

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

DEPT: Treasurer Tax Collector

BOARD AGENDA #: \*B-8

AGENDA DATE: May 24, 2016

**SUBJECT:**

Approval of Application for Discharge from Accountability the Collection of Accounts Determined to be Uncollectible

**BOARD ACTION AS FOLLOWS:**

No. 2016-266

On motion of Supervisor Chiesa, Seconded by Supervisor Withrow  
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, DeMartini, and Chairman Monteith

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1)  Approved as recommended

2)  Denied

3)  Approved as amended

4)  Other:

MOTION:

ATTEST:

  
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Treasurer Tax Collector

BOARD AGENDA #: \*B-8

Urgent  Routine

*B.B.F.*

AGENDA DATE: May 24, 2016

CEO CONCURRENCE:

4/5 Vote Required: Yes  No

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**SUBJECT:**

Approval of Application for Discharge from Accountability the Collection of Accounts Determined to be Uncollectible

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**STAFF RECOMMENDATIONS:**

1. Approve the discharge from accountability of 2,707 accounts in the Treasurer-Tax Collector Revenue Recovery Division for the attached departmental, city and court accounts which are uncollectible. The total balance of these accounts is \$1,186,353.12.
2. Authorize the Treasurer-Tax Collector Revenue Recovery Division to take all necessary and appropriate action to be discharged from the accountability of accounts.

**DISCUSSION:**

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

The Treasurer-Tax Collector Revenue Recovery Division is requesting a discharge from accountability of 2,707 uncollectible accounts with a total balance of approximately \$1.2 million. The debtors identified are deceased and no assets are available to recover. 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, as allowed by Government Code Section 25258. Attached is a summary of this information with a breakdown by County department, city and court accounts, identified as "Discharge From Accountability By Client Summary – May 2016." Also attached is a statement of Verification signed by the Treasurer-Tax Collector attesting to the accuracy of the application and a Court Certification and Approval statement signed by the presiding judge discharging the court-ordered debt of \$640,858.26, as required by Government Code.

Government Code Section 25257 describes the criteria used to justify the discharge from accountability for the collection of debt:

- 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

## Approval of Application for Discharge from Accountability the Collection of Accounts Determined to be Uncollectible

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The Revenue Recovery Division has determined, through diligent effort and considerable time spent, that the identified accounts with the appropriate liens recorded are uncollectible. This debt has been qualified as uncollectible due to the determination that each debtor is deceased and no assets are available to recoup the amount owed. The likelihood of collection on these accounts does not warrant the expense involved.

In addition to meeting the criteria used to identify uncollectible debt, discharging these accounts provides multiple benefits to the County. Administrative effort, time, automation and document processing are currently being expended on accounts in which payment is unlikely. Discharge from uncollectible accounts allows the Revenue Recovery Division to focus on accounts with a higher probability of collection and uses departmental resources in a more cost-effective manner. Further, uncollectible accounts artificially inflate the Revenue Recovery aging report and affect the accuracy of collection statistical reports. This, in turn, makes it difficult to quantify the overall effectiveness of the Division's collection efforts.

The Revenue Recovery Division has worked with County Counsel on the attached accounts to determine that no additional action should be taken to recover funds. The discharge from accountability is supported by Government Code Sections 25257-25258, as 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 ISSUE:**

Approval by the Board of Supervisors of the application for the discharge of accountability for the collection of accounts complies with Government Code Sections 25257-25258. The recommended actions adhere to the established criteria contained therein.

### **FISCAL IMPACT:**

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

### **BOARD OF SUPERVISORS' PRIORITY:**

Approval of this agenda item provides the means to more efficiently utilize departmental resources in the cost effective pursuit of Revenue Recovery and supports the Board's priority of Efficient Delivery of Public Services.

### **STAFFING IMPACT:**

Existing Revenue Recovery 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

Approval of Application for Discharge from Accountability the Collection of Accounts  
Determined to be Uncollectible

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**ATTACHMENT(S):**

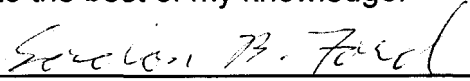
1. Discharge From Accountability By Client Summary – May 2016
2. Discharge From Accountability Verification Signature Page
3. Discharge From Accountability Application - Superior Court of California, Stanislaus County

<b>DISCHARGE FROM ACCOUNTABILITY - BY CLIENT SUMMARY - MAY 2016</b>		
ABANDONED VEHICLES		\$1,650.00
ANIMAL SERVICES		\$3,683.00
BEHAVIORAL HEALTH		\$90,570.18
CLERK RECORDER		\$25.00
ENVIRONMENTAL RESOURCES		\$1,177.30
HEALTH SERVICES AGENCY		\$47,778.40
LANDFILL		\$155.26
LAW LIBRARY		\$255.21
LIBRARY		\$261.16
PROBATION		\$347,260.48
PUBLIC DEFENDER		\$26,773.21
PUBLIC WORKS		\$180.63
SHERIFF		\$2,383.25
TAXES		\$17,476.70
CITY OF CERES		\$3,511.18
CITY OF MODESTO		\$2,177.38
CITY OF PATTERSON		\$88.26
CITY OF RIVERBANK		\$88.26
COURTS		\$640,858.26
<b>TOTAL</b>		<b>\$1,186,353.12</b>

**VERIFICATION**

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

Date: 5/13/16



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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: \$ 640,858.26

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

- Cost of collection exceeds amount owed
- Debtor is incarcerated and there are no assets
- Unable to locate debtor or assets
- Deceased and there are no assets
- 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 2-04-16  
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 \$ 640,858.26 is hereby discharged.
- Denied, the court-ordered debt is not discharged.

Reason for Denial: \_\_\_\_\_

Signature Mari Selvine Title PRESIDING JUDGE Date Mar 1, 2016  
(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)