

FINDINGS OF THE COLLECTIONS BOARD OF REVIEW
REPORT NO. 012721

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 27, 2021, via Google Meets. 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 Housing and Community Investment Department, Los Angeles Department of Building and Safety and Department of Public Works – Bureau of Sanitation. 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 Housing + Community Investment Department (HCIDLA)

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

- I. December 14, 2020 report requesting the write-off of 32 uncollectible invoices (30 owners, 29 unique APNs accounts) totaling \$371,268.70, each account owing more than \$5,000.00.

Discussion. These invoices include 9 different invoice categories ranging from REAP prepaid inspections, RSO's, Administrative Investigation fees, and SCEP fees. These invoices are for outstanding services billed during the years 2015 through 2017. HCIDLA 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 HCIDLA to remove from its active accounts receivables, 32 invoices totaling \$371,268.70, each account owing equal to \$5,000.00 or more.

Los Angeles Department of Building and Safety (LADBS)

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

- I. December 18, 2020 report requesting the write-off of 245 uncollectible invoices (233 customer accounts) for fees totaling \$154,568.75, each account owing less than \$5,000.00.

Discussion. These invoices include a variety of invoices ranging from Code Violation inspection fees, Off Hour Inspections, Repair and Demolition fees, Non-Compliance fees, and Bad Check fees issued between July 2009 and July 2016. The four (4) year statute of limitation for collections has passed on these customer accounts and all reasonable collection efforts have been exhausted.

Board's Decision. The Board has reviewed the 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 write-off request from LADBS to remove from its active accounts receivables, 245 invoice for fees totaling \$154,568.75, each account owing less than \$5,000.00.

Department of Public Works – Bureau of Sanitation (LASAN)

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

- I. November 10, 2020 report requesting the write-off of 2,295 uncollectible invoices for 391 inactive owner permit accounts with fees totaling \$300,774.02, each account owing less than \$5,000.

Discussion. These accounts are delinquent industrial water waste fees. These invoices have been submitted for write-off as they have been identified as uncollectible. LASAN 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 LASAN to remove from its active accounts receivable, 2,295 accounts totaling \$300,774.02, each account owing less than \$5,000.