

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

Robert B. Ford

DEPT: Treasurer-Tax Collector

BOARD AGENDA # *B-12

Urgent

Routine

AGENDA DATE June 30, 2015

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

phx

SUBJECT:

Approval of Application for Discharge from Accountability of Accounts Which Have Been Determined to be Uncollectible

STAFF RECOMMENDATIONS:

1. Approve the discharge from accountability of 10,976 accounts in the Treasurer-Tax Collector Revenue Recovery Division for the attached departmental, city and court accounts which are uncollectible. Total balance of accounts is \$3,118,118.96.
2. Authorize the Treasurer-Tax Collector Revenue Recovery Division to take all necessary and appropriate action to be discharged from the accountability of accounts.

FISCAL IMPACT:

There is no fiscal impact for the County since these accounts are not shown as receivables in the County's financial statements.

BOARD ACTION AS FOLLOWS:

No. 2015-305

On motion of Supervisor Chiesa, Seconded by Supervisor O'Brien

and approved by the following vote.

Ayes: Supervisors: O'Brien, Chiesa, De Martini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: Monteith

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

Christine Ferraro

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

DISCUSSION:

The Revenue Recovery Division of the Treasurer-Tax Collector Department maintains a large database of accounts where funds are owed to the County, courts and various cities.

The Treasurer-Tax Collector Revenue Recovery Division is requesting a discharge from accountability of 10,976 uncollectible accounts with a balance of approximately \$3.1 million. The details of each account may be found in the document "Discharge From Accountability – All Accounts" which is hereby incorporated by reference to this Application. Attached to this Application is a summary breakdown of the County departments, city and court accounts called "Discharge From Accountability By Client – June 2015."

Government Code Section 25257 describes the criteria to use when seeking to write off the uncollectible amount. The criteria used are:

- Amount is too small to justify the cost of collection;
- The likelihood of collection does not warrant the expense involved; or
- The amount thereof has been otherwise lawfully compromised or adjusted

The Revenue Recovery Division has made diligent effort and spent considerable time determining the attached list of accounts with the appropriate liens recorded to be uncollectible. Reasons for identifying the debt as uncollectible include:

- The debtor lives out of the country;
- The debtor is incarcerated, with no assets;
- The debt has been discharged in bankruptcy;
- The debtor cannot be located due to lack of identifying data;
- The debtor is deceased;
- The cost of collection exceeds amount owed;
- The debt is over 10 years old;
- The debtor has no assets; and
- All collection efforts have been exhausted

Discharging these accounts is beneficial to the County for various reasons. Administrative effort, time, automation and document processing are being expended on accounts in which there is unlikely to be payment. Continued effort to collect from these accounts takes resources away from pursuing funds owed on collectible accounts. Discharge from uncollectible accounts allows the Revenue Recovery Division to focus on accounts with a higher probability of collection and is more cost effective. Further, uncollectible accounts incorrectly inflate the Revenue Recovery aging report

Approval of Application for Discharge from Accountability of Accounts Which Have Been Determined to be Uncollectible
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and affect the accuracy of collection statistical reports. This, in turn, makes it difficult to judge the overall effectiveness of the Division's collection efforts.

The Revenue Recovery Division has worked with County Counsel on these attached accounts to determine that no additional action should be taken to recover funds and it is now appropriate to request the Board to approve the discharge from accountability pursuant to Government Code Section 25257-25258, since the likelihood of collection does not warrant the expense involved.

The discharge from an account does not release any person from liability of payment on any account. Debts may be reactivated for collection if circumstances warrant renewed collection activity.

POLICY ISSUES:

Discharge of accounts are approved by the Board of Supervisors pursuant to Government Code Section 25257-25258.

Approval of this agenda item will support the Board's priority of Efficient Delivery of Public Services.

STAFFING IMPACTS:

Existing staff will continue the collection process and be able to devote more time to accounts with a higher probability of collection.

CONTACT PERSON:

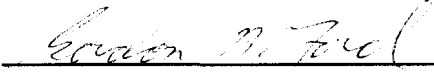
Gordon B. Ford, Treasurer-Tax Collector. Telephone: (209) 525-4463.

DISCHARGE FROM ACCOUNTABILITY BY CLIENT - JUNE 2015	
	TOTAL
ABANDONED VEHICLES	\$32,803.00
ANIMAL SERVICES	\$36,320.58
BEHAVIORAL HEALTH	\$142,138.78
CITY OF CERES	\$23,907.99
CITY OF HUGHSON	\$2,182.98
CITY OF MODESTO	\$48,888.58
CITY OF NEWMAN	\$2,526.80
CITY OF OAKDALE	\$264.78
CITY OF PATTERSON	\$1,038.12
CITY OF RIVERBANK	\$1,169.38
CITY OF WATERFORD	\$706.08
CLERK / RECORDER	\$214.72
DEPT OF EMPLOY/TRNG	\$5,585.00
ENVIRONMENTAL RESOURCES	\$21,387.46
GARAGE	\$70,429.16
HEALTH SERVICES AGENCY	\$1,396,842.83
LIBRARY	\$398.97
PARKS	\$330.00
PROBATION	\$55,512.98
PUBLIC DEFENDER	\$66,195.07
PUBLIC WORKS	\$2,976.65
SHERIFF DEPARTMENT	\$9,590.48
SOCIAL SERVICES	\$800.00
SUBSTANCE ABUSE	\$1,183.00
TAXES	\$317,154.48
TOTAL COUNTY & CITIES	\$ 2,240,547.87
COURT	\$ 877,571.09
GRAND TOTAL	\$ 3,118,118.96

VERIFICATION

I, GORDON B. FORD, am the Stanislaus County Treasurer/Tax Collector. The facts stated in the Application for Discharge of Accountability of Accounts Which Have Been Determined to be Uncollectible are true to the best of my knowledge.

Date: June 17, 2015



Gordon B. Ford
Stanislaus County Treasurer/Tax Collector

Superior Court of California, County of Stanislaus
Discharge from Accountability Application

Pursuant to GC 25257 and GC 25259.7, any collections program that is operated by a court or county may submit an application to discharge debt from accountability. Discharge from accountability does not constitute a release of any person from liability for payment of any amount.

Please see report listing available: **Total Balance Requested for Discharge: \$ 853,242.80**

Check one or more boxes, as appropriate, to justify the discharge of referenced cases.

- | | | |
|--|---|--|
| <input type="checkbox"/> Cost of collection exceeds amount owed | <input type="checkbox"/> Debtor is incarcerated and there are no assets | <input type="checkbox"/> Unable to locate debtor or assets |
| <input checked="" type="checkbox"/> Deceased and there are no assets | <input type="checkbox"/> All collection efforts have been exhausted (PC 1463.007) | |

I declare that I have verified all of the information contained in this Request, and the documents attached, are true and correct, which may be made on information and belief.

Dept. Head or Designee Signature Audrey Henry Date 3-18-15
Chief of Revenue Recovery
COURT VERIFICATION AND APPROVAL

The Presiding Judge or authorized Judicial Officer, having read and considered the Application for Discharge pursuant to GC 25259.7, made the following order:

- [] Granted, the court-ordered debt of \$ 853,242.80 is hereby discharged.
[] Denied, the court-ordered debt is not discharged.

Reason for Denial: _____

Signature Maria Sunny Selvine Title Presiding Judge Date 4/14/15
(Presiding Judge or Authorized Judicial Officer)

COUNTY VERIFICATION AND APPROVAL

The Board of Supervisors, having read and considered the Application for Discharge pursuant to GC 25257, made the following order:

- [] Granted, the court-ordered debt of \$ 853,242.80 is hereby discharged.
[] Denied, the court-ordered debt is not discharged.

Reason for Denial: _____

Signature _____ Title _____ Date _____
(County Administrator or Designee)

Superior Court of California, County of Stanislaus
Discharge from Accountability Application

Pursuant to GC 25257 and GC 25259.7, any collections program that is operated by a court or county may submit an application to discharge debt from accountability. Discharge from accountability does not constitute a release of any person from liability for payment of any amount.

Please see report listing available: **Total Balance Requested for Discharge: \$ 25,879.03**

Check one or more boxes, as appropriate, to justify the discharge of referenced cases.

- | | | |
|---|--|--|
| <input type="checkbox"/> Cost of collection exceeds amount owed | <input checked="" type="checkbox"/> Debtor is incarcerated and there are no assets | <input type="checkbox"/> Unable to locate debtor or assets |
| <input type="checkbox"/> Deceased and there are no assets | <input checked="" type="checkbox"/> All collection efforts have been exhausted (PC 1463.007) | |

I declare that I have verified all of the information contained in this Request, and the documents attached, are true and correct, which may be made on information and belief.

Dept. Head or Designee Signature Audrey Henry Date: 06/08/2015
Audrey Henry - Chief of Revenue Recovery

COURT VERIFICATION AND APPROVAL

The Presiding Judge or authorized Judicial Officer, having read and considered the Application for Discharge pursuant to GC 25259.7, made the following order:

- Granted, the court-ordered debt of \$ 25,879.03 is hereby discharged.
 Denied, the court-ordered debt is not discharged.

Reason for Denial: _____

Signature Mari Sany Selina Title Presiding Judge Date 6-10-15
(Presiding Judge or Authorized Judicial Officer)

COUNTY VERIFICATION AND APPROVAL

The Board of Supervisors, having read and considered the Application for Discharge pursuant to GC 25257, made the following order:

- Granted, the court-ordered debt of \$ _____ is hereby discharged.
 Denied, the court-ordered debt is not discharged.

Reason for Denial: _____

Signature _____ Title _____ Date _____
(County Administrator or Designee)