





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:** July 1, 2015

**SUBJECT:** Bad Debt Write-Offs to Collections from January 1, 2015 through March 31, 2015.

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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, 2015 through March 31, 2015. These write-offs were sent to FCN on June 15, 2015.

- Ambulance Billing: \$57,111.52 (January 1, 2015 through March 31, 2015)
- Miscellaneous A/R \$10,102.17 (January 1, 2015 through March 31, 2015)
- Utility Billing: \$4,600.21 (January 1, 2015 through March 31, 2015)

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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 *sc*

**DATE:** June 12, 2015

**SUBJECT:** Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables – Covering Period January 1, 2015 – March 31, 2015

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 July 1, 2014 – September 30, 2014:

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
- Ambulance Billing:	\$ 57,111.52 ✓	66 ✓
- Miscellaneous Accounts Receivable	\$ 10,102.17 ✓	12 ✓
- Utility Billing (water & refuse)	\$ 4,600.21 ✓	20 ✓

Attachments (detailed write off reports):

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

**AMB TRANSPORTS - MBFD**

#	Account Number	Lastname	City	State	Balance
1	19317040	Vincent	REDONDO BEACH	CA	\$ 196.75
2	18496636	Thorleison	BELL	CA	\$ 1,759.25
3	19337711	Archuletta	MANHATTAN BEACH	CA	\$ 200.00
4	19292495	Juberg	ANAHEIM	CA	\$ 100.00
5	19327753	Alvarrenga	MONROVIA	CA	\$ 50.00
6	19327809	Harris	MANHATTAN BEACH	CA	\$ 191.12
7	19327711	Munoz	LAWNDALE	CA	\$ 167.50
8	19268189	Beimes	COSTA MESA	CA	\$ 184.91
9	19327585	Weiner	REDONDO BEACH	CA	\$ 376.68
10	19327764	Goins	LOS ANGELES	CA	\$ 100.00
11	17288250	Fujito	HERMOSA BEACH	CA	\$ 1,871.25
12	17245440	Mollareza	HAWTHORNE	CA	\$ 289.10
13	17288654	Duarte	MANHATTAN BEACH	CA	\$ 200.00
14	17382458	Portman	MANHATTAN BEACH	CA	\$ 99.92
15	17495721	Speicher	MANHATTAN BEACH	CA	\$ 120.72
16	17505242	Craig	LOS ANGELES	CA	\$ 1,310.75
17	17629415	Jacinto	MANHATTAN BEACH	CA	\$ 200.00
18	17629645	Lees	ALOS VERDES ESTATE	CA	\$ 312.50
19	17629699	Ives	MANHATTAN BEACH	CA	\$ 1,843.75
20	17740911	Keller	MANHATTAN BEACH	CA	\$ 387.40
21	17810375	Handley	HERMOSA BEACH	CA	\$ 1,814.25
22	17810682	Monier	HERMOSA BEACH	CA	\$ 200.00
23	17810775	Wodarz	HERMOSA BEACH	CA	\$ 1,225.60
24	17811075	Boylan	MANHATTAN BEACH	CA	\$ 1,825.00
25	17810823	Forrest	MANHATTAN BEACH	CA	\$ 104.03
26	17868153	Murphy	MARINA DEL REY	CA	\$ 725.83
27	17868004	Price	BEVERLY HILLS	CA	\$ 1,727.50
28	17869135	Martelli	BELLINGHAM	WA	\$ 1,759.25
29	17952916	Berouty	REDONDO BEACH	CA	\$ 200.00
30	17953030	Castro	HERMOSA BEACH	CA	\$ 300.00
31	19434383	Price	BEVERLY HILLS	CA	\$ 1,901.00
32	19434821	Said	HERMOSA BEACH	CA	\$ 1,408.83
33	19434701	Pianca	SAN PEDRO	CA	\$ 200.00
34	19434423	Strider	MANHATTAN BEACH	CA	\$ 100.00
35	19434542	Kuhlman	MANHATTAN BEACH	CA	\$ 100.00
36	18263312	Morales	LAWNDALE	CA	\$ 1,759.25

AMB TRANSPORTS - MBFD					
#	Account Number	Lastname	City	State	Balance
37	18198631	Moyes	MEDFORD	OR	\$ 1,721.25
38	18263054	Moore	MANHATTAN BEACH	CA	\$ 200.00
39	18262686	Olinon	GARDENA	CA	\$ 1,759.25
40	18198532	Serna	LAWNDALE	CA	\$ 351.85
41	18228257	Prunaver	REDONDO BEACH	CA	\$ 1,824.50
42	18228557	Medrano	MANHATTAN BEACH	CA	\$ 553.20
43	18198149	Nelson	MANHATTAN BEACH	CA	\$ 1,786.50
44	18348793	Veasey	LOS ANGELES	CA	\$ 1,353.50
45	18460591	Geary	MANHATTAN BEACH	CA	\$ 200.00
46	18460580	Faalafua	MANHATTAN BEACH	CA	\$ 348.59
47	18470809	Santos	TORRANCE	CA	\$ 1,759.25
48	18460517	Frank	MANHATTAN BEACH	CA	\$ 1,863.00
49	18483260	Aguirre	INGLEWOOD	CA	\$ 1,852.25
50	18483184	Brown	MANHATTAN BEACH	CA	\$ 50.00
51	18483546	Bosacki	MANHATTAN BEACH	CA	\$ 1,797.25
52	18483229	Umbreit	MANHATTAN BEACH	CA	\$ 1,759.25
53	18496207	Benedik	GARDENA	CA	\$ 200.00
54	18599384	Quinto	LOS ANGELES	CA	\$ 50.00
55	18715214	Petit	LOS ANGELES	CA	\$ 1,320.00
56	18646692	Wenzel	EL SEGUNDO	CA	\$ 200.00
57	18715291	Lurado	FRESNO	CA	\$ 1,759.25
58	18724383	Cruzmeza	GARDENA	CA	\$ 1,806.00
59	18716990	Onalfo	MANHATTAN BEACH	CA	\$ 209.45
60	18724362	Sokierko	MANHATTAN BEACH	CA	\$ 250.00
61	18796067	Maduekwe	HAWTHORNE	CA	\$ 83.45
62	18796340	Corona	HAWTHORNE	CA	\$ 1,721.75
63	18796215	Tudor			\$ 1,353.50
64	18796185	Johnson	MANHATTAN BEACH	CA	\$ 263.84
65	18846966	Mitchell	GLENDALE	CA	\$ 2,025.50
66	18847046	Oberst	HERMOSA BEACH	CA	\$ 1,377.00
					<b>\$ 57,111.52</b>

Date: 6/12/15

Revenue Services Manager: 

Finance Director: 


**MISCELLANEOUS ACCOUNTS RECEIVABLE**

No.	Invoice No.	Type	Name	City	State	Balance
1	15-03705	False Alarm	Deemer	Sioux Falls	SD	\$ 290.00
2	15-03625	False Alarm	Traylor	Manhattan Beach	CA	\$ 380.00
3	15-03833	False Alarm	Traylor	Manhattan Beach	CA	\$ 380.00
4	15-03686	False Alarm	Zitski	Manhattan Beach	CA	\$ 190.00
5	15-03766	False Alarm	Zitski	Manhattan Beach	CA	\$ 285.00
6	15-03558	Cost Recovery	Ehrmann	Manhattan Beach	CA	\$ 924.50
7	15-03559	Cost Recovery	Lopez	Reseda	CA	\$ 2,361.34
8	15-03560	Cost Recovery	Fischer	Culver City	CA	\$ 2,417.92
9	15-03640	False Alarm	Johnson	11 Music Circle South	TN	\$ 475.00
10	15-03647	Cost Recovery	Trimmer	Los Angeles	CA	\$ 618.87
11	16-02699	F.D. Permit	Studio 55	New York	NY	\$ 215.00
12	15-03716	Cost Recovery	McAssey	Marina Del Rey	CA	\$ 1,564.54

**\$ 10,102.17**

Date: 6/12/15

Revenue Services Manager: 

Finance Director: 

**UTILITY BILLING ACCOUNTS**

No.	Account #	Status	Prime Customer Name	City	State	Balance
1	99-2263003-07	c	GAME STOP INC #6067	WINDSOR	CT	\$ 9.12
2	99-1466003-09	c	QIANG FEN SUN	MANHATTAN BEACH	CA	\$ 216.45
3	84-1652017-09	c	MARY FRANCO	MANHATTAN BEACH	CA	\$ 275.56
4	83-1476016-13	c	MICHELLE HIGGINS	MANHATTAN BEACH	CA	\$ 251.78
5	83-1413011-19	c	SAM PICCIONE	MANHATTAN BEACH	CA	\$ 218.40
6	76-0469010-05	c	KURT WALTER	LAKWOOD	CA	\$ 108.89
7	75-0316012-06	c	CHRISTINE SPIELVOGEL	HERMOSA BEACH	CA	\$ 688.03
8	65-0676010-07	c	MARIELYN BIXBY TRUST	PALM DESERT	CA	\$ 301.32
9	64-0589014-07	c	DIONE SURDEZ	TORRANCE	CA	\$ 141.71
10	63-0381010-11	c	WILLIAM ROBERT NORRIE	MANHATTAN BEACH	CA	\$ 356.00
11	60-0897034-17	c	HILARY QUINN	ROLLING HILLS	CA	\$ 137.83
12	49-0211112-13	c	QIANG FEN SUN	MANHATTAN BEACH	CA	\$ 305.50
13	48-0093016-09	c	CHRISTOPHER VERBIN	MANHATTAN BEACH	CA	\$ 240.72
14	45-0219010-09	c	ANGELINE A MILEWSKI	MANHATTAN BEACH	CA	\$ 11.76
15	44-0872027-08	c	RAY BARNES	MANHATTAN BEACH	CA	\$ 397.19
16	43-0781010-10	c	MICHELLE LINTEL	LAKE WORTH	FL	\$ 198.85
17	42-0533023-09	c	CHANDREA MILLER	MANHATTAN BEACH	CA	\$ 99.99
18	28-0127024-05	c	MAGGIE IVEY	MANHATTAN BEACH	CA	\$ 260.21
19	24-0872015-07	c	RALPH LEPERA	BISHOP	CA	\$ 72.87
20	10-1075001-10	c	CHARLES PUSATERI	MANHATTAN BEACH	CA	\$ 308.03

**\$4,600.21** ✓

Date: 6/24/15

Revenue Services Manager: 

Finance Director: 