SUBJECT: Accounts Receivable Write-Offs September 2008 (FCS08073)  
(City Wide)

RECOMMENDATION:

a) That the Acting General Manager of Finance and Corporate Services be authorized to write-off uncollectible accounts receivables in the amount of $124,389.87, attached as Appendix 'A' to report FCS08073; and

b) That the Schedule of Accounts Receivable Write-Offs (under $1,000), attached as Appendix 'B' to report FCS08073, be received for information.

Peter A. Barkwell  
Acting General Manager  
Finance and Corporate Services Department

EXECUTIVE SUMMARY:

In accordance with Council Policy, a listing of uncollectible accounts receivable accounts greater than $1,000.00 and totalling $124,389.87, is attached as Appendix ‘A’ to report FCS08073 for Council approval. Upon approval, the Accounts Receivable Section will remove the accounts from the Aged Trial Balance and prepare necessary accounting entries.

These amounts have been allowed for in the 2007 year end allowance for doubtful accounts. Therefore, the write-offs of these receivables will not be reflected in the 2008 actual expenditures.
In accordance with Council Policy, thirteen (13) accounts totalling $4,394.55 and valued at less than $1,000.00 each have been written-off during 2008, attached as Appendix ‘B’ to report FCS08073.

BACKGROUND:

This report is being brought forward in accordance with the Accounts Receivable Write-Off Policy approved by City Council on February 9, 2005, Council Report #05-003, Item 4.

The Write-Off Policy sets the following authorization levels for account write-offs:

- Up to $500  Director, Financial Services or designate
- Between $500 and $1,000 General Manager, Finance & Corporate Services or designate
- Greater than $1,000  City Council Approval

ANALYSIS/RATIONALE:

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, Letters 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:

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.
FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

These receivables have been allowed for in the 2007 year end allowance for doubtful accounts. Therefore, the write-off of these receivables will not be reflected in the 2008 actual expenditures.

POLICIES AFFECTING PROPOSAL:

Accounts Receivable Write-Off Policy.

RELEVANT CONSULTATION:

Originating departments have been advised of the accounts that will be written-off as they pertain to their department’s operations.

The Lodges have supplied the write-off items that pertain to their operation.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Community Well-Being is enhanced. □ Yes □ No

Environmental Well-Being is enhanced. □ Yes □ No

Economic Well-Being is enhanced. □ Yes □ No

Does the option you are recommending create value across all three bottom lines? □ Yes □ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants? □ Yes □ No
### A/R Write-Offs over $1,000 September 2008

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>CUSTOMER NAME</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 124,389.87</td>
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</table>

#### Corporate Restructuring
- $104,073.10 Opera Hamilton | HECFI Facility Rentals

#### Court Action Pursued/Negotiated Offer Accepted
- $5,358.27 New Millennium | Pavement Cuts

#### Billing Dispute
- $2,291.84 **** | Maintenance Charges - Lodges

#### Deceased/ No Estate/ No Funds
- $7,011.72 **** | Maintenance Charges - Lodges
- $2,865.66 **** | Maintenance Charges - Lodges
- $1,734.29 **** | Maintenance Charges - Lodges
- $1,054.99 **** | Maintenance Charges - Lodges

- **** Identifiable Individual. Name left off at request of Council

**Note:** amounts listed have been allowed for in the December 2007 year end figures. Write-offs will not affect the 2008 budget.
### A/R Write-Offs under $1,000 September 2008

<table>
<thead>
<tr>
<th>TOTAL</th>
<th>CUSTOMER NAME</th>
<th>DESCRIPTION</th>
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<tbody>
<tr>
<td>$ 799.35</td>
<td>****</td>
<td>Payroll Overpayment</td>
</tr>
<tr>
<td>$ 710.13</td>
<td>****</td>
<td>Payroll Overpayment</td>
</tr>
<tr>
<td>$ 577.65</td>
<td>Spinks Law</td>
<td>Tax Certificates</td>
</tr>
<tr>
<td>$ 48.59</td>
<td>****</td>
<td>Sale of Street Sign</td>
</tr>
<tr>
<td>$ 42.61</td>
<td>Urban Heritage Hamilton</td>
<td>Table/Chair Rental</td>
</tr>
<tr>
<td>$ 199.96</td>
<td>****</td>
<td>Payroll Overpayment</td>
</tr>
<tr>
<td>$ 164.91</td>
<td>Attz Law</td>
<td>Tax Certificates</td>
</tr>
</tbody>
</table>

**Unable to Locate/Sent to Collection**

**Court Action/Negotiated Offer Accepted**

$ 64.67 Mount Olive Church Water Charges

**Deceased/ No Estate/ No Funds**

$ 49.02 **** Maintenance Charges - Lodges
$ 344.40 **** Maintenance Charges - Lodges

**Bankrupt**

$ 749.00 Plainsman Restaurant 2005/08 Planner Guide
$ 510.26 Specialty Board Games Paramedics for Special Event

**Disputed Charge**

$ 134.00 1010 Bistro Sponsorship

$ 1,851.35

**** Identifiable Individual. Name left off at request of Council
A/R Write-Offs under $1,000 September 2008

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