



City of League City, TX

300 West Walker
League City TX 77573

Text File

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Status: Agenda Ready

In Control: Finance

File Type: Agenda Item

Title

Consider and take action on a resolution authorizing city staff to write-off inactive utility accounts for a total amount of \$63,461.46 (Interim Director of Finance)

..Background:

Approval of this item will authorize staff to “write off” delinquent water utility accounts that are determined to be uncollectible. The Council last took action to write off accounts on November 8, 2016. Since that time, 368 accounts with a total balance of \$63,461.46 have been closed with collection efforts unsuccessful and at this point these accounts are deemed uncollectible. The 368 accounts represent less than 0.18% of the \$34 million in revenue billed in FY 2017.

The collection process for utility accounts is as follows:

- At the time an account is closed, the final reading is taken and the bill is submitted to the customer. This bill is due within 30 days.
- If the payment is not received, a reminder letter is sent to the customer the following month.
- 30 days after the reminder letter (90 days after the final bill sent to the customer), the account is turned over to the collection firm.

These uncollectible accounts have been with the collection attorney for a least one (1) year and still remain uncollected. Approval of this action will allow staff to remove the accounts from the financial statements as uncollectible accounts. The detail balances will remain in our utility records and will be recovered if possible.

If in the future a write-off customer applies for water service with the City, any amount owed, include any write-off amounts, must be paid prior to service connection.

ATTACHMENTS

1. Data Sheet
2. Proposed Resolution

FUNDING

{ } NOT APPLICABLE

{x } Funds are available from Utility Fund Account Allowance for Bad Debt 10201650-53970

{ } Requires Budget Amendment to transfer from Account # _____ to Account # _____