



Snohomish County Council

Legislation Details (With Text)

File #: 2021-0819 **Version:** 1

Type: Motion **Status:** Approved

File created: 9/24/2021 **In control:** General Legislative Session

On agenda: 12/15/2021 **Final action:** 12/15/2021

Title: Motion 21-354, to remove certain uncollectible accounts from accounting records

Sponsors:

Indexes:

Code sections:

Attachments: 1. Motion 21-354, 2. Staff Report, 3. 2021 Accounts Receivable Write-off Summary, 4. 2021 Write-Off List, 5. Motion Assignment Slip

Date	Ver.	Action By	Action	Result
12/15/2021	1	General Legislative Session	Approved	Pass
12/14/2021	1	Finance and Economic Development Committee	Moved to the GLS Consent Agenda	
10/4/2021	1	Administrative Session	Assigned	

Executive/Council Action Form (ECAF)

ITEM TITLE:

Motion 21-354, to remove certain uncollectible accounts from accounting records

DEPARTMENT: Finance

ORIGINATOR: Nathan Kennedy

EXECUTIVE RECOMMENDATION: Approved - Ken Klein 9/25/21

PURPOSE: To authorize removal from the financial system of certain accounts receivable deemed uncollectible due to bankruptcy, death, statute of limitations, etc in order to more accurately reflect receivable balances on the financial statements.

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. For optimal performance and manageability of the accounts receivable subsystem, 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.

FISCAL IMPLICATIONS:

EXPEND: FUND, AGY, ORG, ACTY, OBJ, AU	CURRENT YR	2ND YR	1ST 6 YRS
TOTAL			

REVENUE: FUND, AGY, ORG, REV, SOURCE	CURRENT YR	2ND YR	1ST 6 YRS
TOTAL			

DEPARTMENT FISCAL IMPACT NOTES: There is no impact on expenses or revenues, only balance sheet accounts are affected.

CONTRACT INFORMATION:

ORIGINAL _____ CONTRACT# _____ AMOUNT _____
AMENDMENT _____ CONTRACT# _____ AMOUNT _____

Contract Period

ORIGINAL START _____ END _____
AMENDMENT START _____ END _____

OTHER DEPARTMENTAL REVIEW/COMMENTS: Approved - Finance, Nathan Kennedy 9/24/21