

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2020-43

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

WHEREAS, the accounts listed in the attached schedule 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	\$ 465.25
Ports	<u>\$ 2,888.67</u>
Total	\$ 3,353.92

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 July 14, 2020.



Dennis M. Robinson
Vice Mayor

ATTEST:



Marjie Veeder, CMC
City Clerk



City of Unalaska
Accounts to be Written-off
Fiscal Year ending June 30, 2020

Account Number	Account	Account Holder	Amount
612525	AVA - Alaska Vessel Agency		\$ 4.48
611889	Erla N		\$ 200.52
613695	Queen Esther		\$ 2,683.67
Ports Write-Off			<u>\$ 2,888.67</u>
801841	FELICIA TUNGUL	A0315	\$ 52.96
802477	DARREN YESCAS	11373	\$ 412.29
Utilities Write-Off			<u>\$ 465.25</u>
Total			<u><u>\$ 3,353.92</u></u>

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Jim Sharpe, Interim Finance Director
Through: Erin Reinders, City Manager
Date: July 14, 2020
Re: Resolution 2020-43: Authorizing the Write-Off of Various Accounts Receivable

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 has been taken on these specific accounts. In previous years, the City Council has written off debts considered uncollectible. The table below shows totals written off in previous years.

FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20 Proposed
\$31,905	\$17,092	\$1,847	\$12,127	\$0	\$19,187	\$0	\$73,063	\$38,695	\$3,354

BACKGROUND: City practice has been to annually acquire City Council approval of bad debt write offs via resolution. 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 (\$3,354) is approximately five one thousandths of one percent of the City's total annual revenue.

Staff has made multiple, ongoing attempts to collect the 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 \$3,354 being removed from the accounts receivable asset item on the balance sheet as of June 30, 2020. 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 2020-43.

PROPOSED MOTION: I move to approve Resolution 2020-43.

CITY MANAGER COMMENTS: I recommend approval of Resolution 2020-43.

ATTACHMENT: List of accounts to be written off