

CITY OF HIGH POINT

AGENDA ITEM

**Title: Authorize Write-off of Delinquent Miscellaneous Accounts Receivables****From:** Jeffrey A Moore, Financial Services Director**Meeting Date:** May 2, 2016**Public Hearing:** No**Advertising Date /** N/A**Advertised By:** -**Attachments:**

PURPOSE:

The Financial Services Department recommend that the City Council authorize them to write-off the delinquent miscellaneous receivables remaining from several prior fiscal years up to Fiscal Year 2011-2012 from the general ledger for accounting purposes.

BACKGROUND:

North Carolina law allows the City to write-off uncollected accounts when they become three years old. While it has been the City's practice to annually clear the financial records of outstanding utilities accounts prior to fiscal year end, staff has been unable to review, research and prepare recommendation for other miscellaneous billings until this past fiscal year.

With regards to inspections/permits/demolitions billings, liens have been placed on subject properties to the extent such can be perfected against the properties. The new processes utilized with Accela required a business practice change where all payments must be made prior to the issuance of a permit. At recommendation of Financial Services staff, the Public Services Department has changed its credit and billing practices at the landfill and recycling centers. The outstanding amounts for showroom licenses have had liens placed on those properties as well.

BUDGET IMPACT:

These amounts have already been "reserved" at 100% of their value during the audit for fiscal year June 30, 2015. There is no additional impact for the procedural approval to write these amounts off for accounting purposes. Recoveries of prior amounts written off are recognized as income for collections of prior accounts receivable charged off.

RECOMMENDATION / ACTIONS REQUESTED:

City Council is requested to authorize the Financial Services Director to write-off \$408,720 for prior years' original billings through the fiscal year 2011-2012:

Inspections/Permits/Demolitions	\$358,783
Recycling fees	4,000
W&S Industrial Pretreatment Charges	324
Warehouse Charges	18
Landfill	34,896
Showroom licenses	<u>10,699</u>
Total	\$408,720