



Staff Report

TO: City Council
FROM: Lisa Leach, CPA, Assistant Finance Director
DATE: August 20, 2024
SUBJECT: City of Beaumont Accounts Receivable as of June 30, 2024

Description Accounts Receivable Balances at Fiscal Year End.

Background and Analysis:

The City of Beaumont's revenue collections financial policies state that the Finance Department is responsible for ensuring all Accounts Receivable are properly pursued and accounted for. The Finance Department will also ensure, on an annual basis, that a report is provided to the City Council on the condition of the City's collection efforts and whether any accounts receivable should be written off.

An accounts receivable balance represents an amount due to the City. A write-off is the elimination of uncollectible accounts receivable recorded on the general ledger. If the individual is unable to fulfill the obligation, the outstanding balance should be written off after all collection efforts have been exhausted.

Over the past couple of years, the Finance Department has taken steps to enhance its credit practices by implementing the Tyler Accounts Receivable module, allowing the system to track invoices and the Finance team to run aging reports for better collection efforts.

For Fiscal Year 2024, the City has collected \$9,742,755 through the Accounts Receivable system. Attached is an Accounts Receivable aging report identifying \$209,684.05 that is over 120 days. Currently, the Finance Department does not have any accounts that are deemed uncollectible. On July 22, 2024, the Finance and Audit committee reviewed the report and recommended moving the report on to City Council. The report has been updated to collections through August 6, 2024.

Fiscal Impact:

The estimated cost to prepare this report is \$150.

Recommended Action:

Receive and file.

Attachments:

- A. Accounts receivable aging report as of 06/30/2024.