

1 RESOLUTION NO. RES-05-0090

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3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH IMPOSING AN ADMINISTRATIVE
5 CHARGE ON CERTAIN ACCOUNTS RECEIVABLE DUE THE
6 CITY TO OFFSET AND REIMBURSE CITY FOR COSTS
7 INCURRED BECAUSE OF UNTIMELY PAYMENT AFTER
8 THE DUE DATE

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10 The City Council of the City of Long Beach resolves as follows:

11 Section 1. There is hereby imposed an administrative charge for the late
12 payment of various accounts receivable lawfully due and owing the City of Long Beach
13 in the amount of 1.25% (one and one-quarter percent) of the total amount outstanding
14 and unpaid on the bill at the time it is deemed to be late. This administrative charge
15 shall be referred to herein as a "late payment charge" or "late charge." A bill, account or
16 other amount due is deemed to be late and subject to a late charge if payment is not
17 received by the City and applied to the account on or before the date specified on the
18 bill as the date the late charge shall apply. The late charge shall be imposed thereafter
19 each month against the total outstanding bill which remains late and unpaid, including
20 all prior months unpaid late charges. If an amount is paid which is less than the full
21 amount due, the payment shall be applied first to the late charge and then to the least
22 current charges remaining on the bill.

23 Sec. 2. The late charge imposed herein shall apply only to the following:

- 24 a. Department of Public Works - Property Damage Claims
25 b. Fire Department - Ambulance Transport Claims

26 Sec. 3. The late charge shall not accrue during or after any month
27 wherein the account receivable is presented to the Billing and Collections Section of the
28 Financial Services Division of the Commercial Services Bureau of the Department of

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1 Financial Management for the purpose of collecting the delinquent sum, except that a
2 collection charge shall be imposed on such delinquent account in an amount as
3 established by separate resolution of the City Council.

4 Sec. 4. The purpose of the late charge is to recover the costs to City of
5 administering and processing late payments, the cost associated with the loss in the
6 time value of money due to the late payment, and to encourage timely future payment
7 to the City by reimbursing the City for the additional costs resulting from the failure to
8 remit or make timely payment.

9 Sec. 5. This resolution shall take effect immediately upon its adoption by
10 the City Council, and the City Clerk shall certify to the vote adopting this resolution.
11 However, it shall be operative only as to delinquent accounts receivable bills issued on
12 or after October 1, 2005.

13 Sec. 6. Constitutionality, Severability. If any section, subsection,
14 sentence, clause or phrase of this Resolution is for any reason held to be invalid or
15 unconstitutional by the decision of any court of competent jurisdiction, such decision
16 shall not affect the validity of the remaining portions of the Resolution. The City Council
17 hereby declares that it would have passed this Resolution and each section, sub-
18 section, sentence, clause and phrase hereof, irrespective of the fact that any one or
19 more of the sections, sub-sections, sentences, clauses or phrases hereof be declared
20 invalid or unconstitutional if by doing so the defect can be cured.

21 I hereby certify that the foregoing resolution was adopted by the City
22 Council of the City of Long Beach at its meeting of September 13, 2005, by the

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following vote:

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

Noes: Councilmembers: None.

Absent: Councilmembers: Baker.



City Clerk

CAS:
8/18/05 #05-03244
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