

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: April 18, 2019

TO: Honorable Members of the City Council
c/o Office of the City Clerk

FROM: Shane Min, Chair 
Collections Board of Review

SUBJECT: DELINQUENT ACCOUNTS RECEIVABLES \$5,000 AND OVER PER ACCOUNT

The City of Los Angeles Administrative Code Sections 5.182 to 5.184 authorizes any board, commission, or head of any department to prepare a report to a Collections Board of Review (consisting of the Controller, City Administrative Officer and the Office of Finance) requesting authority to remove uncollectible accounts from the Department's active books. The Collections Board of Review ("Board") may upon unanimous recommendation approve removal of accounts of less than \$5,000. Accounts of \$5,000 or more may be removed by the City Council upon recommendation from the Board together with the findings of a board, commission, or head of a department.

This report informs the City Council of the results of the Board evaluations of the write off requests from the Board meeting held on January 30, 2019. A copy of the write off requests are attached along with the Collections Board of Review Findings report 013019.

LOS ANGELES HOUSING + COMMUNITY INVESTMENT DEPARTMENT (HCIDLA)

HCIDLA submitted a request dated December 24, 2018 to write off 158 uncollectable invoices (22 owners, 35 unique APNs) totaling \$149,957.00, each account owing \$5,000 or more. The Board unanimously recommends that the City Council approve the write off of the 158 invoices totaling \$149,957.00 each account owing \$5,000 or more. The Board agreed that all reasonable efforts have been exhausted in the collection of this account and additional efforts could be disproportionately costly in relation to the probable outcome.

LOS ANGELES DEPARTMENT OF BUILDING AND SAFETY (LADBS)

LADBS submitted a request dated December 28, 2018 to write off 54 uncollectible accounts totaling \$423,498.36, each account owing \$5,000 or more. The Board unanimously recommends that the City Council approve the write off request from LADBS to remove from its active accounts receivable, 54 accounts totaling \$423,498.36. The Board agreed that all reasonable efforts have been exhausted in the collection of this account and additional efforts could be disproportionately costly in relation to the probable outcome.

The Board recommends:

That the City Council, approve the Collections Board of Review's recommendations for the:

1. Housing + Community Investment Department to remove from its active accounts receivables 158 uncollectible invoices totaling \$149,957.00; and
2. Department of Building and Safety to remove from its active accounts receivables 54 accounts totaling \$423,498.36.

Fiscal Impact Statement:

The proposed action will decrease the City's receivable base by \$573,455.36.

If you have questions and requests for additional information, please call me at 213-978-7256 or email me at shane.min@lacity.org.

Attachments