



TO: Elizabeth Pauli, City Manager
FROM: Jenni Barrett, Tax & License Operations Manager, Finance
 Andy Cherullo, Finance Director
COPY: City Council and City Clerk
SUBJECT: Ordinance – Amendments to Tacoma Municipal Code – Title 1 – January 29, 2019
DATE: January 4, 2019

SUMMARY:

Staff is proposing to amend section 1.06.226 in Title 1 in the Tacoma Municipal Code (TMC) related to cancellation of amounts due the City. In an effort to continually review and improve financial processes, the Finance Department has established a City wide write-off policy that will standardize the write-off of uncollectible amounts due to the city. The approval process outlined in TMC 1.06.226 was identified as an area of improvement. Staff is seeking approval of the recommended amendments.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

BACKGROUND:

TMC Section 1.06.226 – Cancellation of amounts due relates to when the City is allowed to write-off or cancel an amount due to the City after reasonable collection or settlement efforts have been attempted. This section has not been updated since 1995.

Amount	Current Approval Required From
Up to \$15,000	Finance Director and City Attorney
\$15,001 - \$25,000	City Attorney and City Manager or TPU Director
Over \$25,000	City Council

ISSUE:

The proposed amendments would simplify the approval process by allowing Department Directors to approve write-off of amounts due to their department of up to \$5,000. Amounts between \$5,000 and \$25,000 would require City Attorney and Finance Director approval and amounts over \$25,000 would continue to require approval by the City Council.

Amount	Proposed Approval Required From
Up to \$5,000	Department Directors
\$5,001 - \$25,000	Finance Director and City Attorney or TPU Director
Over \$25,000	City Council

ALTERNATIVES:

The alternative is to continue status quo using the current approvals required in the Tacoma Municipal Code or the amount due at each approval level could be altered to a different amount.

FISCAL IMPACT:

There is no fiscal impact.