

CITY OF DILLINGHAM, ALASKA

**RESOLUTION NO. 2016-73**

**A RESOLUTION OF THE DILLINGHAM CITY COUNCIL APPROVING ESTABLISHING A TIME PERIOD FOR RETAINING AN ACCOUNT THAT HAS BEEN WRITTEN OFF DUE TO BAD DEBT**

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WHEREAS, the City has written off bad debt in the past for personal property tax, sales tax, harbor/dock invoices, utility invoices, ambulance charges, Title 49s, and other misc. debt; and

WHEREAS, the most recent write-off was March 3, 2016, Resolution No. 2016-13, to write off delinquent receivables for unpaid personal property tax, sales tax, harbor/dock invoices and other misc. debt dated 2008-2014; and

WHEREAS, Resolution No. 2016-13 included language that the Finance Department would remain alert to the changing conditions which may allow the collection of these invoices in the future, and may remain on the denied services list; and

WHEREAS, the Denied Services List is regularly updated and is a way of keeping track of accounts that have been written off; and

WHEREAS, the City of Dillingham's records retention schedule is six years for accounts receivable records related to the payment of financial obligations and receipt of revenues, and includes income from sales and property taxes, utilities, user fees, tariffs, and other revenue generating enterprises;

NOW, THEREFORE, BE IT RESOLVED that:

- 1) The City of Dillingham will maintain a Denied Services List and it will include accounts written off, because the individuals defaulted on their promissory notes, and includes accounts with an arrears balance for a period of six years
- 2) The Finance Department will maintain the supporting documentation and a copy of the online account history for accounts written off for a period of six years;
- 3) The City will exhaust all collection efforts prior to writing off an account due to bad debt passed by Council resolution.

PASSED and ADOPTED by the Dillingham City Council on December 8, 2016.

  
Alice Ruby, Mayor

ATTEST:

[SEAL]

  
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Janice Williams, City Clerk



**City of Dillingham Information Memorandum**

Agenda of: December 8, 2016

Attachment to:

Ordinance No. \_\_\_\_\_ / Resolution No. 2016-73

**Subject:**

A resolution approving establishing a time period for retaining an account that has been written off due to bad debt

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City Manager: Recommend Approval

Signature: Rose Loken

Fiscal Note:  Yes  No

Funds Available:  Yes  No

**Other Attachments:**

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**Summary Statement:**

This resolution is intended to correlate the city's adopted retention schedule with its internal practice of maintaining its denied services list, which prohibits an individual or a business from using city's services such as the harbor and dock without reconciling its bad debt beforehand.

It has been thoroughly vetted through the Finance & Budget Committee and is being recommended to the Council for approval.

Attachment to:  
Ordinance No. \_\_\_\_\_ / Resolution No. 2016-73 \_\_\_\_\_

**Summary Statement continued:**

<b>Route to</b>	<b>Department Head</b>	<b>Date</b>
X	Finance Director	
X	City Clerk	