

# FINDINGS OF THE COLLECTIONS BOARD OF REVIEW

REPORT NO. 073025

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 30, 2025, in the Controller's conference room 350B at City Hall East, Los Angeles, California. The Board consists of the following members:

- Shane Min, Chief Management Analyst, representing the City Controller
- Heidi Kim, Senior Management Analyst II, 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 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.

## **Department of Public Works – Bureau of Sanitation (LAFD)**

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

- I. January 16, 2025 report requesting the write-off of 69,511 uncollectible service accounts with fees totaling \$131,470,432.45, each account owing less than \$5000.00.

**Discussion.** LAFD submitted a report with a list of 69,511 uncollectible emergency ambulance service accounts for Fiscal Years 2010- 2011 to 2022-2023 (September 2017 – May 2023). Advanced Data Processing, Inc. provides ambulance billing and collection services for the Los Angeles Fire Department (LAFD) through a field data capture system. This billing process includes the creation of an electronic patient care record and the validation of patient, payer, and insurance information. When insurance or payer information is not received, a minimum of three patient invoices and notices are issued within 120 days of the initial billing date. Accounts that remain unpaid after 120 days are referred to the Harris & Harris collection agency for additional collection efforts. Accounts deemed uncollectible by the collection agency are returned to LAFD and submitted for write-off.

**Board's Decision.** The Board has reviewed the uncollectible accounts and agrees that further efforts would be disproportionately costly in relation to the possible outcome. The Board unanimously approves the write-off request from LAFD to remove from its active accounts receivable 69,511 uncollectible service accounts, each with an invoice balance of less than \$5,000.00, totaling \$131,470,432.45.

### **Los Angeles Housing Department (LAHD)**

LAHD presented four (4) write-off requests before the Board as follows:

- I. March 12, 2025 report requesting the write-off of 50 uncollectible invoices for 39 owners of 40 property (APNs) accounts with fees totaling \$20,863.54, each owner owing less than \$5,000.00

**Discussion.** These invoices fall under six categories, including CA Hearing File Preparation, Foreclosure Registry, RSO Inspection, and SCEP Inspection. The outstanding invoices relate to services billed between 2020 and 2024. The Los Angeles Housing Department (LAHD) is submitting these invoices for write-off, as they have been determined to be uncollectible and all reasonable collection efforts have been exhausted.

**Board's Decision.** The Board has reviewed the uncollectible accounts and agrees that further efforts would be disproportionately costly in relation to the possible outcome. The Board unanimously approves the write-off request from LAHD to remove from its active accounts receivable 50 uncollectible invoices totaling \$20,863.54, each with an outstanding balance of \$5,000.00 or less.

- II. March 12, 2025 report requesting the write-off of 12 uncollectible invoices for 8 owners of 8 property (APNs) accounts with fees totaling \$146,043.70, each owner owing \$5,000.00 or more

**Discussion.** These invoices fall under four categories: REAP Administrative, REAP Prepaid Inspection, SCEP, and URP Contractor Cost. The outstanding invoices correspond to services billed between 2020 and 2022. The Los Angeles Housing Department (LAHD) is submitting these invoices for write-off, as they have been deemed uncollectible and all reasonable collection efforts have been exhausted.

**Board's Decision.** The Board has reviewed the uncollectible accounts and agrees that further efforts would be disproportionately costly in relation to the possible outcome. The Board unanimously recommends that the City Council approve the write-off request from LAHD to remove from its active accounts receivable 12 uncollectible invoices totaling \$146,043.70, each with an outstanding balance of \$5,000.00 or more.

- III. July 20, 2025 report requesting the write-off of 11,407 uncollectible invoices for 6,076 owners of 6,326 property (APNs) accounts with fees totaling \$4,203,658.76, each owner owing less than \$5,000.00

**Discussion.** These invoices fall under eleven different categories, including Administrative Investigation, CA Hearing File Preparation, Case Management Inspection, RSO Inspection, and SCEP Inspection. The outstanding invoices pertain to services billed between 2016 and 2023. The Los Angeles Housing Department (LAHD) is submitting

these invoices for write-off, as they have been deemed uncollectible and all reasonable collection efforts have been exhausted.

**Board's Decision.** The Board has reviewed the uncollectible accounts and agrees that further efforts would be disproportionately costly in relation to the possible outcome. The Board unanimously approves the write-off request from LAHD to remove from its active accounts receivable 11,407 uncollectible invoices totaling \$4,203,658.76, each with an outstanding balance of \$5,000.00 or less.

IV. July 2, 2025 report requesting the write-off of 246 uncollectible invoices for 75 owners of 133 property (APNs) accounts with fees totaling \$833,852.96, each owner owing \$5,000.00 or more

These invoices fall under seven categories, including Foreclosure Registry, RSO, Administrative Investigation, and SCEP. The outstanding invoices correspond to services billed between 2021 and 2023. The Los Angeles Housing Department (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 and agrees that further efforts would be disproportionately costly in relation to the possible outcome. The Board unanimously recommends that the City Council approve the write-off request from LAHD to remove from its active accounts receivable 246 invoices totaling \$833,852.96, each with an outstanding balance of \$5,000.00 or more.