

RESOLUTION NO. RES-05-0089

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH IMPOSING COLLECTION CHARGES ON DELINQUENT ACCOUNTS DUE THE CITY OR TURNED OVER TO A COLLECTION AGENCY IN ORDER TO RECOVER CITY COSTS IN COLLECTING SUCH DELINQUENT ACCOUNTS

WHEREAS, the Billing and Collections Section of the Financial Services Division of the Commercial Services Bureau of the Department of Financial Management is charged with the responsibility of collecting various delinquent bills, accounts and other charges lawfully owing to the City of Long Beach; and

WHEREAS, the cost of such collection of delinquencies is substantial and results in a significant diminution of net revenues to the City; and

WHEREAS, Resolution No. C-25656 adopted by the City Council on June 28, 1994, provides that the Billing and Collections Section, in order to recover its costs of collecting, shall impose a charge of ten percent (10%) on each delinquent bill where collection is undertaken, either directly or under contract, except the collection charge shall never be less than ten dollars nor more than five hundred dollars; and

WHEREAS, it is the City's desire to recover its additional costs of collecting delinquencies when it is necessary to seek payment through an outside collection agency following unsuccessful efforts by the City to collect; and

WHEREAS, prior to adoption of this resolution imposing a collection charge, public notice and hearing have been given in accordance with Section 66018 of the California Government Code;

NOW, THEREFORE, the City Council of the City of Long Beach resolves as follows:

1 Section 1. That the above recitals are true and correct and are
2 incorporated herein by this reference.

3 Sec. 2. There is hereby imposed a charge on each delinquent bill,
4 account and other amount lawfully due and owing the City, inclusive of any applicable
5 late fees, penalties or assessments, and the collection of which is undertaken by the
6 Billing and Collections Section of the Financial Services Division of the Commercial
7 Services Bureau of the Long Beach Department of Financial Management. The charge
8 shall be ten percent (10%) of the amount of delinquency for which collection is
9 undertaken, but shall be not less than ten dollars nor more than five hundred dollars.

10 Sec. 3. In addition to the charge imposed in Section 2 above, there is
11 hereby imposed a charge of twenty percent (20%) of the amount of delinquency for
12 which collection is undertaken on each delinquent bill, account and other amount
13 lawfully due and owing the City for which the services of an outside collection agency
14 are required. The charge of twenty percent (20%) shall be applied to the total balance
15 of the delinquent bill, account and other amount due including all applicable late fees,
16 penalties, assessments and prior collection charges.

17 Sec. 4. The purpose of the above charges is to offset and recover the
18 costs to the City of internal collection efforts by the Billing and Collections Section to
19 obtain payment of the delinquent bill, account or other amount due and of the charges
20 paid to an outside collection agency by the City for delinquent accounts which the City
21 has been unable to collect. These charges do not exceed the reasonable cost of
22 providing such service by the City.

23 Sec. 5. Resolution No. C-25656 adopted by the City Council on June 28,
24 1994, is hereby replaced in its entirety and rescinded.

25 Sec. 6. This resolution shall take effect immediately upon its adoption by
26 the City Council, and the City Clerk shall certify to the vote adopting this resolution.

27 Sec. 7. Constitutionality, Severability. If any section, subsection,
28 sentence, clause or phrase of this Resolution is for any reason held to be invalid or

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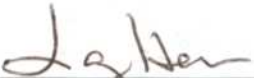
1 unconstitutional by the decision of any court of competent jurisdiction, such decision
2 shall not affect the validity of the remaining portions of the Resolution. The City Council
3 hereby declares that it would have passed this Resolution and each section, sub-
4 section, sentence, clause and phrase hereof, irrespective of the fact that any one or
5 more of the sections, sub-sections, sentences, clauses or phrases hereof be declared
6 invalid or unconstitutional. Additionally, the determination of an unconstitutional or
7 invalid section, subsection, clause or phrase shall have the effect of reviving the prior
8 section, subsection, sentence, clause, or phrase as previously set forth in Resolution
9 No. C-25656, if by doing so the defect can be cured, as though it had never been
10 amended by this Resolution.

11 I hereby certify that the foregoing resolution was adopted by the City
12 Council of the City of Long Beach at its meeting of September 13, 2005, by the
13 following vote:

14 Ayes: Councilmembers: Lowenthal, Colonna, O'Donnell,
15 Kell, Richardson, Reyes Uranga,
16 Gabelich, Lerch.

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18 Noes: Councilmembers: None.

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20 Absent: Councilmembers: Baker.

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24 City Clerk

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