

**Lee County Board of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20030121

1. REQUESTED MOTION:

ACTION REQUESTED: Approval to remove account balances considered to be inactive and uncollectible bad debt for Lee County: Solid Waste returned checks for \$203.94; Department of Transportation returned checks for \$6,364.50 and Reclamation Program for \$1,215.54; and Department of Community Development returned checks for \$45.00 and Building Reinspection Fees Accounts Receivable for \$8,750.00.

WHY ACTION IS NECESSARY: Action reduces the accounts receivable balances to reflect actual anticipated collections. Uncollectibles result when customers' bills remain unpaid for various reasons.

WHAT ACTION ACCOMPLISHES: Action adjusts accounts receivable balance to reflect actual anticipated collections.

2. DEPARTMENTAL CATEGORY:

COMMISSION DISTRICT #:

CHA

3. MEETING DATE:

02-18-2003

4. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON

TIME REQUIRED:

5. REQUIREMENT/PURPOSE:

(Specify)

- STATUTE
- ORDINANCE
- ADMIN.
- OTHER *Uncollectibles*

6. REQUESTOR OF INFORMATION

- A. _____
- B. DEPARTMENT *Community Development*
- C. DIVISION _____
- BY *Marv Gibbs, Director*

7. BACKGROUND: The request is made to remove the uncollectible account balances from D.O.T.'s Reclamation Program Accounts Receivable, Community Developments Building Reinspection Fee Accounts Receivable, and returned checks for Solid Waste, D.O.T., and Community Development. The balances, with the exception of D.O.T. returned checks, are from Fiscal Year 00/01 and Fiscal Year 01/02.

An uncollectible account results when a customer's bill remains unpaid for various reasons or is approved as a legitimate non-billable or collectible charge. Examples of reasons for unpaid accounts: 1) Company out of business/left town; 2) Court mandated bankruptcy and/or probates; 3) Undeliverable certified letters with no phone, and unable to locate. Many attempts have been made to collect these owed monies beginning with several phone calls and certified letters. Last year's CD/PW bad debt blue sheet was for a total of \$74,167.87. Since that time, we have made changes to many of our internal processes.

- 1) The County Attorney's office has been involved in all of the Reclamation Program disputes.
- 2) Community Development has put holds on all licenses and/or active permits for outstanding reinspection fee accounts. Additionally, payment is now required before a certificate of occupancy is issued.
- 3) D.O.T. cross checked the list of bad debtors against their Transponder Account list, and they no longer accept checks to pass through the Tolls as of January 27, 2003.
- 4) CD/PW is exploring the costs of a check verification system.

Account information will be retained until the Statute of Limitations period expires to ensure these customers are not granted future service until amounts are paid.

No funds are required.

8. MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL:

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services <i>Callan 2/4/03</i>				G County Manager
					PA	OM	RISK	GC	
<i>Marv Gibbs</i>				<i>S. V...</i>	<i>2/4/03</i>	<i>2/4/03</i>	<i>2/4/03</i>	<i>2/4/03</i>	<i>W...</i>

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty
Date: *2/3/03*
Time: *2:19 pm*
Forwarded To:
Ch. Admin
2/4/03 9:30

RECEIVED BY
COUNTY ADMIN. *TD*
2/4/03 10:30
COUNTY ADMIN.
FORWARDED TO: *BH*
2/4/03

Community Development/Public Works - Bad Debt

Division of Solid Waste

\$203.94

The bad debt is comprised of (2) accounts for insufficient funds checks,
1) undeliverable certified letter and unable to locate check writer, & 2) bankruptcy.

Department of Transportation

\$7,580.04

This bad debt is comprised of:

*\$6364.50 for (231) checks returned for insufficient funds, paid at the 3 Toll Facilities since 1996. Certified letters sent, undeliverable, unable to locate check writer. Cross-checked current Transponder Account Listing for possible matching of records. Checks no longer accepted at Toll Booths as of 1/27/03.

*\$1215.54 for (5) Reclamation Program (damage to County property) write offs as directed by County Attorney's Office for settlements with insurance companies, unable to locate, etc.

Community Development

\$8,795.00

This bad debt is comprised of:

*\$45 for insufficient funds check, undeliverable certified letter and unable to locate check writer.

*(36) uncollectible vendor accounts for Building Reinspection Fees, which are \$25 each failed inspection, totaling \$8750.00 and dating back to FY99/00. Uncollectible due to out of business, undeliverable certified letters, no phone, or bankruptcy. Vendor licenses and active permits have holds placed on them until debt is satisfied. Also, certificate of occupancy no longer released until reinspection fees are paid.

Total

\$16,578.98