

# LOS ANGELES FIRE DEPARTMENT



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DOUGLAS L. BARRY  
FIRE CHIEF

February 20, 2009

BOARD OF FIRE COMMISSIONERS  
FILE NO. 09-031

TO: Board of Fire Commissioners

FROM: Douglas L. Barry, Fire Chief *DLB*

**SUBJECT: WRITE-OFF OF 23 UNCOLLECTIBLE LAFD CHARGES FOR SERVICES OF  
FIRE SAFETY OFFICERS, INSPECTION RESTITUTION & HIGH RISE  
INSPECTION FOR FISCAL YEARS 2001-2007 EACH VALUED OVER  
\$1,000.00**

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

**Recommendations:** That the Board:

1. Authorize the Fire Chief to refer to the Board of Review any or all pertinent documentation regarding \$64,117.56 in uncollectible accounts for write-off authority. This recommendation is based on the findings, listed below.
2. Direct the Commission Executive Assistant II to forward the letter to the Board of Review for consideration and approval.

**Findings:**

1. The Los Angeles Municipal Code Section 11.04 (Ch. 1, Art. 1) provides that any Board, Commission, or Head of a Department may prepare a report setting forth findings regarding the status of unpaid accounts. This report may then be submitted to the Board of Review for appropriate actions.
2. All accounts have been submitted to the Office of Finance for collection and subsequently assigned to the City's contracted collection agency for further collection but proved to be unsuccessful. The agency has closed and returned the delinquent files to the Fire Department and determined these accounts to be uncollectible for the reason that all collection efforts have been exhausted.

3. Three or more statements of accounts have been mailed in addition to the original invoice. These accounts originated from fiscal years 2001-2007 and some now past the statute of limitations; therefore the Department has no legal means of collecting these balances. The Department's resources are more efficiently utilized on recent outstanding accounts.
4. The staff of Accounting Services along with the recommendation by the Office of Finance determined that the attached list of unpaid accounts amounting to \$64,117.56 should be written-off. These individual accounts are for fiscal years 2001-2007 each valued over \$1,000.00 (see attachments).

**Conclusion:**

In view of the above findings, it is appropriate that these uncollectible accounts for fiscal years 2001-2007 be referred to the Board of Review in compliance with the Los Angeles Municipal Code for write-off authority.

Upon your Board's approval, Board of Review and Council consideration/approval will be initiated.

Board report prepared by Emma Pangilinan, Accountant II, Accounting Services Unit.

Attachment

Los Angeles Fire Department

## Schedule of Accounts for Referral to Board of Review

Individual Invoice over \$1,000

Referral Date: 2/18/2009

Revenue Source Code	Invoice #	Invoice Date	Customer Name	Invoice Amount	Uncollectible Code	Remarks
3883	Fund: 100					
FS010004991		6/5/2001	ZOOM FILMS	\$1,017.50	7	FORWARD EFFORT EXHAUSTED
FS040008506		2/26/2004	D.F. ENTERPRISES	\$1,068.80	7	FORWARD EFFORT EXHAUSTED
FS050009412		10/15/2004	ALMA MAHLER INC	\$2,521.60	7	FORWARD EFFORT EXHAUSTED
FS050009521		10/28/2004	SHRED TED	\$1,024.00	7	FORWARD EFFORT EXHAUSTED
FS050009532		11/3/2004	ALMA MAHLER INC	\$1,260.80	7	FORWARD EFFORT EXHAUSTED
FS050010232		5/26/2005	CEEM	\$1,980.60	7	FORWARD EFFORT EXHAUSTED
FS05009472C		11/1/2004	ALMA MAHLER INC	\$1,958.40	7	FORWARD EFFORT EXHAUSTED
FS060010579		8/11/2005	GOZO EN EL ESPIRITO S	\$1,056.00	7	FORWARD EFFORT EXHAUSTED
FS060010682		8/31/2005	ECCENTRIC CATTLE	\$5,388.80	7	FORWARD EFFORT EXHAUSTED
FS060010722		9/29/2005	LA SCOTTISH RITE, LLC	\$1,260.80	7	FORWARD EFFORT EXHAUSTED
FS060011084		12/5/2005	MISSION ACCOMPLISHED	\$2,816.00	7	FORWARD EFFORT EXHAUSTED
FS060011261		2/1/2006	BAVA MARK	\$1,100.80	7	FORWARD EFFORT EXHAUSTED
FS070012225		7/31/2006	GIANT VILLAGE	\$2,252.80	7	FORWARD EFFORT EXHAUSTED
FS070013060		12/21/2006	AVERY PIX INC	\$1,056.00	7	FORWARD EFFORT EXHAUSTED
FS070013138		1/10/2007	GIANT PRODUCTIONS	\$5,273.60	7	FORWARD EFFORTS EXHAUSTE
Summary for 'Revenue Source Code' = 3883 (15 detail records)				\$31,036.50		
Sum						
3886	Fund: 100					
IR050007260		12/13/2004	NEW DANA STRAND PART	\$19,399.00	7	FORWARD EFFORTS EXHAUSTE
IR050007494		1/4/2005	BISOU-BISOU	\$1,110.00	7	FORWARD EFFORTS EXHAUSTE
IR070010669		12/19/2006	JIM SINSHEIMER	\$1,080.00	7	FORWARD EFFORTS EXHAUSTE

Thursday, February 12, 2009

Revenue Source Code	Invoice #	Invoice Date	Customer Name	Invoice Amount	Uncollectible Code	Remarks
	IR070010707	12/27/2006	TRAMMEL CROW COMPA	\$1,080.00	7	FORWARD EFFORTS EXHAUSTE
Summary for 'Revenue Source Code' = 3886 (4 detail records)						
Sum				\$22,669.00		
3900	Fund: 100					
	HR050003000	11/15/2004	KEYAK LESLIE	\$2,016.90	7	FORWARD EFFORT EXHAUSTED
	HR060003555	11/22/2005	SIMONS ANN	\$2,126.25	7	FORWARD EFFORT EXHAUSTED
	HR080004739	12/4/2007	MERVELO RICHARD	\$2,152.29	7	FORWARD EFFORTS EXHAUSTE
	HR080004770	12/5/2007	YOUNAN ZAYA	\$4,116.62	5	INSUFFICIENT EVIDENCE TO ES
Summary for 'Revenue Source Code' = 3900 (4 detail records)						
Sum				\$10,412.06		
Grand Total				\$64,117.56		

ATTACHMENT

LOS ANGELES FIRE DEPARTMENT

Uncollectible / For Write-off by the Office of Finance  
Individual Invoices > \$1,000  
Recap by Fiscal Year

Fiscal Year	Revenue Fire Safety Officer	Revenue Inspection Restitution	Revenue High Rise Inspection	Total
2001	1,017.50			1,017.50
2004	7,833.60	19,399.00	2,016.90	29,249.50
2005	12,502.20	1,110.00	2,126.25	15,738.45
2006	4,409.60	1,080.00	6,268.91	11,758.51
2007	5,273.60	1,080.00		6,353.60
				-
	31,036.50	22,669.00	10,412.06	64,117.56

**LOS ANGELES FIRE DEPARTMENT  
TABLE OF CODES**

REVENUE SOURCE CODE	REVENUE SOURCE
3883	FIRE SAFETY OFFICERS
3886	INSPECTION RESTITUTION
3900	HIGH RISE INSPECTION FEES

UNCOLLECTIBLE CODE	UNCOLLECTIBLE REASON
1	Unable to locate debtor
2	Cost of collection exceeds probable return
3	Debtor deceased
4	Statute of limitations expired
5	Insufficient evidence to establish liability
6	Judgement obtained/unable to locate assets
7	Forward effort exhausted
8	Other (see remarks)
9	Debt erroneously billed

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CALIFORNIA



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MAYOR

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[www.lafd.org/comm.htm](http://www.lafd.org/comm.htm)

February 18, 2009

Louis J. Benjamin, Chairperson  
Board of Review  
Office of the Controller  
Room 300, City Hall East

Dear Chairperson Benjamin:

**WRITE-OFF OF 23 UNCOLLECTIBLE LAFD CHARGES FOR SERVICES  
OF FIRE SAFETY OFFICERS, INSPECTION RESTITUTION & HIGH RISE  
INSPECTION FOR FISCAL YEARS 2001-2007 EACH VALUED OVER \$1,000.00**

**BACKGROUND**

Los Angeles Administrative Code, Chapter 11, Article 1, Section 5.183, provides that the Fire Chief of the Los Angeles Fire Department (LAFD) shall review the status of uncollectible accounts to determine whether they are collectible. He shall refer those accounts determined to be uncollectible to the Board of Review in accordance with the Los Angeles Municipal Code, Article 1, Section 11.04, for appropriate action. The removal of these 23 unpaid accounts from the current Fire Safety Officers, Inspection Restitution & High Rise Inspection accounts shall not preclude the City from collecting any sum that later proves to be collectible.

**RECOMMENDATIONS**

It is recommended that the Honorable Board of Review approve the write-off of 23 individual accounts totaling \$64,117.56 in uncollected Fire Safety Officers, Inspection Restitution & High Rise Inspection accounts for fiscal years 2001-2007 (see attachments). The removal of these unpaid accounts shall not preclude the City from collecting any sum that later proves to be collectible.

**FINDINGS**

1. The Los Angeles Administrative Code, Chapter 11, Article 1, Section 5.183 provides that the Fire Chief of the Fire Department shall review the status of unpaid accounts to determine whether they are collectible.

He shall refer those accounts determined to be uncollectible to the Board of Review in accordance with the Los Angeles Municipal Code, Article 1, Section 11.04, for appropriate action.

2. All accounts have been submitted to the Office of Finance for collection and subsequently assigned to the City's contracted collection agency for further collection. All attempts by the agency to collect utilizing applied collection processes have been unsuccessful. The agency has closed and returned the delinquent files to the Fire Department and determined these accounts to be uncollectible for reason that all collection efforts have been exhausted.
3. In addition, three or more statements of accounts were sent in addition to the original invoice. Accounts originated from fiscal years 2001-2007 and some, now past the statute of limitations; therefore the Department has no legal means of collecting these balances. The Department's resources will be more efficiently utilized on recent outstanding accounts.
4. The staff of Accounting Services along with the recommendation by the Office of Finance determined that the 23 unpaid accounts amounting to \$64,117.56 for fiscal years 2001-2007 should be written-off. (see attachments)
5. Writing off these accounts would be consistent with General Accepted Accounting Principles. This is also consistent with existing City policy to reflect the accurate status of accounts in the City's financial statement so not to overstate the revenue.

If you require additional information, please contact Accountant II Emma Pangilinan at (213) 978-3452.

Very truly yours,



DOUGLAS L. BARRY  
Fire Chief

Attachment