

ACCOUNTS REVIEW PANEL MEETING

Wednesday, September 22, 2021

10:00 A.M.

AGENDA

Order of today's business:

I General

- Introduction of Attendees
- Election of:
 - Panel Chairman
 - Recording Secretary

II Business of the Day

- Introduction of Recommended Charge-Offs
- Discussion of Recommendation
- Call for Action on Recommendation

III Adjournment



City Charge Off Report Fiscal Year 2021



CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE
TAX | WATER | LAW

Report

Real Estate Taxes

These accounts represent Real Estate Tax for the City and the School District. The total proposed charge off amount is \$11,463,210 for tax year 2011 which represents receivables aged past ten years. Tax rates for 2011 were 4.123% for the City and 4.959% for the School District. Fund distributions are 45.40% City and 54.60% School District. The proposed charge offs are \$5,204,297 for the City portion and \$6,258,913 for the School District portion.

Self-assessed City and School taxes

These accounts represent taxes reported by the taxpayer. The total proposed charge off amount is \$49,580,640 for tax year 2015 which represents receivables aged past six years. The total proposed charge off is comprised of \$43,744,224 in self-assessed taxes receivable and \$5,836,416 in School District taxes receivable.

Office of Administrative Review

- **Alarms**-These accounts represent fines for false alarm activations exceeding the two false alarms per registration year. The charge off represents receivables aged past 36 months. The proposed charge of is \$727,339.
- **Sweeps**-These accounts represent fines issued for infractions of the Philadelphia Code that covers personal conduct (e.g., smoking on public transit) or minor property owner violations (e.g., high weeds, failure to recycle, litter). The charge off represents receivables aged past 36 months. The proposed charge off is \$4,610,947.
- **Burglar Alarm Registration Fees**-These accounts represent annual charges for burglar alarm systems. The charge off represents additional receivables aged past 36 months. The proposed charge off is \$211,375.

Fire department – emergency medical services (EMS)

These amounts represent charges to individuals who were provided with emergency medical services. The total charge off amount of \$208,424,867 represents adjustments for the variance between billed amounts vs. insurance payments received in fiscal year 2021. This amount includes \$6,014,277 in closed accounts; \$99,075,115 for bad debt/aged for fiscal years 2019, 2020 and 2021; \$103,335,475 for insurance adjustments.

Report

License & Inspection

- **Clean and Seal** - These accounts represent claims for expenditures by the City for cleaning and sealing condemned properties for protection of public health and safety. These accounts have liens imposed upon them. The charge off amount represents fiscal year 2020. The proposed charge off is \$401,099.
- **Community Life Improvement Program (CLIP)** – These accounts represent claims for expenditures by the City relating to the Community Life Improvement Program (CLIP). The work is done only after the property owner has refused to correct the problem. These accounts have liens imposed upon them. The charge off amount represents fiscal year 2020. The proposed charge off is \$803,426.
- **Other Nuisance Liens** – These accounts represent claims for the expenditures by the City regarding demolition, site improvement, sealing, stucco and asbestos work. These accounts have liens imposed upon them. The charge off amount represents fiscal year 2020. The proposed charge off is \$9,841,508.

Solid Resources fee

These accounts represent charges on any commercial establishment or multi-unit property receiving City collection of rubbish and recycling materials. The total proposed charge off amount is \$3,394,808 for year 2015 which represents receivables aged past six years.

Police Overtime

These accounts represent charges to outside organizations for work performed by the Police Department. The charge off amount represents year 2015. The proposed charge off is \$26,813.

Register of Wills

These accounts represent probate fees based on estimates of decedent's assets. When the true value of assets is finally determined, the probate fees are adjusted. The proposed charge off is \$6,520.

Courts - First Judicial District of PA - Clerk of Courts

These accounts represent fines and other charges collected by the Courts of the First Judicial District (excluding Traffic Court) that are due to the City. The total write-off of \$3,426,427 represents the total fiscal year 2021.

Report

Courts - Philadelphia Traffic Court

These accounts represent fines and other charges collected by the Philadelphia Traffic Court that are due the City. There is no charge off amount for fiscal year 2021.

Aviation Fund

These accounts represent receivables from marginal carriers that no longer use the Airport's facilities or are out of business. The total proposed charge off for fiscal year 2021 is \$857,910. \$825,410 of the total proposed write off, is due to a legal settlement of debt that accumulated over twenty years.

Riverview Nursing Home

These accounts represent per-diem costs that exceed residents' income, Social Security and Medicaid reimbursements. Riverview is barred by State regulation from charging Social Security recipients more than their actual income. The charge off amount represents fiscal year 2021. The proposed charge off is \$2,915,627.

Hotel Tax Fund

These accounts represent the Hotel tax on short-term rentals. The charge off amount represents tax year 2015. The proposed charge off is \$29,430.

Vehicle Rental Tax Fund

These accounts represent the Vehicle Rental Tax on vehicle rentals. The total proposed charge off is \$20 for tax year 2015 which represents receivables aged past six years.

Water Fund

The Water Fund submits the following categories of delinquent and uncollectible Water Fund accounts receivable, herein, totaling \$18,673,005 to the Accounts Receivable Panel for exclusion from Water Fund statements. The total includes \$1,613,354 Pre-petition Bankruptcy Balances, \$14,299 in Low Income Arrearages and \$17,045,352 in Delinquent Accounts over 1-year old.

Cover Photo credit: M. Fischetti for VISIT PHILADELPHIA