



MEMORANDUM

To: Honorable Mayor and City Council

Thru: Brad Corcoran, City Manager

From: Erin Gilley, City Attorney and Tammie B. McMichael, Director of Finance and Personnel

Date: January 20, 2015

Subject: Uncollectable W&S, and Miscellaneous Billing

After review of the attached accounts, it is evident that these are legally uncollectible. Based upon this and upon recommendation of our accountant Judy Rouse, we request that the following amounts be written off so they will no longer show as delinquent accounts receivable. Continuing to include such amounts in the financial records of the City could result in a distorted aged trial balance:

The attached list includes \$0 Miscellaneous Billing, and \$4,884.80 W&S Accounts older than 10 Years and no Social Security Numbers for a total of \$0. These accounts do not have sufficient evidence for filing a legal claim. If we have social security numbers on accounts and the amount owed is \$50.00 or more, we submit the delinquent debt to the North Carolina Local Government Debt Setoff Clearinghouse. It is staff's recommendation that the removal of these accounts will more accurately reflect the amounts that are actually due and collectible by the City of Eden.

Please note there are still delinquent accounts on the books that are 10 years old or less that staff feels that there is a possibility of collecting from Bankruptcy Courts or from individuals coming in to sign up for new services. We will continue to monitor these accounts on an annual basis and make annual recommendations to remove accounts that are uncollectable.