



Snohomish County Council

Committee: Finance
ECAF: 2021-0819
Proposal: Motion 21-354

Analyst: Jim Martin
Date: December 1, 2021

Consideration:

Removing Certain Uncollectible Accounts from the County's Accounting Records.

Background

The County has retained a collection agency to pursue the collection of delinquent accounts receivable. The majority of the listed accounts have previously been pursued through this process. Accounts may be deemed uncollectible for reasons such as bankruptcy, death, statute of limitations of six years per RCW 4.16.040, or for other appropriate reasons. This action does not cancel these debts. It is possible that the debts may still be collected, however, it has been determined that the likelihood of such collection is remote.

Current Proposal

For optimal performance and manageability of the accounts receivable system, uncollectible accounts should be periodically removed. The majority of the listed accounts have been outstanding for over six years. There will be no further impact on fund balance because all of the listed accounts have already been recorded as bad debt. The total amount being removed from the system is \$259,327.43.

2021 Budget:

Is this in the current year budget: N/A

Future Budget Impacts: None.

Handling: Normal.

Approved-as-to-form: Yes.

Risk Management: Yes.

Executive Recommendation: APPROVE.

Attachments: Refer to the submitted ECAF that includes the following attachments:

- (1) Proposed Motion
- (2) 2021 Accounts Receivable Write-Off Summary
- (3) 2021 Write-Off List

Amendments: NONE.

Request: Move to GLS, December 15th for consideration.