

Ordinance No. 00510

[City Council meeting minutes of February 1 2010](#)

ORDINANCE NO. 510

AN ORDINANCE of the City Council of the City of Lakewood, Washington, creating Chapter 3.22 of the Lakewood Municipal Code to address outstanding accounts receivable.

WHEREAS, the City currently has no ability to facilitate payment of outstanding debt to the City by providing payment plans for individuals unable to complete their obligation to the City in one payment; and

WHEREAS, the City has no write-off process for uncollectible outstanding debt which results in the City carrying accounts receivable long after it is clear they will never be paid and thus incurring administrative costs to the City with no hope of recovery; and

WHEREAS, delegation of authority and adoption of a process will alleviate issues related to outstanding accounts receivable;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD, WASHINGTON DO ORDAIN as follows:

Section 1. That a new Chapter of the Lakewood Municipal Code be created. This chapter does not apply to any amounts owed to or through the Lakewood Municipal Court.

Chapter 3.22

Nonpayment ? Outstanding Accounts Receivable

Sections:

03.22.010 Payment Plan

03.22.020 Write-off

03.22.010 Payment Plan.

The Assistant City Manager for Finance, or designee, is authorized to enter into payment plans with individuals who cannot meet their financial obligation to the City in one payment. Such arrangements are at the discretion of the City and may factor in interest and the additional cost of monitoring time payments.

03.22.20 Write-off.

The City shall make reasonable attempts to collect all money owing in compliance with city policy and procedure. If such attempts fail and at least one-hundred twenty (120) days have passed since the original due date, the receivable will be sent to a collection agency. No less than twenty-four (24) months after the original due date, if the receivable remains uncollected, the City may write-off the debt, provided the amount of the receivable is less than two hundred fifty dollars (\$250.00), and both the City Manager and Assistant City Manager for Finance authorize the write-off. Any decisions regarding write-off are discretionary with the City and may consider any variety of factors, including but not limited to resources of the City for purposes of attempting collection and aggregate impact of receivables at the time.

Section 2. Severability. If any portion of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or the application of the provision to other persons or circumstances shall not be affected.

Section 3. Effective Date. That this Ordinance shall be in full force and effect five (5) days after publication of the Ordinance Summary.

PASSED by the City Council this 1st day of February, 2010.

CITY OF LAKEWOOD

_____ Douglas G. Richardson, Mayor

Attest:

Alice M. Bush, MMC, City Clerk

Approved as to form:

Heidi Ann Wachter, City Attorney