



Memo

To: David Plyman
From: Barbara Bell
CC: Sue Messer
Date: 2/16/2016
Re: Write Off Policy

The City of Rochelle must collect all money that is due and payable to it, subject to legal provisions and other applicable legislation. It is recognized, however, that circumstances may arise which could make the recovery of certain debts impossible, impractical or financially unfeasible, and that it may be in the best interests of the City that such debts be written off.

Currently, many uncollectable utility accounts are listed as "collections" and remain as part of the receivables balance. The final bill dates range from January 1991 to September 2015. Accounts older than 2010 are most likely uncollectible and could be written off in the billing system and removed from the receivables balance. Therefore, I am recommending the City of Rochelle adopt a write off policy for uncollectible accounts.

The approval of a write off policy does not mean that actions to recover the money will be terminated. Further actions will be instituted depending on the involved costs. If the debt is recovered, it will be recorded as recovered. The write off policy does not constitute forgiveness of the debt and the debt is still owed by the debtor.