



Indian River County Florida

Indian River County
Administration Complex
1801 27th Street, Building
A
Vero Beach, Florida,
32960-3388
www.ircgov.com

Master

File Number: 20-2070

| | | |
|--|--------------------------------------|---------------------------------------|
| File ID: 20-2070 | Type: Department Staff Report | Status: Agenda Ready |
| Version: 1 | Project Number: | In Control: Utilities Services |
| Subject: | | File Created: 10/14/2020 |
| Title: Utility Accounts Receivable Bad Debt | | Final Action: 10/20/2020 |

Internal Notes: halexander

Agenda Date: 10/20/2020

Agenda Number: 12.H.2.

Sponsors:

Enactment Date:

Attachments: Staff Report, Draft Notice of Future Charges

Enactment Number:

Bid Number:

Hearing Date:

Entered by: vburke@ircgov.com

Effective Date:

Related Files:

History of Legislative File

| Ver- sion: | Acting Body: | Date: | Action: | Sent To: | Due Date: | Return Date: | Result: |
|---------------|---|------------|----------|----------|-----------|-----------------|---------|
| 1 | Board of County Commissioners | 10/20/2020 | Approved | | | | Pass |
| | <p>Action Text: A motion was made by Commissioner O'Bryan, seconded by Commissioner Zorc, to authorize staff to return with an ordinance at a public hearing that would establish County code to adopt the proposed 90-day and 12-month time period payment options, and direct staff to establish a policy to look at making a settlement offer when liens reach four years of age, instead of 19 years. The motion carried by the following vote:</p> <p>Notes: Director of Utility Services Vincent Burke stated that at the March 17, 2020 meeting, the Board tasked staff to bring back information on accrued delinquency fees and charges on utility accounts, and proposed options to enable staff to address and prevent the excessive accumulation of bad debt from reserve accounts moving forward.</p> <p>Director Burke, through a PowerPoint Presentation, broke down the number and dollar amounts of outstanding debt for the water and sewer accounts, impact fee loans, and assessments. He reviewed the various settlement options for each type of account and sought information from the Board regarding the proposed 90-day and 12-month time period payment options for accounts that had accumulated over 24 consecutive months of</p> | | | | | | |

charges.

Commissioner O'Bryan received confirmation from County Attorney Dylan Reingold that once the five-year foreclosure window expired on the lien, the County could collect on the outstanding debt for the next 15 years and after 20 years, the lien would disappear. He suggested establishing a policy that would require action to make a settlement offer when the lien reaches four years of age instead of the 19 years being proposed, giving the County more leverage to negotiate. A discussion followed on whether the law allowed foreclosure on a homesteaded property, and protecting the County's ability in the negotiation to get the account from a non-paying to a paying status.

Commissioner Zorc sought and received information from Director Burke on whether the 80 existing residential structures with 170 equivalent residential units of water were either on the condemnation list, fully habitable structures, abandoned, or delinquent.

Aye: 4 Chairman Adams
Vice Chairman Flescher
Commissioner Zorc
Commissioner O'Bryan
Absent: 1 Commissioner Solari

Text of Legislative File 20-2070

Utility Accounts Receivable Bad Debt

Staff recommends that the Indian River County Board of County Commissioners (BCC) authorize staff to come back with an ordinance at a public hearing that will establish county code to adopt the various settlement options. It shall also define the 90-day and 12-month time periods described in the payment options