>\$89.00</b>
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410

<b>\$ 36,063.00</b>
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Date: 7/8/19.

Revenue Services Manager: 

Finance Director: 