

## **FINDINGS OF THE COLLECTIONS BOARD OF REVIEW**

### **REPORT NO. 012622**

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 26, 2022, 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 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 Housing Department (LAHD)**

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

- I. December 20, 2021 report requesting the write-off of 15,161 uncollectible invoices (5,689 owners, 5,754 unique APNs) totaling \$4,479,216.54, each account owing less than \$5,000.

**Discussion.** These invoices are 15 different invoice categories ranging from Bad Checks, CM Inspection Fees, SCEP Inspection, Administrative Hearing Fees and Foreclosure Registry Fees. These invoices have been submitted for write-off as they have been identified as uncollectible. LAHD 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 LAHD to remove from its active accounts receivable, 15,161 invoices totaling \$4,479,216.54, each account owing less than \$5,000.

- II. December 20, 2021 report requesting the write-off of 855 uncollectible invoices (152 owners, 347 unique APNs accounts) totaling \$3,998,345.70, each account owing more than \$5,000.00.

**Discussion.** These invoices include 12 different invoice categories ranging from CM and REAP prepaid inspections, RSO's, REAP Administered Investigation fees, SCEP and SCEP Inspection fees. These invoices are for outstanding services billed during the years 2014 through 2019. 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, 855 invoices totaling \$3,998,345.70, each account owing equal to \$5,000.00 or more.