




**BUSINESS OF THE CITY COUNCIL
BONDURANT, IOWA
AGENDA STATEMENT**

Item No. 5r
For Meeting of 04/20/2020

ITEM TITLE: Resolution adopting Bad Debt Policy for the City of Bondurant

CONTACT PERSON: Jené Jess, Finance Director

SUMMARY EXPLANATION: Staff is recommending changes to the City's existing Bad Debt policy. The policy establishes and maintains uniform definitions and procedures concerning bad debt for the City of Bondurant. Previously, the City would maintain and pursue all debt no matter length of time, collectability, or amount. As Bondurant has grown, this is no longer feasible. Staff recommends eliminating stale, uncollectable, and insignificant amounts to continue the activity in a more cost-effective manner and respective of staffing levels.

<input checked="" type="checkbox"/> Resolution _____ Ordinance ___ Contract ___ Other (Specify) _____
Funding Source _____
APPROVED FOR SUBMITTAL _____  City Administrator

RECOMMENDATION: Approve resolution on a roll call vote.

CITY OF BONDURANT
RESOLUTION 200420-119

Resolution adopting Bad Debt Policy for the City of Bondurant

WHEREAS, the City Council of the City of Bondurant, Iowa, did on April 20th, 2020, adopt a Bad Debt Policy; and

WHEREAS, based upon the recommendation of the Finance Director, the City Council deems it appropriate to revised past Bad Debt Policy and procedures with those in the attached new policy.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BONDURANT, IOWA, that the Bad Debt Policy, dated April 20th, 2020, be and the same is hereby adopted and supersedes all previous policies.

Passed this 20th day of April 2020,

By: _____
Curt Sullivan, Mayor

ATTEST: I, Shelby Hagan, City Clerk of Bondurant, hereby certify that at a meeting of the City Council held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand the day and year above written.

Shelby Hagan, City Clerk

Council Action	Ayes	Nays	Abstain	Absent
Cox				
Peffer				
Enos				
McKenzie				
Elrod				



BAD DEBT POLICY
Adopted: April 20, 2020

**CITY OF BONDURANT
BAD DEBT POLICY
2020**

1. DEFINITION

The purpose of the Bad Debt Policy is to establish and maintain uniform definitions and procedures concerning bad debt for the City of Bondurant.

Bad Debt will be defined as outstanding money due to the city that is one or all of the following:

- A. Uncollectable: No current or correct contact information is available.
- B. Stale: 10 years or more without collecting any money on the debt.
- C. Insignificant: An amount less than \$45.

Bad Debt will be immediately and forever remove from the accounts receivable books and no longer maintained by staff.

2. MONITORING, PROCESS, AND TIMING

Each month staff will assess outstanding debt. Staff will create a bad debt list for Department Head approval. Once the list is approved, staff will remove the debt from the accounts receivable books and document all transactions for review by the City's Auditors.