

ORDINANCE NO. 711

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, ESTABLISHING PROCEDURES FOR THE COLLECTION OF DEBT AND USE OF COLLECTIONS AGENCIES AND ENACTING A NEW CHAPTER 3.65 COLLECTION OF DEBT, IN THE SHORELINE MUNICIPAL CODE.**

WHEREAS, RCW 19.16.500 authorizes cities, subject to certain procedural requirements, to retain collection agencies for the purpose of collecting outstanding accounts receivable; and

WHEREAS, it is desirable to authorize the Administrative Services Director to refer uncollectible debts or delinquent accounts of any City department to a collection agency for collections; and

WHEREAS, it is necessary to write off certain debts or accounts if found to be uncollectible; and

WHEREAS, it is desirable to authorize the City Manager and the Administrative Services Director to write off certain accounts receivables if found to be uncollectible;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:**

**Section 1. Findings of Fact.** The recitals set forth above are hereby adopted as findings of the City Council.

**Section 2. New Chapter.** A new chapter 3.65 Collection of Debt is added to the Shoreline Municipal Code to read as follows:

**3.65.010 Establishment of Procedures**

The Administrative Services Director shall establish and maintain policies and procedures relating to the collection of debt. All City departments must comply with these policies and procedures.

**3.65.020 Use of Collection Agencies**

The Administrative Services Director shall establish policies and procedures governing the assignment or other referral of delinquent accounts or debt to a collection agency that has entered into a contract with the City for that purpose. All City departments must comply with these policies and procedures.

**3.65.030 Write-off of Amounts of \$5,000 or Less – Administrative Approval**

In certain cases amounts which are due any department of the City, including its public utilities, from any individual or corporate debtor thereto under provisions of leases, contracts, other instruments or agreements, or under provisions of rate or other ordinance or resolutions, or

which are due and legally enforceable from any person, corporation or insurance company as a result of damages to city property may remain unpaid for long time periods. After the Administrative Service Director has determined that there is no cost effective means of collecting the debt, the debt may be canceled, written off, reduced or otherwise compromised as follows:

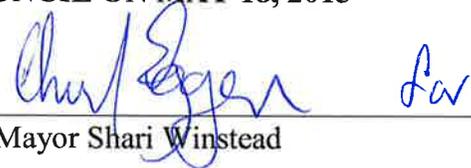
- A. Amounts due the city which are in excess of \$1,000 but which are no greater than \$5,000 may, after reasonable efforts for the collection or settlement thereof have been exhausted, be authorized by the City Manager or designee to be canceled, written off or settled in part upon recommendation of the City Attorney and Administrative Services Director.
- B. Amounts due the city which are no greater than \$1,000 may, after reasonable efforts for the collection or settlement thereof have been exhausted, be authorized by the Administrative Services Director to be canceled, written off or settled in part upon approval of the City Attorney and Administrative Services Director, based on written procedures developed by the Administrative Services Director and approved by the City Manager.

3.65.035 Write-off of Amounts in Excess of \$5,000 – Council Approval

Amounts due the city in excess of \$5,000 which are due any department of the city, including public utilities, from any individual or corporate debtor thereto under provision 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, may not be canceled, written off, reduced or otherwise compromised without the authorization of the City Council upon recommendation of the City Manager.

**Section 3. Effective Date.** A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. The ordinance shall take effect and be in full force five days after passage and publication.

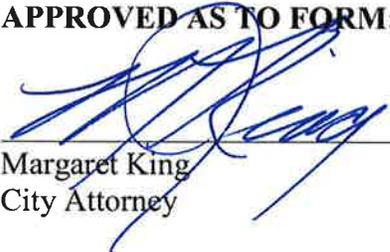
**APPROVED BY THE CITY COUNCIL ON MAY 18, 2015**

  
\_\_\_\_\_  
Mayor Shari Winstead

**ATTEST:**

  
\_\_\_\_\_  
Jessica Simulcik Smith  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Margaret King  
City Attorney

Publication Date: May 21, 2015  
Effective Date: May 26, 2015