

CITY COUNCIL REGULAR SESSION

Resolution authorizing the write-off of 83 uncollectible accounts totaling \$135,422.25, as described in Attachment A.

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Finance & Asset Management Department

EXECUTIVE SUMMARY

This Resolution authorizes the write-off of 83 uncollectible accounts totaling \$135,422.25 from various City departments.

RECOMMENDATION

Move to adopt Resolution No. 9819

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, IT charges, etc.

Bellevue City Code section 3.32.100 authorizes 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. City Council approval is required to write off uncollectible accounts over \$1,000. An account may not be written off until all cost-effective means of collection have been exhausted.

Finance and Asset Management Department Policy/Procedure No. 4 has been updated to provide 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. Certain departments must also 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 Finance and Asset Management department policy prior to submission to the Finance and Asset Management Director or City Council for write-off.

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

Eighty-three accounts are recommended for write-off ranging from \$1,030.00 to \$4,365.00, totaling \$135,422.25. Collection of each 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.

POLICY & FISCAL IMPACTS

Policy Impact

City Council approval is required to write off accounts that are deemed to be uncollectible and exceed \$1,000 per account.

Fiscal Impact

This Resolution authorizes the write-off of 83 uncollectible accounts totaling \$135,422.25 from various City departments. Each City department that is responsible for the billing and collection of money owed to the City has established written collection procedures. 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 83 uncollectible accounts totaling \$135,422.25, as described in Attachment A.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

A. Uncollectible Accounts
Proposed Resolution No. 9819

AVAILABLE IN COUNCIL LIBRARY

N/A