





Agenda Item #:

#9

# 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:** September 26, 2019  
**SUBJECT:** Bad Debt Write-Offs to Collections from April 1, 2019 – June 30, 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 (FCN) for services related to uncollectible debt.

### DISCUSSION:

City Staff reviewed and processed to collections all outstanding bad debts from April 1, 2019 – June 30, 2019 that were within the signing authority of the Finance Director. The amounts below have been sent to FCN to begin the collection process.

- Ambulance Billing: \$ 97,358.19 (April 1, 2019 – June 30, 2019)
- Miscellaneous A/R \$ 17,516.90 (April 1, 2019 – June 30, 2019)
- Utility Billing: \$ 12,875.46 (April 1, 2019 – June 30, 2019)
- Parking Citations: \$ 53,601.00 (April 1, 2019 – June 30, 2019)

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

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.

City policy requires the Finance Subcommittee to receive reports of all write-offs for ratification.

**Attachments:**

1. Summary of write-offs (not to exceed \$5,000 per line item) from April 1, 2019 – June 30, 2019
2. Invoice for Construction Water Meter Reimbursement which exceeds the \$5,000 threshold and requires FSC approval.



# Memorandum City of Manhattan Beach

**TO:** Steve S. Charelian, Finance Director *[Signature]*

**FROM:** Cynthia F. Mickschl, Acting Revenue Services Manager *[Signature]*

**DATE:** September 26, 2019

**SUBJECT:** Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables – Covering Period April 1, 2019 – June 30, 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 April 1, 2019 – June 30, 2019:

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
Ambulance Billing:	\$ 97,358.19	46
Miscellaneous Accounts Receivable:	\$ 17,516.90	21
Utility Billing (water & refuse):	\$ 12,875.46	47
Parking Citations:	\$ 53,601.00	597

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	47671879	WHILDEN	MANHATTAN BEACH	CA	\$ 114.00
2	47550664	JACINTO	MANHATTAN BEACH	CA	\$ 225.00
3	48133118	DOWNS	MANHATTAN BEACH	CA	\$ 1,407.00
4	47857773	FETTERMAN	MANHATTAN BEACH	CA	\$ 1,493.75
5	47825776	JENNEFORD	SANTA MONICA	CA	\$ 1,493.75
6	48242303	FRAMPON			\$ 1,588.75
7	47671867	DUPLESSIE	MANHATTAN BEACH	CA	\$ 1,615.50
8	48035784	BALLOU	LAS VEGAS	NV	\$ 1,626.75
9	48051167	LOZANO	MANHATTAN BEACH	CA	\$ 1,626.75
10	47750660	RAZABI	MANHATTAN BEACH	CA	\$ 1,643.50
11	48134792	GALLEGLS	LOS ANGELES	CA	\$ 1,648.75
12	47647756	LAWS	MANHATTAN BEACH	CA	\$ 1,835.94
13	48099466	BELAIR	INGLEWOOD	CA	\$ 2,241.00
14	48133123	MCCZURE120	REDONDO BEACH	CA	\$ 2,251.75
15	47857767	SAXTON			\$ 2,289.75
16	47749808	HOSAKA	MANHATTAN BEACH	CA	\$ 2,308.75
17	48134756	LUJAN	HUNTINGTON PARK	CA	\$ 2,308.75
18	48035764	FRANCIS	REDONDO BEACH	CA	\$ 2,318.75
19	48283351	MANSKER	MANHATTAN BEACH	CA	\$ 2,318.75
20	48393031	ODEA	PORTLAND	OR	\$ 2,318.75
21	47647753	DOUGHER	MANHATTAN BEACH	CA	\$ 2,327.75
22	48035778	GIRON	HAWTHORNE	CA	\$ 2,327.75
23	48283395	HUGHES	SELMA	CA	\$ 2,327.75
24	47504401	LIM	MARINA DEL REY	CA	\$ 2,327.75
25	47575207	VICTORJACKSON	CARSON	CA	\$ 2,327.75
26	48183079	WILSON	MANHATTAN BEACH	CA	\$ 2,337.75
27	48393029	GORDON	LOS ANGELES	CA	\$ 2,346.75
28	47925743	DIJIOSIA	EL SEGUNDO	CA	\$ 2,349.75
29	47857795	RODRIGUERA	LOS ANGELES	CA	\$ 2,349.75
30	47575233	SILVER	TORRANCE	CA	\$ 2,359.75
31	48393166	COLEMAN	PORTLAND	OR	\$ 2,425.75
32	47575289	WAY	LOS ANGELES	CA	\$ 2,432.75
33	47918507	JORDAN	SANTA MONICA	CA	\$ 2,436.50
34	47772007	RAZABI	LAWNDALE	CA	\$ 2,436.50
35	48393159	HUEBNER	SAN FRANCISCO	CA	\$ 2,440.75
36	48393076	AVENTIN			\$ 2,446.50
37	47857770	SCHREMSER			\$ 2,446.50
38	47857786	GRGURICH	MARINA DEL REY	CA	\$ 2,455.50
39	48289408	ACOSTA	MANHATTAN BEACH	CA	\$ 2,463.00
40	48242226	ELLIS	KENT	WA	\$ 2,465.50
41	47575319	HEALYMANNFOLK	REDONDO BEACH	CA	\$ 2,465.50
42	46667531	PENNINGS	HERMOSA BEACH	CA	\$ 2,465.50
43	47516653	TIEMAN	MANHATTAN BEACH	CA	\$ 2,465.50
44	47671866	LUCAS	FORT LAUDERDALE	FL	\$ 2,477.50
45	48035756	VIGNOLA	RICHMOND	VA	\$ 2,484.50
46	47857801	VELASQUEZ			\$ 2,492.25
					\$ 97,358.19

Date: 9/19/19

Revenue Services Manager: [Signature]

Finance Director: [Signature]

### MISCELLANEOUS ACCOUNTS RECEIVABLE

No.	Invoice #	Type	Lastname	City	State	Balance
1	15-05490	FALSE ALARM	SOUTH BAY GOLD	MANHATTAN BEACH	CA	\$ 190.00
2	15-05508	FALSE ALARM	FERNANDEZ	MANHATTAN BEACH	CA	\$ 190.00
3	16-03848	FIRE PERMIT	"UNDER THE BRIDGE" (STUDIO)	MANHATTAN BEACH	CA	\$ 279.00
4	16-03849	FIRE PERMIT	"UNDER THE BRIDGE" (STUDIO)	MANHATTAN BEACH	CA	\$ 279.00
5	15-05505	FALSE ALARM	BUSTAN	MANHATTAN BEACH	CA	\$ 290.00
6	15-05383	FALSE ALARM	FLANNIGAN	MANHATTAN BEACH	CA	\$ 290.00
7	15-05456	FALSE ALARM	LF STORES CALIFORNIA INC	MANHATTAN BEACH	CA	\$ 290.00
8	15-05480	FALSE ALARM	FINDERS KEEPERS	MANHATTAN BEACH	CA	\$ 290.00
9	15-05481	FALSE ALARM	AFTER BURN FITNESS	MANHATTAN BEACH	CA	\$ 290.00
10	15-05510	FALSE ALARM	CAMPOSANO	MANHATTAN BEACH	CA	\$ 290.00
11	15-05381	FALSE ALARM	AKA WIRELESS INC	MANHATTAN BEACH	CA	\$ 380.00
12	15-05418	FALSE ALARM	AKA WIRELESS INC	MANHATTAN BEACH	CA	\$ 380.00
13	15-05488	FALSE ALARM	AKA WIRELESS INC	MANHATTAN BEACH	CA	\$ 475.00
14	15-05517	COST RECOVERY	WILRIDGE	LOS ANGELES	CA	\$ 616.76
15	15-05276	FALSE ALARM	ROBINSON	MANHATTAN BEACH	CA	\$ 665.00
16	15-05477	COST RECOVERY	WHITNEY	MANHATTAN BEACH	CA	\$ 860.64
17	15-05443	COST RECOVERY	LAFLORA	LOS ANGELES	CA	\$ 1,366.49
18	15-05405	COST RECOVERY	CLAYMAN	VACAVILLE	CA	\$ 1,850.28
19	13-00002	COST RECOVERY	CROWLEY	LOS ANGELES	CA	\$ 1,880.68
20	15-05442	COST RECOVERY	MELILLO	MERIDEN	CA	\$ 2,041.72
21	15-05495	COST RECOVERY	JUCKES-DAVIS	SAN PEDRO	CA	\$ 4,322.33
						<b>\$ 17,516.90</b>

Date:                     9/19/19                    

Revenue Services Manager:                     [Signature]                    

Finance Director:                     [Signature]

## UTILITY BILLING ACCOUNTS

No.	Account Number	Lastname	City	State	Balance
1	87-0066010-00	PENNISE	MANHATTAN BEACH	CA	\$ 53.00
2	81-1091023-04	FIVE ANGELS LLC	TARZANA	CA	\$ 55.38
3	88-0357800-10	MICHAIL	MANHATTAN BEACH	CA	\$ 57.13
4	92-0387010-03	ROBINSON	WAILUKU	HI	\$ 60.99
5	88-0297010-07	TEORA	GRASS VALLEY	CA	\$ 61.52
6	30-0378500-03	MYERS	MANHATTAN BEACH	CA	\$ 64.35
7	22-0450010-09	HALEKAI LLC	LOS ANGELES	CA	\$ 68.19
8	79-0959025-03	AITA	MANHATTAN BEACH	CA	\$ 70.66
9	45-0181872-21	BALES	MANHATTAN BEACH	CA	\$ 90.11
10	17-1310000-07	ZUK	MANHATTAN BEACH	CA	\$ 99.14
11	21-0305034-15	DENNEY	MANHATTAN BEACH	CA	\$ 111.57
12	34-0109110-05	CRACKNELL	SHERMAN OAKS	CA	\$ 113.07
13	65-0627024-17	OGORMAN	MANHATTAN BEACH	CA	\$ 121.60
14	82-1368134-06	KRAUSE	SKANEATELES	NY	\$ 123.43
15	20-0226113-11	SMITH	MANHATTAN BEACH	CA	\$ 125.76
16	38-0590022-09	ANDERSON	MANHATTAN BEACH	CA	\$ 127.64
17	11-0200150-10	BOWER	HUNTINGTON BEACH	CA	\$ 128.27
18	39-0042050-03	LINGENFELTER	LONG BEACH	CA	\$ 132.68
19	36-0353010-11	BANDUCCI	LONG BEACH	CA	\$ 143.10
20	89-0449700-06	KONG	MANHATTAN BEACH	CA	\$ 148.96
21	67-0945020-01	TETENBAUM	LOS ANGELES	CA	\$ 151.89
22	28-0243010-12	GOMBERT	MANHATTAN BEACH	CA	\$ 164.99
23	56-0292032-06	RAN	MANHATTAN BEACH	CA	\$ 166.80
24	75-0200010-01	MILLIGAN	RANCHO PALOS VERDES	CA	\$ 176.91
25	82-1351010-02	COOLEY	MESA	AZ	\$ 189.45
26	44-0820014-13	HAYMONS	NEW BORN	GA	\$ 197.27
27	10-1101002-14	ALEXANDER	MANHATTAN BEACH	CA	\$ 202.44
28	63-0342012-05	WILDES	MANHATTAN BEACH	CA	\$ 205.67
29	55-0156010-26	WILLARD	MILL VALLEY	CA	\$ 206.47
30	96-0072066-07	LEWIS	HERMOSA BEACH	CA	\$ 226.80
31	30-0388133-10	LOZANO	SUN VALLEY	ID	\$ 251.51
32	41-0392015-02	ROMERO	MANHATTAN BEACH	CA	\$ 255.26
33	45-0091112-17	SEIVERT	MANHATTAN BEACH	CA	\$ 271.35
34	84-1737010-04	HARRINGTON	MANHATTAN BEACH	CA	\$ 272.11
35	71-0701010-06	BISSELL	MANHATTAN BEACH	CA	\$ 282.28
36	92-0390020-09	1900 LYNN GROVE LLC	MANHATTAN BEACH	CA	\$ 284.46
37	37-0467033-05	LEPERA	BISHOP	CA	\$ 299.28
38	87-0054011-06	SPENCER	MANHATTAN BEACH	CA	\$ 321.93
39	17-0960000-15	SCHULZE	REDONDO BEACH	CA	\$ 326.97
40	46-0536032-07	BASSETT	MANHATTAN BEACH	CA	\$ 347.92
41	55-0142011-08	SUWANEE THAI SPA	REDONDO BEACH	CA	\$ 418.32
42	63-0207010-10	CAMERON	MANHATTAN BEACH	CA	\$ 423.43
43	86-2189021-09	BARK	MANHATTAN BEACH	CA	\$ 441.32
44	16-0290000-03	CAVAN	MANHATTAN BEACH	CA	\$ 532.77
45	82-1292000-06	MUNGMOOL	LONG BEACH	CA	\$ 923.02
46	73-1001010-06	LEON	ROLLING HILLS	CA	\$ 1,401.98
47	31-0560010-08	NIEMANN	MANHATTAN BEACH	CA	\$ 1,976.31
					<b>\$ 12,875.46</b>

Date:                      *allala*

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>04/31/2019</b>	<b>160</b>	<b>\$ 14,012.00</b>	<b>\$88.00</b>
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<b>05/31/2019</b>	<b>275</b>	<b>\$ 25,112.00</b>	<b>\$91.00</b>
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<b>06/30/2019</b>	<b>162</b>	<b>\$ 14,477.00</b>	<b>\$89.00</b>
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**597**      **\$ 53,601.00**

Date:                     9/19/19                    

Revenue Services Manager:                     afm.                    

Finance Director:                     [Signature]