

MEMO

Date: February 18, 2020

To: Matthew Strugis, Town Manager

From: John Quartararo, Finance Director

Re: Write-off of uncollectible sewer liens and a sewer receivable

I am requesting that the Town Council authorize the write-off of \$1,290.23 in sewer liens from 1989 to 1994; and \$359.62 in sewer receivables from 2014. These liens and the receivable are uncollectible for a number of reasons, which I will detail below.

1. **FORECLOSED AND TRANSFERRED TO THE TOWN BY ASSESSOR** The sewer liens are on a property that was taken by the Town due to foreclosed tax liens. This property has multiple sewer liens filed from 1981 through 1994. The Tax Assessor transferred ownership in the records as this property was abandoned. The sewer liens are not collectible and the tax foreclosure was enforced. The write-off is \$1,290.23.
2. **MORTGAGE FORECLOSED AND PROPERTY SOLD** The mortgage holder foreclosed on the property and then sold it to the current owner. The property was sold in the winter of 2014/2015 and the sewer bill was not paid at closing. Rather than pursue the current owner I recommend writing off the balance \$359.62

I suggest the following Council order:

That the Town Treasurer is authorized to write off \$1,290.23 in sewer liens from 1989 to 1994 for property at U29-029-000-000 as the Town foreclosed on unpaid tax liens and took possession of the property; and a \$359.62 sewer receivable for property at U29-051-D-000 as the mortgage holder foreclosed on the property and subsequently sold it without collecting the sewer bill due as of December 2013.