

CITY OF UNALASKA  
UNALASKA, ALASKA

RESOLUTION 2019-01

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE WRITE-OFF OF  
VARIOUS ACCOUNTS RECEIVABLE

WHEREAS, the accounts listed in the attached schedules are deemed to be uncollectible due to inadequate addresses, lack of legal recourse, timeliness or lack of sufficient documentation; and

WHEREAS, it is not economically prudent to continue collection efforts on these accounts.

NOW THEREFORE BE IT RESOLVED that the Unalaska City Council authorizes the Finance Director to write off the receivables as specified in the attached schedules showing the following totals:

Utilities	\$ 2,997.89
Ports	\$ 2,787.12
Airport	\$ 67,277.56
Property Taxes	\$ 0.00
NSF Checks	\$ 0.00
Total	\$ 73,062.57

BE IT FURTHER RESOLVED that the Unalaska City Council authorizes the Finance Director to revive said accounts if collection or payment should occur.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on January 8, 2019.

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Dennis M. Robinson  
Vice Mayor

ATTEST:

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Marjie Veeder  
City Clerk



**City of Unalaska**  
**Accounts to be Written-off**  
**Fiscal Year ending June 30, 2018**

<b>Account Number</b>	<b>Account</b>		<b>Amount</b>
710021	Peninsula Airways		67,277.56
<b>Airport Write-Off</b>			<u><u>\$ 67,277.56</u></u>

613324	BARBARA FOSS		(2.96)
612789	ESPERANZA		(4.56)
613875	KATHRINE		50.72
610987	KOLKA		(34.99)
610648	LILLI ANN		(7.12)
613202	MARCUS LANGSETH-AVA		(3.92)
613241	NEPTUNE I		(0.03)
611546	NORTHERN LIGHT		47.75
613870	OCEAN STAR		386.90
613191	PERSISTENCE		(0.02)
613293	POINT OLIK TOK		(3.60)
613419	RESTLESS		(0.03)
610291	SCANDIES ROSE		(0.10)
612748	SEA LAND LIGHTING		(8.72)
612395	SEA WARRIOR		31.26
613180	STATUS QUO		(0.06)
613645	TEMPEST		2,344.14
613398	ULIAD		(0.02)
611825	UNIMAK-IQUIQUE		(3.28)
613305	WARRIOR		(4.24)
<b>Ports Write-Off</b>			<u><u>\$ 2,787.12</u></u>

802445	ELEAM, KELLY		321.89
801136	FOMIN, ANDREY		1,686.33
802212	HASKINS, KYLE		663.27
801987	SEA ALEUTIAN SEAFOODS		326.40
<b>Utilities Write-Off</b>			<u><u>\$ 2,997.89</u></u>

**Total**                      \$ 73,062.57

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## MEMORANDUM TO COUNCIL

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To: Mayor and City Council Members  
From: Clay Darnell, Finance Director  
Through: Thomas Thomas, City Manager  
Date: January 8, 2019  
Re: Resolution 2019-01: Authorizing the Write-Off of Various Accounts Receivable

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**SUMMARY:** The past due accounts receivable on the attached list are deemed uncollectible and should be removed from the City's list of accounts receivable.

**PREVIOUS COUNCIL ACTION:** No previous action on these specific accounts. In the previous years, the City Council has written off debts considered uncollectible. The table below shows totals written off in previous years.

FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18 Proposed
\$8,969	\$67,711	\$31,905	\$17,092	\$1,847	\$12,127	\$0	\$19,187	\$0	\$73,063

**BACKGROUND:** City practice has been to annually acquire City Council approval of bad debt write offs via Council resolution. The Unalaska City Code does not require council approval for writing off uncollectable accounts.

**DISCUSSION:** Periodically the City must make a determination on whether to pursue further collection efforts on amounts owed to the City. The Finance Department has compiled the attached list of uncollectible accounts receivable. The amount proposed to be written off (\$73,063) is approximately one tenth of one percent of the \$70 million of total City revenue. \$67K, or 92% of the total proposed write off, is attributable to the Peninsula Airways bankruptcy.

Staff has made multiple, ongoing attempts to collect the other accounts listed, but the collection efforts have been unsuccessful. Recording the write-off does not forgive the debt; if circumstances change or more information becomes available, staff may reinstate collection efforts on an account that has been written off.

**ALTERNATIVES:** Do not write off the listed accounts, which effectively requests staff to continue making collection efforts.

**FINANCIAL IMPLICATIONS:** The write off will result in \$73,063 being removed from the accounts receivable asset item on the balance sheet as of 6/30/2018. This will permit staff to focus their efforts on past due accounts that are likely to be collectable.

**LEGAL:** None.

**STAFF RECOMMENDATION:** Staff recommends approval of Resolution 2019-01.

**PROPOSED MOTION:** I move to approve Resolution 2019-01.

**CITY MANAGER COMMENTS:** I recommend approval of Resolution 2019-01.

**ATTACHMENTS:** List of accounts to be written off