

FINDINGS OF THE COLLECTIONS BOARD OF REVIEW
REPORT NO. 073119

Pursuant to the provisions of Sections 5.182 through 5.184 of the Los Angeles Administrative Code, the Collections Board of Review (Board) held a hearing to review, authorize and/or recommend delinquent accounts for write off. The meeting was held on July 31, 2019, in the Controller Conference Room 350B at City Hall East, Los Angeles, California. The Board consists of the following members:

- Shane Min, Sr. Management Analyst II, representing the City Controller
- Edwin Avanesian, Revenue Manager, representing the Office of Finance
- David Choi, Management Assistant, representing the Office of the City Administrative Officer

The Board's agenda included consideration for removal of various uncollectible accounts receivable from the active accounts of the Los Angeles Departments of Housing and Community Investment and Building and Safety. The Board may approve the write offs of accounts less than \$5,000 each as authorized by the City Council (CF 09-1735). The Board may recommend the write off of accounts \$5,000 or more for approval by the City Council. The results of the Board's review are summarized below.

Los Angeles Housing and Community Investment Department (HCIDLA)

HCIDLA presented one write off request before the Board as follows:

- I. June 11, 2019 report requesting the write off of 515 uncollectible invoices (380 owners, 391 unique APNs) totaling \$359,789.83, each account owing less than \$5,000.

Discussion. These invoices are 15 different invoice categories ranging from REAP inspection, legal case fees, administrative investigation fees and SCEP fees. These invoices have been submitted for write off as they have been identified as uncollectible. HCIDLA has exhausted all reasonable collection efforts.

Board's Decision. The Board has reviewed the uncollectible accounts. The Board agrees that further efforts will be disproportionately costly in relation to the possible outcome. The Board unanimously approved the write off request from HCIDLA to remove from its active accounts receivable, 515 invoices totaling \$359,789.83, each account under \$5,000.

Department of Building and Safety (LADBS)

LADBS presented one write off request before the Board as follows:

- I. June 28, 2019 report requesting the write off of 22 uncollectible accounts totaling \$175,741.06, each account owing more than \$5,000.

Discussion. These invoices are all past statute of limitations. LADBS has exhausted all reasonable collection efforts. The invoices are for code violations, inspection fees, non-compliance fees, and repair and demolition fees.

Board's Decision. The Board has reviewed the uncollectible accounts. The Board agrees that further efforts will be disproportionately costly in relation to the possible outcome. The Board unanimously recommends the City Council approve the write off of 22 accounts totaling \$175,741.06, each account owing more than \$5,000.