




CITY OF WASHINGTON, ILLINOIS
City Council Agenda Communication

Meeting Date: November 6, 2023

Prepared By: Joanie Baxter, CPA – Finance Director 

Agenda Item: Write-off Uncollectible Accounts

Explanation: A listing of accounts receivable that are being recommended for write-off is attached. The list includes water and sewer receivables for final bills that were sent to collection between six and nine months ago and are now being recommended for write-off. This is the first of two write-offs for the fiscal year. These write-offs are recommended to better match revenue and expenses on an accrual basis.

If the City Council approves write-off of these accounts, the accounts receivable will be adjusted accordingly, however, should any of the individuals attempt to settle the account or re-establish service in the City, records will be available with this information.

The total accounts being recommended for write-off are summarized below:

Water-utility	\$	1,725.80
Sewer-utility		1,235.06
General		465.00
Total	\$	<u>3,425.86</u>

These write-offs generally stem from accounts in which customers have skipped out or have left a final bill unpaid. The steps we have taken to turn off water between residents, make the landlord liable if there isn't a separate shutoff, and implementation of monthly billing and enhanced leak detection due to the Automated Meter System installed in 2016, have all contributed to a decrease in accounts required to be written off. The City continues to have a very high collection rate. The write-off of utility bills represents a total of .12% and .049% of water and sewer total billings, respectively.

Fiscal Impact: This is the first of two write-offs of the fiscal year. The total budgeted as Bad Debt Expense for FY23-24 is \$3,500 for Water Fund and \$3,000 for Sewer Fund.

Recommendation: Staff recommends approval.

Action Requested: Approval by City Council as part of Consent Agenda.

CITY OF WASHINGTON
301 WALNUT STREET
WASHINGTON, IL 61571

ACCOUNTS SCHEDULED FOR WRITE OFF NOVEMBER 2023

NAME	ACCOUNT #	DUE DATE	GEN	CEM	WAT	SEW	TOTAL BALANCE
		9/2/2022	\$0.00	\$0.00	\$195.97	\$184.03	\$380.00
		1/5/2023	\$0.00	\$0.00	\$36.90	\$10.43	\$47.33
		11/14/2022	\$0.00	\$0.00	\$32.60	\$9.19	\$41.79
		2/13/2023	\$0.00	\$0.00	\$164.94	\$142.29	\$307.23
		10/14/2022	\$0.00	\$0.00	\$168.72	\$57.37	\$226.09
		9/2/2022	\$0.00	\$0.00	\$102.08	\$120.20	\$222.28
		12/12/2022	\$0.00	\$0.00	\$23.11	\$24.37	\$47.48
		12/12/2022	\$0.00	\$0.00	\$77.26	\$32.58	\$109.84
		10/14/2022	\$0.00	\$0.00	\$137.65	\$35.82	\$173.47
		11/14/2022	\$0.00	\$0.00	\$60.28	\$16.84	\$77.12
		10/14/2022	\$0.00	\$0.00	\$150.59	\$213.80	\$364.39
		9/2/2022	\$0.00	\$0.00	\$113.30	\$30.31	\$143.61
		10/14/2022	\$0.00	\$0.00	\$38.09	\$10.72	\$48.81
		7/22/2023	\$465.00	\$0.00	\$0.00	\$0.00	\$465.00
		1/5/2023	\$0.00	\$0.00	\$57.49	\$123.06	\$180.55
		10/14/2022	\$0.00	\$0.00	\$22.50	\$30.60	\$53.10
		11/14/2022	\$0.00	\$0.00	\$34.10	\$9.68	\$43.78
		12/12/2022	\$0.00	\$0.00	\$156.33	\$73.91	\$230.24
		12/12/2022	\$0.00	\$0.00	\$110.70	\$97.76	\$208.46
		9/7/2022	\$0.00	\$0.00	\$43.19	\$12.10	\$55.29
			\$465.00	\$0.00	\$1,725.80	\$1,235.06	\$3,425.86

* Due to bankruptcy discharge / estate discharge.