
Meeting Date October 23, 2024
Staff Contact: Marta Ortiz, Chief Financial Officer

TITLE: R-24-34 – Authorizing the Removal of Certain Uncollectable Accounts from the Albuquerque Bernalillo County Water Utility Authority Accounts Receivable Records FY2020 and Prior

ACTION: Recommend Approval

SUMMARY:

This legislation provides information to support a request to the Board authorizing the removal of uncollectable debt greater than four (4) years old totaling \$27,411.36.

FISCAL IMPACT:

Since 1965, pursuant to NMSA 1978, § 3-37-7, New Mexico municipalities have been expressly permitted to write off uncollectable debt. Counties and political subdivisions like the Albuquerque Bernalillo County Water Authority (Water Authority) may use the same process as a municipality to write off uncollectable debt through the procedure set forth in state law. This process will avoid an excessive accrual of accounts receivable while also accurately report the financial position of the Water Authority and comply with state debt-collection law. Further, the Water Authority should not represent to its customers, either in invoices or in any demand, that the customer owes any amount that was accrued more than four years prior to the demand.

The Chief Financial Officer (CFO) of the Water Authority states that:

- a) a utility account or any unsecured account services have been incurred;
- b) diligent efforts were made to collect the utility account or unsecured account and to locate a debtor;
- c) that the utility account or unsecured account has been uncollectable for a period of more than four years; and
- d) that in his opinion the utility account or unsecured account is uncollectable.

Staff recommends authorization to remove the uncollectable debt as shown in Exhibit A.

Exhibit A

Account #2897378571 as of 9/30/24	
Service	Write Off Amount
Water/Wastewater	\$ 26,232.30
Loans	\$ 731.61
Outside Billing	\$ -
Water/Wastewater/Loan Delinquency Fees	\$ 447.45
Total WUA Write Off	\$ 27,411.36

