

David Feldpausch
Director



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Memorandum

To: Livingston County Board of Commissioners
Fr: David Feldpausch, EMS Director
Date: 03/31/2021
Re: Resolution on Aged Receivables

This resolution is our annual request to write off the Accounts Receivable balance for accounts greater than 3 years old. This request includes the balance of receivables from 2017 in the amount of \$447,705.50.

As established by best accounting practices, we are requesting that these accounts be removed from Livingston County EMS accounts receivable. I have reviewed these accounts and I am confident that we have made every attempt possible to collect said monies.

If you have any questions regarding this matter, please contact me.

Just to give you a heads up Jennifer Nash and I will be looking at the Write Off process and recommending some changes to how they are handled. The industry standard is that accounts are written off from the Accounts Receivable when they are sent to collections. If payment is received, then those funds are recorded as bad debt recovery and not credited back to the individual accounts. The process of crediting these balances back is extremely time consuming and in many cases where we receive small monthly payments we lose money processing them.

Writing off the Accounts receivable balance when sending accounts to collection would eliminate the need for this annual write off as all of the accounts that are 3 years old will be in the collection process. These write off amounts are still recorded and can be tracked against the bad debt recovery to continually monitor collection effectiveness.