



ORDINANCE NO. 28570

1 AN ORDINANCE relating to administration; amending Section 1.06.226 of the
2 Tacoma Municipal Code, "Cancellation of amounts due," to simplify and
3 streamline the approval process for cancellation of uncollectable amounts
4 due to the City.

4 WHEREAS, in an effort to continually review and improve financial
5 processes, the Finance Department is establishing a Citywide policy to standardize
6 the write-off of uncollectible amounts due to the City, and

7 WHEREAS Tacoma Municipal Code ("TMC") 1.06.226 "Cancellation of
8 amount due," allows for the write-off or cancellation of amounts due to the City
9 after reasonable collection or settlement efforts have been attempted, and

10 WHEREAS the approval process contained in TMC 1.06.226 has not been
11 updated since 1995, and was identified as an area of improvement, and

12 WHEREAS the proposed amendment would authorize department directors
13 to approve write-off of amounts of up to \$5,000; amounts between \$5,000 and
14 \$25,000 would require City Attorney and Finance Director, or TPU Director
15 approval; and amounts over \$25,000 would continue to require City Council
16 approval; Now, Therefore,

17
18
19
20
21
22
23
24
25
26



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

BE IT ORDAINED BY THE CITY OF TACOMA:

That Section 1.06.226 of the Tacoma Municipal Code, "Cancellation of amounts due," is hereby amended as set forth in the attached Exhibit "A."

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney



EXHIBIT "A"

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

1.06.226 Cancellation of amounts due.

No amounts in excess of \$25,000.00 which are due any department of the City, including its public utilities, from any individual or corporate debtor thereto under the provisions of leases, contracts, other instruments or agreements, or under provisions of rate or other ordinances or resolutions, or which are due and legally enforceable from any person, corporation or insurance company as a result of damages to City property, shall be canceled, written off, reduced or otherwise compromised without the authorization therefor by a resolution or motion of the City Council or of the Public Utility Board upon recommendation of the City Manager for the general government and upon recommendation of the Director of Utilities for the Department of Public Utilities, as the case may be.

Such amounts due the City which are in excess of ~~\$15,000.00~~ but which are no greater than \$25,000.00 may, after reasonable efforts for the collection or settlement thereof have been exhausted, be authorized to be canceled, written off or settled in part upon recommendation of a Department's Administrative Officer ~~the City Attorney~~ and with the approval of the City Manager ~~Attorney and Director of Finance~~ for general governmental departments or the approval of the Director of Utilities for the Department of Public Utilities, as the case may be.

Such amounts due the City which are no greater than ~~\$15,000.00~~ may, after reasonable efforts for the collection or settlement thereof have been exhausted, be authorized to be canceled, written off or settled in part upon approval of the Department's Administrative Officer ~~Director of Finance and City Attorney~~, based on written procedures developed by the Director of Finance and approved by the City Manager or the Director of Public Utilities, as may be appropriate.

Nothing herein shall prevent the ~~Finance~~ Director of Finance, as approved by the City Manager for general governmental departments and the Director of Utilities for the Department of Public Utilities, as the case may be, from employing collection agencies of recognized competence and repute for the purpose of attempting to collect through assignment thereto, all or any portion of any accounts which have been heretofore canceled and written off the City's books pursuant to this section, except where prior settlement thereof has extinguished the liability of the debtor to the City.