



Snohomish County Council

Legislation Text

File #: 2022-0997, Version: 1

Executive/Council Action Form (ECAF)

ITEM TITLE:

Motion 22-408, removing certain uncollectible accounts from the County’s accounting records

DEPARTMENT: Finance

ORIGINATOR: Teresa Levine

EXECUTIVE RECOMMENDATION: Approved by Ken Klein 09/23/22

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. The history for 2020 and 2021 is included for informational purposes in the Attachment, but this action is to write off 2022 in the amount of \$61,384.94

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			
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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: Reviewed/approved by Finance 09/23/22