

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
CHULA VISTA ADOPTING AN UNCOLLECTIBLE
ACCOUNTS RECEIVABLE WRITE-OFF POLICY

WHEREAS, the City of Chula Vista desires to adopt guidelines and authorization levels for write-off of uncollectible accounts receivable; and

WHEREAS, to this end, staff has drafted an Uncollectible Accounts Receivable Write-Off Policy; and

WHEREAS, the proposed policy follows the generally accepted accounting principles of writing-off receivables to a conservative collectible level for financial reporting purposes in order to eliminate the overstatement of those assets on the City's balance sheet; and

WHEREAS, by writing-off the uncollectible accounts, the City is not forgiving them, but acknowledging that the collection of these accounts is doubtful; and

WHEREAS, writing-off of an account does not stop the City from pursuing further collection of the account should new information become available; and

WHEREAS, the attached accounts receivable policy establishes criteria under which an account may be written-off, describes due diligence documentation and defines authorization levels for write-offs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that it does hereby, accept and adopt the newly established Uncollectible Accounts Receivable Write-Off Policy as reflected in Exhibit 1.

Presented by

Approved as to form by

David Bilby
Director of Finance

Glen R. Googins
City Attorney