

FINDINGS OF THE COLLECTIONS BOARD OF REVIEW
REPORT NO. 012523

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 virtually on January 25, 2023, via Zoom. The Board consists of the following members:

- Shane Min, Sr. Management Analyst II, representing the City Controller
- Andrew Kaplan, Revenue Manager, representing the Office of Finance
- Melissa Krance, Chief Administrative Analyst, 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 Fire Department and Los Angeles Housing Department. The Board may approve the write-off 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 Fire Department (LAFD)

LAFD presented one (1) write-off request before the Board as follows:

- I. October 4, 2022 report requesting the write-off of 28,331 uncollectable accounts with fees totaling \$39,168,304.13, each account owing less than \$5,000.00

Discussion. These invoices are for uncollectable emergency ambulance service charges that were billed in Fiscal Years 2010-11 to 2020-21. The invoices were referred for collection to the City's contractor, Harris & Harris, Ltd. The invoices were deemed uncollectable and returned to the Department between March 2022 and August 2022. LAFD has exhausted all reasonable collection efforts.

Board's Decision. The Board has reviewed these uncollectible accounts. The Board agrees that additional efforts to collect could be disproportionately costly in relation to the probable outcome. The Board unanimously approved the request from LAFD to remove from its active account receivables, 28,331 uncollectable accounts with fees totaling \$39,168,304.13, each account owing less than or equal to \$5,000.00.

Los Angeles Housing Department (LAHD)

LAHD presented two (2) write-off requests before the Board as follows:

- I. December 13, 2022 report requesting the write-off of 40 uncollectible invoices for 31 owners of 33 property accounts (APNs) with fees totaling \$30,232.31, each owner owing less than \$5000.00

Discussion. These invoices include 9 different invoice categories such as, REAP prepaid inspections, RSO's, Complaint Inspections, and SCEP fees. These outstanding invoices are for services billed during the years 2011 through 2021. LAHD is submitting these invoices for write-off as they have been identified as uncollectible and all reasonable collection efforts have been exhausted.

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 approve the write-off request from LAHD to remove from its active account receivables, 40 invoices totaling \$30,232.31, each owner owing equal to \$5,000.00 or less.

- II. December 13, 2022 report requesting the write-off of 74 uncollectible invoices for 55 owners of 70 property accounts (APNs) with fees totaling \$3,729,451.16, each owner owing \$5,000.00 or more.

Discussion. These invoices include 4 different invoice categories, TRIP Benefit Advancer, Foreclosure Registry, RSO, and SCEP fees. These outstanding invoices are for services billed during the years 2017 through 2021. LAHD is submitting these invoices for write-off as they have been identified as uncollectible and all reasonable collection efforts have been exhausted.

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 request from LAHD to remove from its active account receivables, 74 invoices totaling \$3,729,451.16, each owner owing equal to \$5,000.00 or more.