



## MEMORANDUM

DATE: August 24, 2020

TO: Daniel Duchniak, General Manager

FROM: Joseph Ciurro, Administrative Services Manager

RE: Bankruptcy – Writing Off Accounts

I would like to recommend that we write off \$4,598.11 of receivables to the allowance. \$2,778.85 is due to water charges that have gone to bankruptcy and \$1,819.26 is due to invoices to customers that are greater than two years old. As you will recall, bankruptcy filings cannot be sent to the tax roll. We also examine the invoices and recommend writing off balances on the customer invoices that have been in collection for approximately 18 months.

While the write-off affects the net balance of receivables in the general ledger, we would keep the customer account detail. This would enable us to reinstate the accounts and post collections if the customers end up paying part of their debt. We received payments of \$2,225.12 on the \$6,695.57 of accounts written off last year.

Please contact me with any questions that you might have.

***Recommended Motion:*** Approve writing off \$2,778.85 of water charges and \$1,819.26 of customer invoices, as recommended by staff.

# Waukesha Water Utility Accounts Written Off

