

Meeting Date February 4, 2026  
Staff Contact: Susan Lander, Controller

**TITLE:** **R-26-2 – Authorizing the Removal of Certain Uncollectable Accounts from the Albuquerque Bernalillo County Water Utility Authority Accounts Receivable Records FY2021 and Prior**

**ACTION:** **Recommend Approval**

**SUMMARY:**

This report provides information supporting a request for Board authorization to remove uncollectable debt older than four (4) years, totaling \$35,964.15, from the Water Authority's accounts receivable records.

**FISCAL IMPACT:**

Under NMSA 1978, § 3-37-7, municipalities in New Mexico have been permitted since 1965 to write off uncollectable debt. Counties and political subdivisions, including the Albuquerque Bernalillo County Water Utility Authority, may follow the same process. This procedure helps prevent excessive accrual of accounts receivable, ensures accurate financial reporting, and maintains compliance with state debt-collection laws.

Additionally, the Water Authority should not represent to customers—through invoices or demands—that amounts accrued more than four years prior remain due.

The Chief Financial Officer has confirmed:

- Services were incurred on the utility or unsecured accounts;
- Diligent efforts were made to collect and locate the debtor;
- The accounts have been uncollectable for more than four years;
- In their opinion, the accounts are uncollectable.

**RECOMMENDATION:**

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

Attachments:

Resolution

## Exhibit A

Account #2897378571 as of 12/31/25	
Service	Write Off Amount
Water/Wastewater	\$ 33,813.90
Loans	\$ 1,079.31
Outside Billing	\$ -
Water/Wastewater/Loan Delinquency Fees	\$ 1,070.94
<b>Total WUA Write Off</b>	<b>\$ 35,964.15</b>

# ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY

**BILL NO.** R-26-2

## RESOLUTION

**2 AUTHORIZING THE REMOVAL OF CERTAIN UNCOLLECTABLE ACCOUNTS FROM  
3 THE ALBUQUERQUE BERNALILLO COUNTY WATER UTILITY AUTHORITY  
4 ACCOUNTS RECEIVABLE RECORDS FY2021 AND PRIOR**

5 WHEREAS, Pursuant to NMSA 1978 § Section 3-37-7, pertaining to the  
6 determinations of uncollectable accounts and their removal from accounts receivable, the  
7 Chief Financial Officer (CFO) has submitted herewith a list of accounts receivable which  
8 were incurred in providing various billing, water and wastewater services and are owed  
9 to the Albuquerque Bernalillo County Water Utility Authority (Water Authority); and

10 WHEREAS, the CFO states that diligent efforts have been made to collect these  
11 accounts receivable and the respective amounts due; and

12 WHEREAS, the CFO has determined that these accounts receivable are  
13 uncollectable and have been uncollectable for more than four years; and

14 WHEREAS, the uncollectable accounts receivable have been deemed "time  
15 barred debt", defined as any debt that is not enforceable in a judicial proceeding because  
16 the applicable statute of limitations has run; and

17 WHEREAS, because this debt is legally uncollectable, it is not a “donation” to a  
18 private party in violation of the anti-donation clause of the New Mexico Constitution, N.M.  
19 Const. Art. IX, Section 14; and

20 WHEREAS, an allowance for doubtful accounts has been recorded on the Water  
21 Authority financial records which is more than sufficient to cover the uncollectable  
22 accounts; therefore, there will be no impact on the current fund balances.

**23 BE IT RESOLVED BY THE WATER AUTHORITY:**

24 The Water Authority Board finds that the Water Authority's uncollectable accounts  
25 receivable in the amount of \$35,964.15 as shown in Exhibit A which is attached hereto  
26 and by this reference made part hereof shall be removed from the Water Authority's  
27 accounts receivable records as uncollectable in accordance with provision NMSA 1978 §  
28 Section 3-37-7.