

**CITY COUNCIL AGENDA TOPIC**

Resolution authorizing the write-off of six uncollectible accounts totaling \$10,540.00, as described in Attachment A.

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*Finance & Asset Management Department*

**EXECUTIVE SUMMARY****ACTION**

This resolution authorizes the write-off of six uncollectible accounts totaling \$10,540 from Probation. Annually an analysis is conducted of uncollected accounts throughout the organization. Items that are at least one year old, contact information is unattainable, and are over \$1,000 are believed to be uncollectible and submitted to Council to be written off per Bellevue City Code (BCC) 3.32.100.

**RECOMMENDATION**

Move to adopt Resolution No. 10299

**BACKGROUND/ANALYSIS**

The City uses billing and accounts receivable systems to collect many of the fees and charges currently authorized. Some examples of these charges include probation fees, development review and inspection fees, water service installation charges, fees for swim lessons, fire inspections, and IT charges.

Finance and Asset Management (FAM) Policy/Procedure No. 4 provides guidance and consistency in how different City departments should actively manage their delinquent accounts, the requirement to send past due accounts to a collection agency, and the process for requesting accounts receivable write-offs. Departments must comply with specific Revised Code of Washington (RCW) or Washington Administrative Code (WAC) requirements relating to their line of business or activities. Departmental processes are documented and these, together with all write-off requests, are reviewed by the Financial Services Manager to ensure appropriateness and compliance with the FAM department policy prior to submission to the FAM Director or Council for write-off.

Detailed account information in relation to these write-offs is provided in Attachment A

Six accounts are recommended for write-offs totaling \$10,540. Collection of these accounts was initially attempted by City staff, and then referred to a collection agency when appropriate, until all efforts of collection were exhausted. There are several accounts that are requested to be written off because they are beyond the statute of limitations and have been returned by the collection agency.

Reviewing and processing accounts receivable write-offs is a routine practice at the City.

## **POLICY & FISCAL IMPACTS**

### **Policy Impact**

Per BCC 3.32.100, the FAM Director is authorized to write off delinquent accounts receivable that are over one year old and do not exceed \$1,000 per account. City Council approval is required to write off uncollectable accounts over \$1,000. An account may not be written off unless all cost-effective means of collection have been exhausted.

### **Fiscal Impact**

This resolution authorizes the write-off of six uncollectible accounts totaling \$10,540 from Probation. Each City department that is responsible for the billing and collection of moneys owed to the City has established written procedures on how to deal with the collection of monies owed. These procedures have all been followed and have been exhausted; therefore, these accounts are now deemed ready for write-off. Sufficient funds exist in the respective departments' budgets to cover these write-offs.

## **OPTIONS**

1. Adopt the Resolution authorizing the write-off of six uncollectible accounts totaling \$10,540.00, as described in Attachment A.
2. Do not adopt the Resolution and provide alternative direction to staff.

## **ATTACHMENTS**

A. Uncollectible Accounts  
Proposed Resolution No. 10299

## **AVAILABLE IN COUNCIL LIBRARY**

N/A