

CITY COUNCIL REGULAR SESSION

Resolution authorizing the write-off of 17 uncollectible accounts totaling \$25,238.80, as described in Attachment A.

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Finance & Asset Management Department

EXECUTIVE SUMMARY

This Resolution authorizes the write-off of 17 uncollectible accounts totaling \$25,238.80 from various City departments.

RECOMMENDATION

Move to adopt Resolution No. 9967.

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, etc.

Bellevue City Code section 3.32.100 authorizes the Finance & Asset Management (FAM) 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 uncollectable accounts over \$1,000. An account may not be written off unless all cost-effective means of collection have been exhausted.

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.

Seventeen accounts are recommended for write-off ranging from \$1,005.00 to \$2,217.80, totaling \$25,238.80. 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.

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

POLICY & FISCAL IMPACTS

Policy Impact

The City Council must approve the write-off of accounts that are deemed to be uncollectible and exceed \$1,000 per customer.

Fiscal Impact

This Resolution authorizes the write-off of 17 uncollectible accounts totaling \$25,238.80 from various City departments. 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 17 uncollectible accounts totaling \$25,238.80, as described in Attachment A.
2. Do not adopt the Resolution and provide alternative direction to staff.

ATTACHMENTS & AVAILABLE DOCUMENTS

A. Attachment A – Uncollectible Accounts
Proposed Resolution No. 9967

AVAILABLE IN COUNCIL LIBRARY

N/A