

STAFF REPORT



SUBJECT: Review and Approve Write-off of Uncollectible Utility Accounts

DEPARTMENT: Finance

STAFF CONTACT: Monica Harris

RECOMMENDATION:

Staff requests Finance Committee forward the request to write-off uncollectible utility accounts to Council in the amount of \$501,180.11.

BACKGROUND:

The City of Stephenville submits inactive utility accounts to a collection agency when the account has a balance that has not been paid in over 90 to 120 days. The collection agency reports the delinquent bill to a credit agency and proceeds to attempt to collect the funds.

The attached listing of accounts is for inactive accounts with last bill dates in 1997 through 2014, which have not had any activity in 8 years.

These accounts will still be visible in our utility software to check for unpaid amounts when a connection of service is requested, but the amount will no longer appear in our balance sheet.

FISCAL IMPACT SUMMARY:

There is no fiscal impact. These accounts are recorded in accounts receivable at \$501,180.11, but the amount is offset with a corresponding credit to allowance for doubtful accounts in the same amount.

ALTERNATIVES

Not approve the account write-offs.