

Rosario

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Treasurer-Tax Collector

BOARD AGENDA # *B-2

Urgent

Routine

AGENDA DATE February 3, 2015

CEO Concur with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Approval of Application for Discharge from Accountability of Accounts Which Have Been Determined to be Uncollectible

STAFF RECOMMENDATIONS:

1. Approve the discharge from accountability of 1,193 accounts in the Treasurer/Tax Collector Revenue Recovery Division for the attached departmental, city and court accounts which are uncollectible. Total balance of accounts is \$2,111,607.23.
2. Authorize the Treasurer/Tax Collector Revenue Recovery Division to take all necessary and appropriate action to be discharged from the accountability of accounts.

FISCAL IMPACT:

There is no fiscal impact for the County since these accounts are not shown as receivables in the County's financial statements.

BOARD ACTION AS FOLLOWS:

No. 2015-42

On motion of Supervisor Monteith, Seconded by Supervisor Chiesa
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, De Martini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

ATTEST:

Christine Ferraro
CHRISTINE FERRARO TALLMAN, Clerk

File No.

DISCUSSION:

The Revenue Recovery Division of the Treasurer-Tax Collector Department maintains a large database of accounts where funds are owed to the County, courts and various cities.

The Treasurer-Tax Collector Revenue Recovery Division is requesting a discharge from accountability of 1,193 uncollectible accounts with a balance of approximately \$2.1 million. The details of each account may be found in the document "Discharge of Accountability – All Accounts" which is hereby incorporated by reference to this Application. The names of individuals whom owe debts to the Behavioral Health and Recovery Services Department have been deleted due to confidentiality requirements. Attached to this Application is a summary breakdown of the County departments, city and court accounts called "Discharge of Accountability By Client – January 2015."

Government Code Section 25257 describes the criteria to use when seeking to write off the uncollectible amount. The criteria used are:

- Amount is too small to justify the cost of collection;
- The likelihood of collection does not warrant the expense involved; or
- The amount thereof has been otherwise lawfully compromised or adjusted

The Revenue Recovery Division has made diligent effort and spent considerable time determining the attached list of accounts with the appropriate liens recorded to be uncollectible. Reasons for identifying the debt as uncollectible include:

- The debtor lives out of the country;
- The debtor cannot be located due to lack of identifying data;
- The debtor is deceased;
- The debt is over 10 years old; and
- The debtor has no assets

Every collection resource available for recovery of these debts has been exhausted.

Discharging these accounts is beneficial to the County for various reasons. Administrative effort, time; automation and document processing are being expended on accounts in which there is unlikely to be payment. Continued effort to collect from these accounts takes resources away from pursuing funds owed on collectible accounts. Discharge from uncollectible accounts allows the Revenue Recovery Division

Approval of Application for Discharge from Accountability of Accounts Which Have Been Determined to be Uncollectible
Page 3

to focus on accounts with a higher probability of collection, and is more cost effective. Further, uncollectible accounts incorrectly inflate the Revenue Recovery aging report and affect the accuracy of collection statistic reports. This, in turn, makes it difficult to judge the overall effectiveness of the Division's collection efforts.

The Revenue Recovery Division has worked with County Counsel on these attached accounts to determine that no additional action should be taken to recover funds and it is now appropriate to request the Board to approve the discharge from accountability pursuant to Government Code Section 25257-25258, since the likelihood of collection does not warrant the expense involved.

The discharge from an account does not release any person from liability of payment on any account. Debts may be reactivated for collection if circumstances warrant renewed collection activity.

POLICY ISSUES:

Discharge of accounts are approved by the Board of Supervisors pursuant to Government Code Section 25257-25258.

Approval of this agenda item will support the Board's priority of Efficient Delivery of Public Services.

STAFFING IMPACTS:

Existing staff will continue the collection process and be able to devote more time to accounts with a higher probability of collection.

CONTACT PERSON:

Gordon B. Ford, Treasurer-Tax Collector. Telephone: (209) 525-4463.

VERIFICATION

I, GORDON B. FORD, am the Stanislaus County Treasurer/Tax Collector. The facts stated in the Application for Discharge of Accountability of Accounts Which Have Been Determined to be Uncollectible are true to the best of my knowledge.

Date: January 12, 2015

A handwritten signature in cursive script, reading "Gordon B. Ford", is written over a solid horizontal line.

Gordon B. Ford
Stanislaus County Treasurer/Tax Collector

DISCHARGE OF ACCOUNTABILITY BY CLIENT - JANUARY 2015

	TOTAL		ACCOUNTS
AGRICULTURAL COMMISSIONER	\$ 7,192.00		2
ANIMAL SERVICES	\$ 14,552.00		2
BEHAVIORAL HEALTH & RECOVERY SERVICES	\$ 13,130.36		1
BUSINESS LICENSE	\$ 80.00		1
CITY OF CERES	\$ 9,287.90		21
CITY OF MODESTO	\$ 12,422.12		4
COURT	\$ 99,882.24		299
ENVIRONMENTAL RESOURCES	\$ 31,459.94		73
GARAGE/FLEET SERVICES	\$ 13,249.20		1
HEALTH SERVICES AGENCY	\$ 235,407.38		26
LANDFILL/FINK RD	\$ 216.25		1
PUBLIC DEFENDER	\$ 450.00		4
PROBATION	\$ 361,384.00		7
RECORDER	\$ 354.00		2
STAN COUNTY FIRE WARDEN	\$ 2,810.38		2
SHERIFF	\$ 3,931.24		1
TAXES (unsecured)	\$ 1,305,798.22		746
TOTAL	\$ 2,111,607.23		1,193