

Council Meeting Staff Report

May 16, 2018

Agenda No.:	6.B
Indexes (Council Goals):	BCC - N/A
Presenters:	Bob Westervelt
Legislative File:	RE0370-18

Title

Approval of Incorporated County of Los Alamos Resolution No. 18-10: A Resolution Removing Uncollectible Utility Accounts from the Incorporated County of Los Alamos' Accounts Receivable List for Fiscal Year 1999 Through Fiscal Year 2013

Recommended Action

I move that the Board of Public Utilities approve Incorporated County of Los Alamos Resolution No. 18-10: A Resolution Removing Uncollectible Utility Accounts from the Incorporated County of Los Alamos' Accounts Receivable List for Fiscal Year 1999 Through Fiscal Year 2013 and forward to the Council with a recommendation for approval.

Staff Recommendation

Staff recommends that the Utilities Board approve Resolution No. 18-10, A Resolution Removing Uncollectible Utility and Miscellaneous Receivable Accounts from Accounts Receivable List of Los Alamos County and forward to the Council with a recommendation for approval.

Body

Pursuant to NMSA 1978, Section 3-37-7, it is requested that the County Utilities Board approve the write off of these uncollectible accounts. These accounts have been uncollectible for four (4) or more years, and all avenues for collection by the county have been exhausted. Once the Utilities Board has formally approved the write-offs for utility charges, a resolution will be prepared for County Council approval.

The New Mexico Attorney General's Opinion 70-88 indicated that writing off such uncollectible accounts has no effect on the County's future right to collection if circumstances change, and if collection is not barred by the applicable statute of limitations.

The accounts listed are accounts that have been inactive for more than four years and have been inadvertently skipped during the yearly write-off process. This effort prior to end of the current fiscal year is to prevent converting them into the new ERP system. The write off of an account is intended to more accurately reflect the value of the receivables, but in no way affects the collectability of an account should circumstances change to facilitate collection.

The amount of write-off for each utility was determined from the actual amounts billed. Write-offs for fiscal years 1999 through 2013 contain 42 accounts. Accounts for fiscal year 1999 total \$275.58; fiscal year 2000 total \$379.45; fiscal year 2002 total \$368.52; fiscal year 2004 total \$5,610.55; fiscal year 2005 total \$3,339.53; fiscal year 2009 total \$3,062.50; fiscal year 2010 total \$1,416.90; fiscal year 2011 total \$14,904.79; fiscal year 2012 total \$4,766.98; and fiscal year 2013 total \$9,564.42, totaling \$43,689.22. These accounts were sent to J.C.C. Christensen & Associates, the collection agency contracted by Los Alamos County to assist in collecting on outstanding final accounts in which previous collection efforts have failed.

Alternatives

The alternative is to maintain these amounts as receivables, an asset, on the County's books, with an offsetting liability, allowance for uncollectible accounts.

Fiscal and Staff Impact

The amount of write off is delineated below by fund:

<u>Utility</u>	<u>FY1999</u>
Electric	\$ 275.58
Total	\$ 275.58 (amount requiring Utility Board Approval for FY99)

<u>Utility</u>	<u>FY2000</u>
Electric	\$ 379.45
Total	\$ 379.45 (amount requiring Utility Board Approval for FY00)

<u>Utility</u>	<u>FY2002</u>
Electric	\$ 336.68
Gas	\$ 16.65
Water	\$ 15.19
Total	\$ 368.52 (amount requiring Utility Board Approval for FY02)

<u>Utility</u>	<u>FY2004</u>
Electric	\$ 3,750.55
Gas	\$ 818.83
Water	\$ 748.91
Sewer	\$ 188.38
Subtotal	\$ 5,506.67 (amount requiring Utility Board Approval for FY04)

Refuse	\$ 103.88
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TOTAL	\$ 5,610.55
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<u>Utility</u>	<u>FY2005</u>
Electric	\$ 2,134.69
Gas	\$ 600.73
Water	\$ 163.19
Sewer	\$ 153.83
Subtotal	\$ 3,052.44 (amount requiring Utility Board Approval for FY05)

Refuse	\$ 287.09
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TOTAL	\$ 3,339.53
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<u>Utility</u>	<u>FY2009</u>
Electric	\$ 459.66
Gas	\$ 207.95
Water	\$ 127.71
Sewer	\$ 271.79
Subtotal	\$ 1,067.11 (amount requiring Utility Board Approval for FY09)
Refuse	\$ 1,995.39
TOTAL	\$ 3,062.50

<u>Utility</u>	<u>FY2010</u>
Electric	\$ 318.74
Gas	\$ 524.90
Water	\$ 84.67
Sewer	\$ 109.62
Subtotal	\$ 1,037.93 (amount requiring Utility Board Approval for FY10)
Refuse	\$ 378.97
TOTAL	\$ 1,416.90

<u>Utility</u>	<u>FY2011</u>
Refuse	\$14,904.79
TOTAL	\$14,904.79

<u>Utility</u>	<u>FY2012</u>
Refuse	\$ 4,766.98
TOTAL	\$ 4,766.98

<u>Utility</u>	<u>FY2013</u>
Electric	\$ 3,050.06
Gas	\$ 90.53
Water	\$ 4,208.08
Sewer	\$ 105.47
Subtotal	\$ 7,531.28 (amount requiring Utility Board Approval for FY13)
OMB	\$ 657.03
Refuse	\$ 1,376.11
Subtotal	\$ 2,033.14

TOTAL	\$ 9,564.42
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Attachments

A - Resolution No 18-10