



Hamilton

CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Services

TO:	Chair and Members Audit, Finance and Administration
COMMITTEE DATE:	April 14, 2014
SUBJECT/REPORT NO:	Accounts Receivable Write-Offs for March 2014 (FCS14019) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Bev Neill 905-546-2424 Ext. 6274
SUBMITTED BY:	Mike Zegarac Acting General Manager Finance & Corporate Services Department
SIGNATURE:	

RECOMMENDATION

- (a) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible General Accounts Receivables in the amount of \$15,487.36 attached as Appendix "A" to Report FCS14019;
- (b) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible Recreation Division Accounts Receivables in the amount of \$180,311.59, attached as Appendix "B" to Report FCS14019;
- (c) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible HECFI Accounts Receivable in the amount of \$60,610.49 attached as Appendix "C" to Report FCS14019
- (d) That the Schedule of General Accounts Receivable Write-Offs less than \$1,000.00 attached as Appendix "D" to report FCS14019, be received for information.
- (e) That the Schedule of Recreation Division Accounts Receivable Write-Offs less than \$1,000.00 attached as Appendix "E" to Report FCS14019 be received for information.
- (f) That the Schedule of HECFI Accounts Receivable Write-Offs less than \$1,000.00 attached as Appendix "F" to Report FCS14019 be received for information.

SUBJECT: Accounts Receivable Write-Offs for March 2014 (FCS14019) (City Wide) - Page 2 of 5

EXECUTIVE SUMMARY

In accordance with Council Policy:

A listing of uncollectible General Accounts Receivable accounts totalling \$15,487.36 is attached as Appendix "A" to Report FCS14019 for Council approval. Upon approval, the Accounts Receivable Section will remove the accounts from the Aged Trial Balance and prepare the necessary accounting entries. These amounts have been allowed for in the 2013 year end allowance for doubtful accounts. Therefore, the write-offs of these receivables will not be reflected in the 2014 actual expenditures.

A listing of uncollectible Recreation Division accounts totalling \$180,311.59 is attached as Appendix "B" to Report FCS14019. Upon approval, the Recreation Division will remove the accounts from the Aged Trial Balance and prepare the necessary accounting entries. These amounts have been allowed for in the 2013 year end allowance for doubtful accounts. Therefore, the write-offs of these receivables will not be reflected in the 2014 actual expenditures.

A listing of uncollectible HECFI accounts totalling \$60,610.49 is attached as Appendix "C" to Report FCS14019. These amounts have been allowed for in the 2013 year end allowance for doubtful accounts. Therefore, the write-offs of these receivables will not be reflected in the 2014 actual expenditures.

In accordance with Council Policy:

A list of uncollectible General Accounts Receivable totalling \$4,008.96 and valued at less than \$1,000.00 each has been written-off since the last report in March 2013, attached as Appendix "D".

A list of uncollectible Recreation Division Accounts Receivable totalling \$62,556.16 and valued at less than \$1,000.00 each has been written-off since the last report in March 2013, attached as Appendix "E".

A list of uncollectible HECFI Accounts Receivable totalling \$1,960.61 and valued at less than \$1,000.00 each has been written-off since the last report in March 2013, attached as Appendix "F".

Alternatives for Consideration – See Page 4.

ANALYSIS AND RATIONAL FOR RECOMMENDATION

(Include Performance Measurement/Benchmarking Data if applicable)

All avenues of collection in regards to the receivables being recommended for write-off have been exhausted.

Collection procedures include but are not limited to:

- Mailing written non-payment reminders, such as, statements, demand letters, etc.
- Verbal request by telephone or, in person, where applicable
- Negotiating revised payment terms
- Cross-referencing against the Accounts Payable System
- Drawing on securities held, such as, Letter of Credit, Bonds, etc., if applicable
- Recovery through the tax system by transferring uncollectible items as permitted in our By-Laws
- Legal action
- Use of a Collection Agency

ALTERNATIVES FOR CONSIDERATION

(Include Financial, Staffing, Legal and Policy Implications and Pros and Cons for each alternative)

Accounts that are written-off will be removed from the active listing. If future information is received that would aid in the collection of these written-off amounts, active collection would be resumed.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" Report FCS14019 - Write-off of General Accounts Receivable Greater than a \$1,000.

Appendix "B" Report FCS14019 - Write-off of Recreation Division Accounts Receivable Greater than \$1,000.

Appendix "C" Report FCS14019 - Write-off of HECFI Accounts Receivable Greater than a \$1,000.

Appendix "D" Report FCS14019 - Write-off of General Accounts Receivable Less Than a \$1,000.

Appendix "E" Report FCS14019 - Write-off of Recreation Division Accounts Receivable Less Than a \$1,000.

Appendix "F" Report FCS14019 - Write-off of HECFI Accounts Receivable Less Than \$1,000.

Cust ID	Customer Name	Amount	Description
<i>Exhausted Collections/Unable to locate/Bankrupt</i>			
113889	Smooth Hermans Bar & Grill	2,719.30	Police Duty - Bankrupt
116099	***	1,122.80	Senior Day Program
100509	Ham. Dist. Catholic School Bd.	1,934.40	Blue carts disputes dated back from 2009
100791	Ministry of Attorney General	3,154.76	HSR irreconcilable differences prior to 2011
	Sub-Total	8,931.26	
<i>Deceased/No Estate/No Funds</i>			
	***	1,016.41	Maintenance Charge - Lodges
	***	5,539.69	Maintenance Charge - Lodges
	Sub-Total	6,556.10	
	GRAND TOTAL	\$ 15,487.36	

*** Identifiable Individual, name left off at request of Council.

Note: Amounts listed have been allowed for in the December 2013 year end allowance, these write-offs will not affect the 2014 budget.

Recreation Division Accounts Receivable Greater
Than \$1000

Name	>\$1000	
Arthritis - Roller Hockey	\$1,031.40	Exhausted Collection Efforts
***	\$1,227.65	"
Scott Park Community HockeyAsoc old de	\$35,319.87	Bankrupt
	\$37,578.92	Total 2002
***	\$2,525.00	Exhausted Collection Efforts
***	\$3,766.40	"
***	\$1,040.80	"
Scott Park Community HockeyAsoc old de	\$48,954.40	Bankrupt
Tanya Langille's Tap & Jazz	\$1,740.00	Business no longer in operation
	\$58,026.60	Total 2003
***	\$1,328.30	Exhausted Collection Efforts
Eastwood Minor Hockey Association	\$25,208.36	Bankrupt
***	\$2,256.60	Exhausted Collection Efforts
***	\$2,668.20	"
***	\$2,333.60	"
JKD Canada	\$1,225.00	"
Laura Stamm Power Skating	\$1,155.60	"
***	\$1,656.00	"
Stoney Creek Jaguars	\$1,480.00	"
***	\$1,058.60	"
	\$40,370.26	Total 2004
***	\$1,264.70	Exhausted Collection Efforts
Hamilton Screaming Eagles	\$3,442.80	"
***	\$1,712.00	"
	\$6,419.50	Total 2005
1st Woodburn Scouting Group	\$6,497.92	Exhausted Collection Efforts
Ancaster Little League	\$6,255.83	Fees waived - agreement with former Town of Ancaster
Canadian Soccer League	\$3,240.00	Exhausted Collection Efforts
Mt. Hope Lions	\$1,677.00	Fees waived - agreement with former Town of Glanbrook
	\$17,670.75	Total 2007
Ancaster Little League	\$8,398.10	Fees waived - agreement with former Town of Ancaster
***	\$2,667.50	Exhausted Collection Efforts
	\$11,065.60	Total 2008
***	\$2,130.00	Exhausted Collection Efforts
Hamilton&District Sr. Soccer League old	\$5,007.20	"
SC 1812 Junior old debt account	\$2,042.76	"
	\$9,179.96	Total Not Active Account
	\$180,311.59	Grand Total

*** Identifiable Individual, name left out at request of Council

Note: Amounts have been allowed for in the December 2013 year end allowance

HECFI Account Receivable Greater Than \$1000

Appendix "C" to Report FCS14019
Page 1 of 1

Cust ID	Name	Amount	
100914	Opera Hamilton	14,020.86	Legal settlement
106232	SISO - Settlement & Integratio	5,038.42	No longer operating
108531	Hamilton Bulldogs Hockey Club	8,443.15	Invoicing dispute
114737	Community Functionality Facili	1,845.54	Exhausted collection efforts
115213	Indian Art-I-Crafts of Ontario	25,108.55	Exhausted collection efforts
116554	The Danforth Music Hall	6,153.97	Exhausted collection efforts
Total		<u>\$ 60,610.49</u>	

Note: Amounts listed have been allowed for in the December 2013 year end allowance, these write-offs will not affect the 2014 budget.

Cust ID	Customer Name	Amount	Description
HAMTN			
Exhausted Collections/Unable to locate/Deceased			
100202	C.U.P.E. Local 5167	156.48	Issues with invoices that were charged finance charges
105042	Montana's (Upper James)	26.49	Finance charges
107383	Lesley's Flowers	51.83	NSF charges & finance charges as per Market Manager
111348	Verdemo Construction Ltd	68.92	Re-inspection fee
115805	Hero Mobile Cafe	214.11	Lister Block Art Crawl
115813	National Art College of Canada	646.51	False alarm response fee
115848	Dr. Robin Rabideau	67.42	Thermometer
116164	On the George	49.24	Police Duty
116339	***	251.71	Payroll overpayment
116835	***	491.77	Child care subsidy overpayment
116844	***	19.00	Day Program
116856	***	814.66	Child care subsidy overpayment
L00922	Ira Greenspoon	113.07	Tax certificates
L01224	John Pichelli	54.40	Tax certificates
	Sub-Total	<u>3,025.61</u>	
RMRCH March 31 Year End Programs			
116832	Center for Gambling Studies	19.13	Finance charges
	Sub-Total	<u>19.13</u>	
Lodges Deceased/Discharged/No Estate			
	***	225.67	Maintenance Charge Lodges
	***	278.00	Maintenance Charge Lodges
	***	45.32	Maintenance Charge Lodges
		<u>548.99</u>	
RROAD Roads			
100712	Lloyd's Variety	233.16	Waste Removal
107100	Ministry of Transportation	70.99	Finance charges
113296	Rogers Communications Inc.	86.46	Finance charges
116530	***	24.62	Manufacture Banner
	Sub-Total	<u>415.23</u>	
	Grand Total	<u>\$ 4,008.96</u>	

*** Identifiable Individual, name left off at request of Council.

Note: Amounts listed have been allowed for in the December 2013 year end allowance. These write-off will not affect the 2014 budget.

Year	Amount	
2001	\$136.85	Exhausted Collection Efforts
2002	\$10,198.40	"
2003	\$11,440.37	"
2004	\$9,854.83	"
2005	\$3,978.45	"
2006	\$1,349.82	"
2007	\$4,905.52	"
2008	\$4,952.53	"
2009	\$2,601.02	"
2010	\$58.60	"
2011	\$72.72	"
Inactive Accounts ²	<u>\$13,007.05</u>	"
Grand Total	\$62,556.16	

Notes: Detailed list of individual names has not been provided as per Council's request.
 Individual items are less than \$1,000.00
 Amounts listed have been allowed for in the December 2013 year end doubtful account.

HECFI Accounts Receivable Less than \$1,000

114548 Molson Canada	390.08	Exhausted Collection Efforts
116400 St. Thomas Chaldean Catholic	415.77	"
116459 Taj Banquet Hall	397.42	"
116574 Power of Praise	180.87	"
116603 CTI Events Inc.	542.47	"
116686 ICLEI - Local Governments for	34.00	"
Total	<u>1,960.61</u>	

Note: Amounts listed have been allowed for in the December 2013 year end allowance, these write-offs will not affect the 2014 budget.