

CITY COUNCIL AGENDA TOPIC

Resolution authorizing the write-off of twenty-two uncollectable accounts totaling \$77,966.32 from various City departments.

Michael Chandler, Controller, 452-5249

Leslie Hernandez, Treasury Manager, 452-6111

Finance & Asset Management Department

EXECUTIVE SUMMARY**ACTION**

This resolution authorizes the write-off of twenty-two uncollectable accounts totaling \$77,966.32 from various City departments.

RECOMMENDATION

Move to adopt Resolution No. 10528

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 included probations fees, development review and inspection fees, water service installation charges, fees for swim lessons, fire inspections, IT charges, etc.

FAM Policy/Procedure No. 4, Delinquency Management and Write-offs of Uncollectable Accounts, provides guidance and consistency in how 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 Treasury Manager to ensure appropriateness and compliance within FAM policy prior to submission to the FAM Director and/or Council for a write-off.

Twenty-two accounts are recommended for write-off totaling \$77,966.32. Collection of these accounts was initially attempted by City staff, then referred to a collection agency until all efforts of collection were exhausted or the statute of limitations was reached, and accounts were returned by the collection agency.

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

POLICY & FISCAL IMPACTS**Policy Impact**

Bellevue City Code section 3.32.100 describes the authority given by the City Council to the Finance and Asset Management Director to write-off delinquent accounts receivable that are over one year old

and do not exceed \$1,000 per account. Accounts over \$1,000 that are deemed to be uncollectible must be approved by the City Council. The write-off option shall be utilized only after it has been determined by the director that all cost-effective means of collecting on account/s have been exhausted.

Fiscal Impact

This resolution authorizes the write-off of twenty-two uncollectible accounts totaling \$77,966.32 from various City departments. Each department that is responsible for the billing and collection of monies owed by the City has established written procedures on how to deal with the collection of monies owned. These procedures were followed and were exhausted; therefore, these accounts are now deemed ready for write-off.

OPTIONS

1. Adopt the Resolution authorizing the write-off of twenty-two uncollectable accounts totaling \$77,966.32 from various City departments.
2. Do not adopt the Resolution and provide alternative directions to City staff.

ATTACHMENTS

- A. Development Services Uncollectable Accounts Over \$1,000
 - B. Probation Uncollectable Accounts Over \$1,000
 - C. Property Management Uncollectable Accounts Over \$1,000
- Proposed Resolution No. 10528

AVAILABLE IN COUNCIL LIBRARY

N/A