BILL 2016-21

**** Full Reading ****

Agenda Item

TO: Mayor and City Council

FROM: Zachary Johnson, Director of Utilities

DATE: April 14, 2016

RE: **Annual Write-Off – Uncollectible Utility Accounts**

Issues

Council has the authority to write off bad debts. Staff has implemented an annual write off for uncollectible utility accounts. To that end, Ordinance 5189 was passed February 2005 allowing Staff to write off past due accounts.

Staff reviewed accounts and prepared the attached list for 2016 (totaling $34,411.94) for your consideration. This amount is slightly less than last year's amount but in line with previous years. The 2016 list contains accounts that are three (3) years old or older.

Discussion

City Staff works to decrease this amount each year. In the past, accounts have been sent to a collection agency for collection. Their efforts yielded little to no success on these delinquent accounts. Now, collection efforts are done in house. The City also has the ability to take a limited number of individuals to small claims court each year. This may be an option for several of the larger accounts. We have also looked at raising deposits and other options to help limit these annual losses.

Recommendation

Staff recommends approval of this bill on full reading following your review.

Bill 2016-21

AN ORDINANCE AUTHORIZING THE CITY OF CAMERON ACCOUNTING STAFF TO WRITE-OFF UNCOLLECTIBLE UTILITY ACCOUNTS FOR THE CITY OF CAMERON, CLINTON AND DEKALB COUNTIES, MISSOURI

WHEREAS, the City experiences uncollectible debts for various goods and services; and

WHEREAS, the City auditors allow for uncollectible accounts on an annual basis; and

WHEREAS, the Council is authorized to write-off uncollectible debt as needed; and

WHEREAS, the Council authorized with Ordinance 5189 on February 1, 2005 the first write off; and,

WHEREAS, Staff continues to review annually and has determined since the last annual write-off, $34,411.94 has accumulated as uncollectible utility accounts.

NOW, THEREFORE, BE IT ORDAINED by the City of Cameron, Clinton and DeKalb Counties, Missouri as follows:

Section 1. The accounting staff is hereby authorized to write-off $34,411.94 in uncollectible utility accounts, a list of which is attached hereto and made a part hereof.

Section 2. The Mayor is authorized to sign this Ordinance on behalf of the City of Cameron.

Section 3. The City Clerk is directed to attest to the Mayor's signature.

Section 4. This Ordinance shall be in full force and effect from and after the date of its passage and approval.

Read two times, passed and approved this 18th day of April 2016.

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Mayor Jerri Ann Eddins

ATTEST:

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City Clerk/Finance Clerk

Full Reading