



BOARD OF COUNTY COMMISSIONERS

DATE: August 18, 2015

AGENDA ITEM NO. 6

Consent Agenda ☒

Regular Agenda ☐

Public Hearing ☐

 **County Administrator's Signature:**

Subject:

Airport Write-Offs

Department:

Office of Management and Budget
Airport

Staff Member Responsible:

Lori Sullivan, Financial Mgmt and Budget Analyst
Tom Jewsbury, Director

Recommended Action:

I RECOMMEND THE BOARD OF COUNTY COMMISSIONERS (BOARD) APPROVE THE AIRPORT ACCOUNTS RECEIVABLE WRITE-OFF FOR ACCOUNTING PURPOSES OF \$60,576.77.

Summary Explanation/Background:

The items for write-off are for Concession Income due from Jerry's of Tampa Bay in the amount of \$32,944.74 and Industrial Rent to Revenge Advance Composites, LLC in the amount of \$27,632.03. The unpaid fees billed to Jerry's of Tampa Bay are for food and beverage guarantees per departing passenger. This debt was referred to the County Attorney for collection in September of 2008. The unpaid fees billed to Revenge Advance Composites are for the cost of leasing space in the Airport Industrial Business Park. A final judgment lien was issued in March of 2013.

On April 5, 2005, the Board adopted Resolution No. 05-61 establishing a County-Wide Write-off Policy for Accounting Purposes. The policy delegates the authority for accounts receivable write-offs for accounting purposes of less than \$10,000 to the County Administrator. The item attached for approval of the Board is larger than the \$10,000 threshold for the County-Wide Policy, requiring Board approval. The write-off of these accounts does not forgive the debtor of their obligation, but moves the item off the County's balance sheet. The write-offs are for the period February 27, 2006 to September 30, 2011. During this time, billing revenue for concessions was \$124,943.88 and billing revenue for industrial rentals was \$3,099,160.

Fiscal Impact/Cost/Revenue Summary:

Approval of this action authorizes the write-off of \$60,576.77 in uncollectible accounts receivable from the Airport Operating Fund.

Exhibits/Attachments Attached:

Resolution No. 05-61 County-Wide Write-off Policy for Accounting Purposes



RESOLUTION NO. 05-61

A RESOLUTION TO BE ENTITLED:

A RESOLUTION ADOPTING A UNIFORM WRITE-OFF POLICY FOR ACCOUNTING PURPOSES IN SITUATIONS WHERE ALL REASONABLE EFFORTS HAVE BEEN MADE TO COLLECT THE DEBTS AND WHERE THE PROBABILITY OF ACTUAL COLLECTION IS DOUBTFUL OR THE COST OF TAKING THE ACTIONS NECESSARY TO RECOVER THE DEBTS IS GREATER THAN THE AMOUNT TO BE RECOVERED. PROVIDING FOR THE DESIGNATION OF A COUNTY WRITE-OFF COORDINATOR, PROVIDING FOR CONCURRENCE OF OUTSIDE AUDITORS AND ANNUAL REPORTING TO THE BOARD OF COUNTY COMMISSIONERS BY THE ADMINISTRATOR REGARDING THE AMOUNTS WRITTEN OFF.

WHEREAS, Pinellas County Government, through its various agencies provides services to individuals and businesses and sets charges for these services; and

WHEREAS, some of these individuals and businesses fail to pay the amounts owed and the charges become delinquent; and

WHEREAS, Florida Law prohibits the County to forgive debt unless compromising claims for reasons involving legal right to recovery; and

WHEREAS, it is desirable for accounting purposes to move debt off the County's balance sheets where there is no reasonable chance of recovery, and to provide for a uniform process of compromising claims where under the legal circumstances presented such compromises are allowed and in the County's best interest; and

WHEREAS, the Board of County Commissioners sitting as the Emergency Medical Services Authority has adopted a write off policy for that Department in Resolution 2000-95; and

WHEREAS, the Board of County Commissioners wishes to have a uniform process in place to handle such accounting procedures and compromises and to delegate the management of this process to the County Administrator subject to reasonable reporting back to them; and

WHEREAS, the County Administrator has recommended a write-off policy:

NOW THEREFORE BE IT RESOLVED as follows:

The following write-off policy is adopted:

- 1.) The County Administrator, or his delegate, for accounting purposes, may write-off those claims not exceeding \$10,000 where upon consultation with the County Attorney, it appears that the legal basis for recovery is not certain or under the circumstances of the case there are insufficient assets to pay the claim and due to the legal situation there will not be sufficient assets to pay the amount owed in the future.**

- A. Write-offs will be submitted for approval after all collection efforts have been exhausted. Part of this process includes leaving the receivables on the books for a period of time of no less than one year before presenting to the County Administrator or Board for write-off.
 - B. The above represents a minimum time frame; therefore each account may be handled according to its own circumstances.
 - C. The County Administrator will designate a County Write-Off Coordinator.
 - D. Every October and/or March each department with write-off activity will forward the amount and related detail to the County Write-Off Coordinator. Departments with no activity for the year should advise the County Write-Off Coordinator of this in writing.
 - E. The County Write-Off Coordinator will review and collate all department information and prepare the related approval request memo and documentation incorporating the totals of each individual department.
 - F. The County's external auditors will be contacted and arrangements made for them to review a sampling of transactions from all write-offs. The number and mix of transactions to be reviewed will be at the auditor's discretion. The auditor will review the selected items against the related department's established collection efforts. The results of this review will be forwarded to the County Write-Off Coordinator for incorporation into the approval request memo and documentation.
 - G. The completed write-off documentation will be forwarded to County Administration for review and approval. In the case of receivables in excess of \$10,000 the request and documentation shall be placed on the Board's meeting agenda for approval.
 - H. The County Administrator shall report to the Board the amount of the write-offs approved under this resolution for each prior year's period and such reports, if necessary, shall be made no later than January 1st and July 1st of each year.
 - I. Once County Administrator or Board approval has been obtained, items requiring an accounting adjustment will be forwarded to the Clerk's Finance Division with related backup for posting. The Finance Division will coordinate with the affected departments to assure appropriate record keeping.
- 2.) This Resolution supersedes Resolution 2000-95.

Commissioner Latvala offered the foregoing Resolution and moved its adoption, which was seconded by Commissioner Welch, and upon roll call the vote was:

AYES: Morroni, Welch, Stewart, Harris, Seel, Latvala, and Duncan.

NAYS: None.

ABSENT AND NOT VOTING: None.

APPROVED AS TO FORM
OFFICE OF COUNTY ATTORNEY

By 

Attorney

Jerry's of Tampa Bay

Company Name	Jerry's of Tampa Bay, Incorporated
Company Address	Gerard Pendergast, Jr, President
Registered Agent	PO Box 24618, West Palm Beach, FL 33416-1618
	Corporation Company of Miami
	Dania Iglesias, Vice President
	201 S. Biscayne Blvd., Suite 1500 (AGS), Miami, FL 33131
Company Status	
Type of Business	Concession - Food & Beverage
Agreement Terms	
Beginning / End of Lease	June 6, 1995 - May 8, 2008
Pmt Amount / Frequency	Minimum Guarantee: \$0.19/departing passenger
Amendments / Terms	4th Amendment February 27, 2006; Renovation of Terminal Facilities; Ownership of Equipment in lieu of debt of \$48,564.59
Type of Debt	Concessionaire Revenue Fees; Airport Badge Fees
Amount of Debt as of March 2015	\$32,944.74
Debts Accrued (Dates)	February 27, 2006 - March, 2008
Status with County Attorney	Referred to County Attorney September 23, 2008
Efforts to Collect	All efforts exhausted
Correspondence Dates	Monday, February 11, 2008
Notices of Default	

Revenge Advance Composites

Company Name	Revenge Advanced Composites, LLC
Company Address	12705 Daniels Drive, Clearwater, FL 33762 Jon Sandowsky, CEO PO Box 18050, Clearwater, FL 33762
Registered Agent	CT Corporation System Resigned July 23, 2012 1200 S. Pine Island Road, Plantation, FL 33301
Company Status	Chapter 11 Bankruptcy
Type of Business	Industrial
Agreement Terms	
<i>Beginning / End of Lease</i>	April 21, 2010 - May, 2011
<i>Pmt Amount / Frequency</i>	\$5,533.50 / Month
<i>Amendments / Terms</i>	No Amendments
Type of Debt	Industrial Lease, Late Fees
Amount of Debt as of March 2015	\$24,250.38 Airport
Debts Accrued (Dates)	May, 2011 - September, 2011
Status with County Attorney	Christy Pemberton; Final Judgement
Efforts to Collect	Final Judgement Lien; \$27,632.03
<i>Correspondence Dates</i>	Final Judgement Lien; March 27, 2013 Christy Pemberton
<i>Notices of Default</i>	(Date of Last Notices)