

**PLAINFIELD TOWN COUNCIL**

**ORDINANCE NO. 12-2007**

**AN ORDINANCE ESTABLISHING A POLICY AND PROCEDURE TO CEASE FURTHER COLLECTION PROCEDURES, AND ACTIVITIES AND TO EXPENSE AMOUNTS OUTSTANDING ON UNCOLLECTIBLE ACCOUNTS, WRITE-OFF SAID ACCOUNTS AND CLASSIFY THE SAME AS A BAD DEBT, AND REPEALING ALL ORDINANCES OR PARTS THEREOF IN CONFLICT HERewith.**

WHEREAS, The Town Council of the Town of Plainfield, Hendricks County, Indiana, is required to establish a policy and procedure for handling and dealing with uncollectible accounts receivable owing the Town; and

WHEREAS, the Town Council of the Town of Plainfield, Hendricks County, Indiana has been further advised by its Clerk-Treasurer that there is no policy or procedure currently within the Town, including Town Code and Ordinances, establishing a policy or procedure for the handling and processing of uncollectible accounts receivable owing to the Town; and

WHEREAS, the Town Council of the Town of Plainfield, Hendricks County, Indiana, has reviewed the recommendations of its Clerk-Treasurer and its Town Code of Ordinances, and based upon said review, concurs that it is advisable, necessary, and in the best interests of the residents of the Town, as well as the business practices of the Town, to establish a policy and procedure for uncollectible accounts receivable owing to the Town in order to expense said amounts outstanding, cause the same to be written off, and classify the same as bad debt in order to comply with applicable rules and regulations of the State of Indiana Board of Accounts for the same.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PLAINFIELD, HENDRICKS COUNTY, STATE OF INDIANA, THAT;**

**SECTION 1:** The Following shall constitute the Bad debt/uncollectible account receivable write-off policies and procedures for the Town of Plainfield, namely:

- (A) In the event that accounts receivable under this Ordinance, as amended from time to time, are not paid within the time fixed by the Town of Plainfield (hereafter "the Town") or a Town Agency or Department, the same shall be deemed delinquent. A penalty of ten percent (10%) of the amount of the account receivable may be attached as delinquent fees.
- (B) As used herein, the term UNCOLLECTABLE ACCOUNT shall have the following meaning: A delinquent account receivable for which the Town

or Town Agency or Department has reasonably and diligently attempted collection, but in which such collection remains unsuccessful.

- (C) The Town or Town Agency or Department shall prepare a semi-annual schedule of uncollectible accounts. The semi-annual schedule shall consist of accounts the Town or Town Agency or Department has determined to be uncollectible.
- (D) The Town or Town Agency or Department shall generate a statement setting forth the efforts that have been made to collect the account and a statement that such efforts have been unsuccessful.
- (E) The Town or Town Agency or Department shall produce a statement, including the reasons therefore, that the Town or Town Agency or Department believes it is not economically feasible to pursue collection efforts on the specified uncollectible account.
- (F) A schedule of uncollectible accounts shall be submitted to the Town Council for action by the Town Council to declare said accounts listed as collectible or uncollectible and may authorize the Town or Town Agency or Department to cease further collection procedures and expense the amounts outstanding on the accounts declared uncollectible as bad debts.
- (G) The Town or the Town Agency or Department may attempt to recover the amount of the bad debt in a civil action against the debtor.
- (H) Accounts in which state and/or federal law mandates an amount is to be written off shall be written off as bad debts upon the approval of the Clerk-Treasurer of the Town.

SECTION 2: That all existing Ordinances, or parts thereof, in conflict with the provisions of this Ordinance, are hereby deemed null, void, and of no legal effect, and are specifically repealed.

SECTION 3: If any section, clause, provision or portion of this Ordinance and these Regulations shall be declared invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Ordinance and these Regulations.


SECTION 4: This Ordinance and these Regulations shall take effect, and be in full force and effect, from and after passage by the Town Council of the Town of Plainfield, Hendricks County, Indiana and publication in conformance with applicable law.

THIS ORDINANCE is hereby passed and adopted this 14<sup>th</sup> day of May 2007.

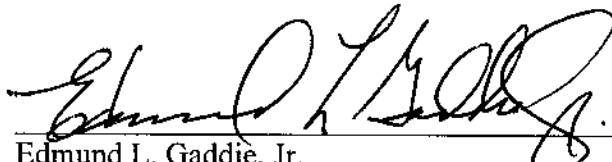
TOWN COUNCIL, TOWN OF PLAINFIELD  
HENDRICKS COUNTY, STATE OF INDIANA

  
Robin G. Brandgard, President

  
Kent McPhail

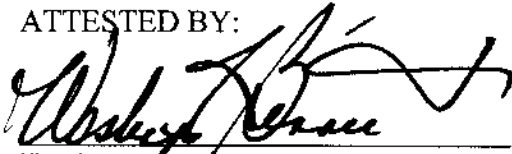
  
Bill Kirchoff

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Daniel W. Fivecoat

  
Edmund L. Gaddie, Jr.

Constituting a majority of the members of the Town  
Council

ATTESTED BY:

  
Wesley R. Bernett, Clerk-Treasurer  
Town of Plainfield, Hendricks County  
State of Indiana

**PUBLISHED:**  
Hendricks County Flyer MAY 17 2007  
Hendricks County Flyer MAY 24 2007