

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON DECEMBER 16, 2014
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	REQUEST FOR WRITE OFF OF ACCOUNTS RECEIVABLE

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, Civic Administration **BE AUTHORIZED** to write off the outstanding Accounts Receivable, attached as Appendix "A", in accordance with the Uncollectible Accounts Receivable Policy.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Request for Write Off of Miscellaneous and Dearness Home Accounts Receivable –
(December 10, 2013 meeting of Corporate Services Committee)
<http://sire.london.ca/agdocs.aspx?doctype=minutes&itemid=23336>

Request for Write Off of Miscellaneous and Dearness Home Accounts Receivable –
(November 26, 2012 meeting of Finance and Administration Services Committee)
<http://sire.london.ca/agdocs.aspx?doctype=minutes&itemid=15747>

Request for Write Off of Provincial Offences Act (POA) Accounts Receivable –
(November 26, 2012 meeting of Finance and Administration Services Committee)
<http://sire.london.ca/agdocs.aspx?doctype=minutes&itemid=15746>

BACKGROUND

The accounts attached in Appendix "A" have been processed through the appropriate collection steps, which may include collection letters, monthly statements, telephone and email follow-up, review with our Legal Department and collection attempts by our external collection agencies.

It is recommended that these accounts in the amount of \$400,242.89 be considered uncollectible on the basis we have exhausted all means of collection as set out in the Uncollectible Accounts Receivable Policy 8(5).

For Dearness Home accounts, the City is able to claim back from the Province, 50% of the basic accommodation amount written off, representing a total of \$646, for a net write-off of \$854.

For Provincial Offences Act (POA) accounts, this write-off represents a request to undertake some "housekeeping" in the collections database. All POA amounts included in this report represent accounts where the offender is deceased or the corporation has ceased business operations.

In addition to these recommended write-offs, there have been administrative write-offs under this Policy of \$21,027 for miscellaneous accounts receivable and \$186,866 for POA accounts.

Financial Impact

An annual amount has been allocated in Corporate Expenditures to allow for uncollectible accounts so that expenses are matched to the appropriate years. Upon approval of the above adjustments, there will be \$691,000 remaining in the balance for doubtful accounts.

A record of these accounts will remain in our files and if monies are received, they will be credited to Corporate Revenues upon receipt.

PREPARED AND SUBMITTED BY:	RECOMMENDED BY:
SHARON SWANCE MANAGER, ACCOUNTING	MARTIN HAYWARD, MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER

Attach.