

MEMORANDUM

**PLACER COUNTY AUDITOR CONTROLLER
COUNTY OF PLACER**

To: Honorable Board of Supervisors

From: Katherine J. Martinis, CPA, Auditor-Controller 

Date: February 5, 2008

Subject: Request Discharge from Accountability of Uncollectible Accounts

Action Requested

Request that your Board approve the attached resolution granting the Department of Public Works discharge from accountability for the collection of sixty six (66) delinquent Accounts Receivable for the Road Division in the amount of \$90,116.71 that is no longer collectible.

Pursuant to Government Code Section 25257, the Board of Supervisors may grant discharge of accountability for collections of accounts where likelihood of collection does not warrant the expense involved, or the amount thereof has been otherwise lawfully compromised or adjusted. In many cases, the debtor is deceased, has moved out of state, or the statute of limitations applies.

Background

The uncollectible accounts receivable fall into three categories:

- 1) Uncollectible due to expiration of statute of limitation (4 year statute limitation) consisting of forty one (41) accounts in the amount of \$34,672.39.
- 2) Uncollectible but forwarded to credit agency by Revenue Services consisting of nine (9) accounts in the amount of \$11,688.94.
- 3) Uncollectible for other reasons consisting of sixteen (16) accounts in the amount of \$43,755.38.

The oldest accounts receivable dates back to January 1, 1983 and the most current December 8, 2005. There are numerous reasons these accounts became Roads Accounts Receivable. Examples are non payment of inspection fees, stolen road signs, broken bridge rails caused by accidents, non payment of plan check fees and non-payment of encroachment permits. Several attempts were made by the Department of Public Works and Revenue Services to collect the delinquent accounts with no success.

Fiscal Impact

There is no fiscal impact associated with the request to seek relief of accountability from this bad debt, as there is an "Allowance for Uncollectible Accounts" in the general ledger of the Placer County Public Works Roads fund in the amount of \$90,116.71.

**Before the Board of Supervisors
County of Placer, State of California**

In the matter of:

Resolution No: _____

Approve a discharge from accountability for the Department of Public Works (Roads Division) the collection of sixty six (66) delinquent accounts receivable in the amount of \$90,116.71 that is considered no longer actively collectible.

Ord. No.: _____

First Reading: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____ by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest: _____
Clerk of said Board

Chairman, Board of Supervisors

WHEREAS, Government Code 25257 provides that any department, officer, or employee of a county may apply to the Board of Supervisors for a discharge from accountability for the collection of any debt owed to the County if the amount is too small to justify the cost of the collection, the likelihood of collection does not warrant the expenses involved, or the amount thereof has been otherwise lawfully compromised or adjusted, and

WHEREAS, the Department of Public Works and Revenue Services have taken steps to pursue the money owed to the Road Fund, and to report all outstanding accounts receivable in compliance with the Auditor-Controller's requirements for reporting and accrual of all accounts receivable, and

WHEREAS, a reconciliation of outstanding Department of Public Works accounts receivable dating back to January 1, 1983, thru December 8, 2005, was completed that identified sixty six (66) delinquent accounts in the amount of \$90,116.71, and

WHEREAS, attempts were made by the Department of Public Works and Revenue Services to collect these accounts with no success, and

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Supervisors of Placer County hereby approve a discharge from further accountability the sixty six (66) listed accounts deemed uncollectible for the Department of Public Works in the amount of \$90,116.71.

MEMORANDUM

DEPARTMENT OF PUBLIC WORKS AUDITOR-CONTROL
County of Placer

TO: JOSE RODRIGUEZ

DATE: January 23, 2008 2008 JAN 25 AM 9:39

FROM: KEN GREHM, CYNTHIA TAYLOR

SUBJECT: WRITE-OFF OF UNCOLLECTIBLE ROAD ACCOUNT RECEIVABLES

ACTION REQUESTED / RECOMMENDATION

Department of Public Works requests that the Auditor's Office take the following accounts to the Board of Supervisors and request the Board of Supervisors to adopt the attached Resolution authorizing the execution of the write-off of an uncollectible Account Receivable for Placer County Roads in the amount of **\$90,116.71**.

BACKGROUND / SUMMARY

The uncollectible accounts receivable fall into three categories – Uncollectible – Statue of Limitations Expired (4 year statue of limitation) consisting of 40 counts for the total amount of \$34,672.39, Uncollectible – Forwarded to Credit Agency by R & R consisting of 9 accounts for the total amount of \$11,688.94; and Uncollectible – Other consisting of 16 accounts for the total amount of \$43,755.38.

The oldest accounts receivable dates back to January 1, 1983 with the most current accounts receivable dated December 8, 2005. There are numerous reasons why these accounts became Roads Accounts Receivable including Inspection Fee non payment, stolen road signs, broken bridge rails caused by accidents, non-payment of plan check fees, and non-payment of encroachment permits. became uncollectible in December 1985. Several attempts were made by the Department of Public Works to collect on the Accounts Receivable and then forwarded to R & R for further attempts on collection of non-payment with no success.

FISCAL IMPACT

No fiscal impact as there has been an "Allowance for Uncollected Accounts" in the amount of \$90,116.71 in the general ledger of Placer County Roads. By writing off the \$90,116.71, the account for "Allowance for Uncollected Accounts" will then be zero.

Attachments

F:\BOS Memo Writeoff 01/23/08.doc

UNCOLLECTIBLE - STATUTE OF LIMITATIONS EXPIRED

Original Date	NAME OF PERSON LIABLE	Issue	AMOUNT	REASON FOR DISCHARGE
12/27/1995	Paul Anderson		294.92	Statute of Limitations has Expired
3/21/1990	Takhar Baldwin		58.49	Statute of Limitations has Expired
1/30/1992	Beckwelder Properties		889.14	Statute of Limitations has Expired
1/20/1992	Kimberly S. Birdsall		47.56	Statute of Limitations has Expired
8/29/2001	Tiffany Blakely		748.92	Statute of Limitations has Expired
6/6/2003	Elizabeth R. Cundiff		231.59	Statute of Limitations has Expired
1/30/1992	Tom Compton & Ken Krake		189.18	Statute of Limitations has Expired
12/14/1991	Coy & Associates	Inspection Fee	3,666.08	Statute of Limitations has Expired
9/18/1993	County of Sacramento DA Office	Stolen Signs	330.13	Statute of Limitations has Expired
2/1/1991	Damschen Bros C/O Ben Keh		3,844.83	Statute of Limitations has Expired
5/8/1991	Jeffrey Charles Daniels	Bridge Rail Repair	132.10	Statute of Limitations has Expired
7/31/1992	Doug Foster		1,417.47	Statute of Limitations has Expired
11/30/1990	Harris Lee		319.80	Statute of Limitations has Expired
1/1/1983	Phyllis Haugney		446.05	Statute of Limitations has Expired
2/13/1991	Hidden lake Properties	Inspection Fee	58.80	Statute of Limitations has Expired
6/1/1989	Hidden Lake Association	Inspection Fee	2,589.40	Statute of Limitations has Expired
11/30/1990	Howard Rowell & Assoc		577.92	Statute of Limitations has Expired
5/5/1991	Haley Hendon		638.95	Statute of Limitations has Expired
5/8/1991	Mark Allen Ives		544.95	Statute of Limitations has Expired
10/24/2001	Jeffrey Jones		473.87	Statute of Limitations has Expired
06/30/1991	Mark & Bonnie Kahl		33.75	Statute of Limitations has Expired
5/24/1991	Nick Martino		172.52	Statute of Limitations has Expired
00/00/1991	M.W. Randall Whittington	Inspection Fee	737.15	Statute of Limitations has Expired
12/14/1991	Michael Miller		1,188.17	Statute of Limitations has Expired
9/30/1991	Madison Chemical	Inspection Fee	1,084.81	Statute of Limitations has Expired
3/20/1996	Jason Milan		42.02	Statute of Limitations has Expired
1/6/2003	Mariesha Moreau		660.73	Statute of Limitations has Expired
11/30/1990	George McCafferty		2,281.44	Statute of Limitations has Expired
5/24/1991	McQuire & Hester Const		923.17	Statute of Limitations has Expired
2/13/1992	Netherlands & Assoc		1,722.90	Statute of Limitations has Expired
2/10/2004	Nasser, Omary	Inspection Fee	1,536.00	Statute of Limitations has Expired
8/26/1993	Northside Res Partner	Inspection Fee	658.59	Statute of Limitations has Expired
1/30/1992	Dean Peterson		100.00	Statute of Limitations has Expired
1/30/1992	Brian Souza		290.80	Statute of Limitations has Expired
3/23/1992	Russell Sheppard		1,936.79	Statute of Limitations has Expired
9/30/1991	John Shade		1,377.48	Statute of Limitations has Expired
1/1/2002	Theresa Silva	Inspection Fees	592.17	Statute of Limitations has Expired
8/1/1997	Treelake Partners	Inspection Fee	645.05	Statute of Limitations has Expired
1/30/1992	Michael Robert Wise		63.18	Statute of Limitations has Expired
6/1/2003	Matt & Victoria Williams	Inspection Fee	122.50	Statute of Limitations has Expired
4/11/2001	Richard Wood		1,003.02	Statute of Limitations has Expired

Total List = 41

\$34,672.39

Average Age	13.775 years
Oldest	1/1/1983
Newest	6/6/2003
Average Amount Owed	\$845.67

I verify, based on information and belief, that the facts stated in this application are true and correct.


 Ken Grehm
 Director, Public Works

UNCOLLECTIBLE - FORWARDED TO CREDIT AGENCY BY R&R

Original Date	NAME OF PERSON LIABLE	Issue	AMOUNT	REASON FOR DISCHARGE
6/3/2002	Jack Barrett		1,662.09	Forwarded to Credit Agency by R&R
1/6/2003	Ryan Dunn		1,185.80	Forwarded to Credit Agency by R&R
12/14/2001	Aaron Wayne Fondren		186.06	Forwarded to Credit Agency by R&R
10/24/2001	Rebecca Mitchell		66.96	Forwarded to Credit Agency by R&R
02/08/2002	Dean McMaster		2,755.98	Forwarded to Credit Agency by R&R
1/6/2003	Jack McNeil		2,697.95	Forwarded to Credit Agency by R&R
1/12/2001	Gerald Ogle Jr		325.00	Forwarded to Credit Agency by R&R
5/6/2002	Charles Sweeting		23.56	Forwarded to Credit Agency by R&R
1/1/2002	Raymond Teel		2,785.54	Forwarded to Credit Agency by R&R
Total List = 9			\$11,688.94	

Average Age	5.111 years
Oldest	1/12/2001
Newest	1/6/2003
Average Amount Owed	\$1,298.77

I verify, based on information and belief, that the facts stated in this application are true and correct.



 Ken Grehm
 Director, Public Works

UNCOLLECTIBLE - OTHER

Original Date	NAME OF PERSON LIABLE	Issue	AMOUNT	REASON FOR DISCHARGE
12/8/2005	Alexander, Brandon Richard	Guardrail repair	9,161.39	Incarcerated/Prison/Uncollectible
10/29/1997	Matthew Barnhart		721.94	Deemed Uncollectible by R&R
5/4/1998	Randall Scott Emery		1,479.56	Deemed Uncollectible by R&R
10/28/1998	Ken Felkins		184.03	Deemed Uncollectible by R&R
1/10/2001	Jeffrey Fulwider		697.65	Deemed Uncollectible by R&R
6/17/1999	GVN Development	Map Check Fee	8,648.50	Deemed Uncollectible by R&R
8/17/1993	Douglas Hall		185.97	Deemed Uncollectible by R&R
12/8/2000	Julia Hinkley		120.67	Deemed Uncollectible by R&R
6/30/2005	Jared Henry		5,115.07	Forwarded to R&R 10/24/07
5/26/1993	Gloria Martin		597.81	Deemed Uncollectible by R&R
2/1/2004	Olympus Village	Inspection Fee	390.00	Cease Collection Per Director, DPW
4/20/2001	PG&E - Chico	Encroachment Permit	55.00	Discharged in Bankruptcy Court
10/27/2005	PG & E - Florin Perkins	Plan Check	372.00	Discharged in Bankruptcy Court
1/1/2002	Truckee Donner PUD	Inspection Fee	13,745.78	Refuses to Pay
10/12/1997	T.E. & Bonnie Treadway	Inspection Fee	730.97	Deemed Uncollectible by R&R
6/13/2001	Donna Witt		1,549.04	Deemed Uncollectible by R&R

Total List = 16

\$43,755.38

TOTAL PAGES 1, 2, 3

\$ 90,116.71

Average Age	7.063 years
Oldest	1/10/2001
Newest	12/8/2005
Average Amount Owed	\$2,734.71

I verify, based on information and belief, that the facts stated in this application are true and correct.


 Ken Grehm
 Director, Public Works