





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 15, 2013

SUBJECT: Consideration of Bad Debt Write-Off's for Referral to Collections from October 1, 2012 through December 31, 2012

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 uncollectable 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, processed and sent to collections all outstanding bad debts from October 1, 2012 through December 31, 2012

- Ambulance Billing: \$36,977.03 (October 1, 2012 to December 31, 2012)
- Utility Billing: \$ 4,509.69 (October 1, 2012 to December 31, 2012)
- Miscellaneous A/R \$ 2,934.29 (October 1, 2012 to December 31, 2012)

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, 2012 through December 31, 2012




Agenda Item #: _____

Memorandum

City of Manhattan Beach

TO: Bruce A. Moe, Finance Director

FROM: Steve S. Charelian, Revenue Services Manager 

DATE: February 8, 2013

SUBJECT: Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables – Covering Period: October 1, 2012 – December 31, 2012

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, 2012 to December 31, 2012

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
- Ambulance Billing:	\$ 36,977.03	31
- Miscellaneous Accounts Receivable	\$ 2,934.29	7
- Utility Billing (water & refuse)	\$ 4,509.69	24

Attachments (detailed write off reports):

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

Last Name First Name Trip Date Batch: CFAB Run # Incident Balance Street City State Zip Code

#	Last Name	First Name	Trip Date	Batch:	CFAB	Run #	Incident	Balance	Street	City	State	Zip Code
1	ACUNA	CONSUELO	6/15/2012	12/6/2012		12185392	121431	\$ 1,718.50		GARDENA	CA	90249
2	ADAMS	SARA	7/28/2012			12225987	121852	\$ 1,731.25				
3	APODACA	BARBARA	5/3/2012			2150200	121056	\$ 1,678.00		HERMOSA BEACH	CA	90254
4	BURMAN	THOR	5/3/2012			12150146	121063	\$ 1,878.50		HUDSON	CO	80842
5	BROSE	TITUS	6/16/2012			12282563	121999	\$ 1,741.25		MANHATTAN BEACH	CA	90286
6	BARNES (PARENTS)	BENJAMIN	6/30/2012			12198835	121596	\$ 1,100.75				
7	BALDI	MICHELLE	6/2/2012			12174173	121344	\$ 1,682.00		LOS ANGELES	CA	90045
8	DELGADO	OSCAR	3/10/2012			1278284	120569	\$ 50.00		LAS VEGAS	NV	89031-0938
9	DEVRIES	TINA	5/30/2012			12165023	121298	\$ 173.81		HERMOSA BEACH	CA	90254
10	DUGGER	JOHN	5/22/2012			12184648	121215	\$ 1,742.00		REDONDO BEACH	CA	90278
11	FRASER	AUGUSTUS	6/19/2012			12185529	121473	\$ 1,683.75		INGLEWOOD	CA	90301
12	GALSSO	ELIZABETH	2/26/2012			1267226	120448	\$ 1,158.75		MANHATTAN BEACH	CA	90286
13	GARAY	VERONICA	5/1/2012			12150186	121048	\$ 1,671.00				
14	JOHNSON (PARENTS)	JUWAN	4/13/2012			12107069	120872	\$ 211.25		HAWTHORNE	CA	90250
15	JONES	DAVID	3/18/2012			12101928	120846	\$ 1,646.50		LONG BEACH	CA	90803
16	JONES	DAVID	6/5/2012			12174178	121356	\$ 1,638.50		LONG BEACH	CA	90803
17	JORDAN	ROBERT	5/18/2012			12163841	121182	\$ 224.65		HERMOSA BEACH	CA	90254
18	JORDAN	ROBERT	3/5/2012			1278083	120528	\$ 160.95		HERMOSA BEACH	CA	90254
19	KLEIN	VADA	5/3/2012			12150647	121055	\$ 99.12		MANHATTAN BEACH	CA	90286
20	KOHLI	FAQIR	6/15/2012			12185380	121427	\$ 1,716.50		MANHATTAN BEACH	CA	90286
21	KELLY	AMY	5/25/2012			12164089	121232	\$ 1,681.00		TORRANCE	CA	90503
22	LUCERO	CHRISTINA	6/11/2012			12174147	121401	\$ 1,583.25		CHINO	CA	91710
23	LAWYER	JENNIFER	7/23/2012			12226179	121796	\$ 1,776.50				
24	MORRIS	DANIEL	11/3/2011			11308491	112823	\$ 85.75		CHINO	CA	91710
25	MASON	JULIE	3/21/2011			1189333	110659	\$ 1,802.75		MILFORD AUCKLAND	NZ	0620
26	MIRZA	NAVEED	6/17/2012			12282538	121610	\$ 1,682.00				
27	MILLER	TROY	4/20/2012			12132707	120938	\$ 758.75		HAWTHORNE	CA	90250
28	OCHOA	DELVIA	4/12/2012			12106916	120867	\$ 244.75		REDONDO BEACH	CA	90278
29	SPANN	SKY(PARENT)	3/31/2012			12101758	120740	\$ 1,671.00		MANHATTAN BEACH	CA	90286
30	SALEEM	SALEEM	5/21/2012			12163990	121208	\$ 135.25		THOUSAND OAKS	CA	91362
31	TAKAHASHI	YUAI	4/23/2012			12132238	120856	\$ 1,878.00		MENIFEE	CA	92585
								\$ 36,977.03				

Date: _____
 Revenue Services Manager: _____
 Finance Director: _____



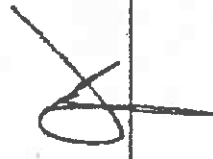
Miscellaneous Accounts Receivable Approval for Write-Off for Financial Credit Network

INV #	CUST #	INV. DATE	Beginning Balance	Amount Paid	Outstanding Balance	Initial Invoice	Delinq. Notice	1st Final Notice	2nd Final Notice	Final Letter for Collections	TYPE	NAME/MAILING ADDR	PHONE NUMBER
15-02260	005385	11/24/2010	\$1,396.43	\$550.00	\$846.43	✓	✓	✓	✓	✓	Police Services	Anthony Jemed Gallardo	
15-02837	005857	7/24/2012	\$380.00	\$0.00	\$380.00	✓	✓	✓	✓	✓	False Alarm	Kirk Sannella	
15-02775	005879	6/13/2012	\$711.16	\$0.00	\$711.16	✓	✓	✓	✓	✓	Police Services	Jerry Carl Garcia	
15-02776	005880	6/13/2012	\$90.00	\$0.00	\$90.00	✓	✓	✓	✓	✓	Police/Animal Services	Jeff McKenzie	
15-02778	005883	6/22/2012	\$426.70	\$0.00	\$426.70	✓	✓	✓	✓	✓	Police Services	Zachary Kyle Sell	
15-02824	005907	7/24/2012	\$290.00	\$0.00	\$290.00	✓	✓	✓	✓	✓	False Alarm	M.J. Smoke Shop	
15-02822	005907	10/19/2012	\$190.00	\$0.00	\$190.00	✓	✓	✓	✓	✓	False Alarm	M.J. Smoke Shop	
					\$ 2,834.29								

Date: _____

Revenue Services Manager: _____

Finance Director: _____

Account #	Account Status	Primary Cust Name	Prime Location Address	Closed Date	Customer balance due
17-0890000-06	C	MCRBERTS, JOSH	229 SEAVIEW ST	9/8/2012	136.57
20-0238011-08	C	CUPCAKES COURTURE OF MAN BCH	916 MANHATTAN AVE	11/1/2012	577.51
23-0728010-00	C	GOTHE, REESE W	512 4TH ST	11/20/2012	145.70
32-0678020-04	C	MR CECIL'S CALIF RIB #3 INC	1209 HIGHLAND AVE	11/1/2012	435.32
32-0689012-02	C	ASSEO, LAUREN	1316 MANHATTAN AVE	11/27/2012	251.68
38-0308011-02	C	LEFKOWITS, ERICA	3116 MANHATTAN AVE	11/27/2012	68.97
39-0022016-00	C	NITTA, JEFFREY	3814 VISTA DR	11/13/2012	185.62
44-0816212-02	C	WALDEN, TODD M	482 36TH PL	11/30/2012	61.24
47-0638021-01	C	BARKER, RICHARD	1617 LAUREL AVE	11/14/2012	69.79
57-0424022-13	C	HOLLOWICH, MICHAEL	3516 ELM AVE	11/1/2012	89.24
58-0812112-05	C	CHUANG, SHARON	3601 PACIFIC AVE	11/26/2012	47.73
63-0238020-02	C	TOMMASI, HEATHER	686 36TH ST	11/30/2012	170.30
64-0461067-08	C	FORMENTO, ROBERT J/JEAN S	645 31ST ST	11/30/2012	388.99
66-0732015-14	C	BOBEK, KEVIN	590 27TH ST	8/1/2012	335.48
75-0157010-04	C	DESPOT, DANA	1535 NELSON AVE	9/21/2012	478.40
76-0406034-04	C	DUNLAP, BRIAN/SANDRA	1638 CURTIS AVE	11/30/2012	49.04
76-0520944-01	C	MCCOLGAN, SHANE	1619 ARTESIA BLVD #E	10/31/2012	73.17
77-0729115-00	C	CLELAND, DENNIS	1777 MATHIEWS AVE	11/28/2012	140.60
83-1452124-05	C	FUENTES, MARILYN	919 N HERRIN ST	10/8/2012	176.21
88-0366948-07	C	BARCROFT, DURENA	1305 MAN BCH BLVD	11/1/2012	240.54
97-0130032-12	C	BARKER, JOHN	1216 18TH ST	11/14/2012	114.39
97-0132024-08	C	BOHANNON, RICHARD	1212 18TH ST	11/15/2012	82.73
98-0237010-07	C	CHUSED, JEREMY	1212 23RD ST	11/26/2012	133.84
99-1219002-02	C	CHRISTIES	1219 HIGHLAND AVE	10/19/2012	68.63
TOTAL	24	OCTOBER - DECEMBER 2012			4509.69

Date: _____

Revenue Services Manager: _____

Finance Director: _____