



# County of El Dorado

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## Legislation Details (With Text)

**File #:** 11-0725 **Version:** 1

**Type:** Agenda Item **Status:** Approved

**File created:** 6/17/2011 **In control:** Board of Supervisors

**On agenda:** 6/28/2011 **Final action:** 6/28/2011

**Title:** Department of Child Support Services, Revenue Recovery Division and the Health Services Department recommending the Board discharge the relevant department heads from further accountability to collect the debts listed on the attached Discharge of Accountability Report in the amount of \$4,931,246.81, pursuant to Government Code Sections 25257 through 25259. These debts are for the period of 1994 through 2008 that are uncollectible due to expiration of the statute of limitations, death, or bankruptcy.

**FUNDING:** These debts are considered uncollectible and have not been factored into fund balances or projected revenues for the departments.

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** 1. A - Discharge Report - Summary, 2. B - Discharge Report - Detail, 3. C - Government Code Sections 25257-25259

Date	Ver.	Action By	Action	Result
6/28/2011	1	Board of Supervisors	Approved	Pass

Department of Child Support Services, Revenue Recovery Division and the Health Services Department recommending the Board discharge the relevant department heads from further accountability to collect the debts listed on the attached Discharge of Accountability Report in the amount of \$4,931,246.81, pursuant to Government Code Sections 25257 through 25259. These debts are for the period of 1994 through 2008 that are uncollectible due to expiration of the statute of limitations, death, or bankruptcy.

**FUNDING:** These debts are considered uncollectible and have not been factored into fund balances or projected revenues for the departments.

### Fiscal Impact/Change to Net County Cost:

No change to affected departmental budgets. These debts are considered uncollectible and have not been factored into fund balances or projected revenues for the departments.

### Reason for Recommendation:

The last countywide request for discharge of accountability was approved by the Board of Supervisors on November 18, 2008. The proposed discharge represents countywide accounts that have been referred to the Department of Child Support Services, Revenue Recovery Division and ambulance billing accounts held by the collections contractor for the Department of Health Services. The discharge represents accounts which are deemed to be uncollectible due to expiration of the statute of limitations, death, or bankruptcy.

Pursuant to Government Code section 25259, "The discharge from accountability does not constitute a release of any person from liability for payment of any amount." The statutes of limitation have

expired on the majority of the unpaid debts that are being recommended for discharge of accountability. Additionally, there are debts that are uncollectible due to bankruptcy, or death. Further collection efforts cannot be pursued.

Child Support Services, Revenue Recovery Division, and the Health Services Department are requesting authorization to approve immediate discharge of the accounts listed on the attachments. The debts listed total \$4,931,246.81 and include accounts for a number of County departments. The largest component of the discharge request is \$4,025,869.09 for ambulance services debts dating as far back as 1994. Approximately 57% of the ambulance debts (\$2,307,174.88) is for services provided between 1994 and 2005 that were not included in the 2008 discharge item referenced above. Ambulance services debts include account balances from the in-house billing system used by Public Health until 2006 as well as account balances from the current ambulance billing collections contractor. Health Services thoroughly researched the debts to confirm that they are uncollectible as noted above and is requesting discharge from further accountability to collect these debts.

Action to be taken following Board approval:

Department of Child Support Services, Revenue Recovery Division, and Health Services Department will take necessary steps to reflect the discharge of accountability in their respective collections systems and Revenue Recovery will notify the appropriate departments that accountability has been discharged. Affected departments will coordinate with the Auditor-Controller as necessary to ensure appropriate recording of any associated financial transactions.

Contacts:

Laura Roth, Director, Child Support Services

Neda West, Director, Health Services Department.

Concurrences:

Affected departments and Auditor-Controller