



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Services Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	April 11th, 2016
SUBJECT/REPORT NO:	Accounts Receivable Write-Offs for April 2016 (FCS16031) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Bev Neill 905-546-2424 Ext. 6274
SUBMITTED BY:	Mike Zegarac 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 \$29,736.22 attached as Appendix "A" to Report FCS16031;
- (b) That the Schedule of General Accounts Receivable Write-Offs less than \$1,000.00 each in the amount of \$5,618.53, attached as Appendix "B" to Report FCS16031, be received for information;
- (c) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible Wentworth and Macassa Lodge Receivables in the amount of \$16,207.90, attached as Appendix "C" to Report FCS16031;
- (d) That the Schedule of Recreation Division Receivable Write-Offs less than \$1,000.00 each, in the amount of \$13,496.10, attached as Appendix "D" to Report FCS16031, be received for information;
- (e) That the General Manager of Finance and Corporate Services be authorized to write-off uncollectible Recreation Receivables in the amount of \$3,405.99 attached as Appendix "E" to Report FCS16031.

EXECUTIVE SUMMARY

In accordance with Council Policy:

A listing of uncollectible General Accounts Receivable accounts totalling \$29,736.22 is attached as Appendix "A" to Report FCS16031 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 2015 year end allowance for doubtful accounts. Therefore, the write-offs of these receivables will not be reflected in the 2016 actual expenditures.

A listing of uncollectible General Accounts Receivable accounts totalling \$5,618.53 and valued at less than \$1,000.00 each have been written-off since the last report in April 2015 and is attached as Appendix "B" to Report FCS16031. These amounts have been allowed for in the 2015 year end allowance for doubtful accounts. Therefore, the write-offs of these receivables will not be reflected in the 2016 actual expenditures.

A listing of uncollectible Lodge Accounts Receivable accounts totalling \$16,207.90 is attached as Appendix "C" to Report FCS16031 for Council approval. Upon approval, Finance and Administration will remove the amounts from the Lodge's Aged Trial Balance and prepare the necessary accounting entries. These amounts have been allowed for in the 2015 year end allowance for doubtful accounts. Therefore, the write-offs of these receivables will not be reflected in the 2016 actual expenditures.

A listing of uncollectible Recreation Accounts Receivable accounts totalling \$13,496.10 and individually valued at less than \$1,000.00 have been written off since the last report in April 2015 and is attached as Appendix "D" to Report FCS16031. These amounts have been allowed for in the 2015 year end allowance for doubtful accounts. Therefore, the write-offs of these receivables will not be reflected in the 2016 actual expenditures.

A listing of uncollectible Recreation Accounts Receivable accounts totalling \$3,405.99 is attached as Appendix "E" to Report FCS16031 for Council approval. Upon approval, Finance and Administration will remove the amounts from the Recreation Division's Aged Trial Balance and prepare the necessary accounting entries. These amounts have been allowed for in the 2015 year end allowance for doubtful accounts. Therefore, the write-offs of these receivables will not be reflected in the 2016 actual expenditures.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS (for recommendation(s) only)

Financial:

The General Accounts Receivables write-offs have been allowed for in the 2015 year end allowance for doubtful accounts. Therefore, the write-off of these receivables will not be reflected in the 2016 actual expenditures.

- 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 FCS16031 - Write-off of General Accounts Receivable Greater than \$1,000

Appendix “B” Report FCS16031 - Write-off of General Accounts Receivable Under \$1,000

Appendix “C” Report FCS16031 – Write-off of Lodge’s Accounts Receivable.

Appendix “D” Report FCS16031 –Write-off of Recreation Accounts Receivable Under \$1,000

Appendix “E” Report FCS16031 – Write-off of Recreation Accounts Receivable Greater than \$1,000