

RESOLUTION NO.

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3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH IMPOSING COLLECTION
5 CHARGES ON DELINQUENT ACCOUNTS DUE THE CITY
6 OR TURNED OVER TO A COLLECTION AGENCY IN
7 ORDER TO RECOVER CITY COSTS IN COLLECTING SUCH
8 DELINQUENT ACCOUNTS
9

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

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

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

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

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

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

Robert J. Annon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

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

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 _____, 2005, by the
13 following vote:

14 Ayes: Councilmembers: _____
15 _____
16 _____
17 _____

18 Noes: Councilmembers: _____
19 _____

20 Absent: Councilmembers: _____
21 _____

22 _____
23 City Clerk

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26 CAS:sek
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