



Meeting Date: November 6, 2024

Prepared By: Melissa Kopal, Manager of Finance

Submitted by: Tiffany Farrell, Director of Corporate Services

Report No: CPS-51-2024

Subject: Accounts Receivable Write Off Approval

Recommendation:

THAT Report CPS-51-2024, re: 2024 Accounts Receivable Write off Approval be received;

AND THAT the write off totalling \$55,989.80 on fire services accounts receivable be approved.

Purpose:

To obtain Council approval for the write off of uncollectable fire services accounts receivable.

Background:

Middlesex Centre bills non-residents for our fire services. The fire services are defined as rescuing, extrication, laying hose, or deploying any equipment to perform a task (trucks leaving the station). For residents in Middlesex Centre, they are not billed for this service as it is included in their property taxes.

Staff obtain as much information to bill the non-residences from the fire scene as possible but sometimes the information is false, misleading, or incorrect. Historically the collection rate on this revenue is lower than average. The Municipal Treasurer has authority to write off small balances, however, the aggregate balance of fire services write-offs in 2024 exceeds the approved threshold. Staff will be reviewing all financial policies in 2025.

Analysis:

Every month staff review the accounts receivable listing and send out statements. If there is any contact information or insurance details, staff also reach out to attempt to collect this revenue from those sources.

In the past staff have used collection agencies with little success. Our current process is to follow our collection processes for 3 years then request to write off the balance as uncollectable.

The amount requested to be written off has been outstanding for 3 or more years.

Financial Implications:

The revenue of \$55,989.80 to be written-off in 2024.

Strategic Plan:

This matter aligns with following strategic priorities:

- Responsive Municipal Government

This report responds directly to Objective 5.3– Foster a culture of innovation, continuous improvement, and cost-effective services by sharing information and gathering input, by continuing our timely and effective communication to the public.

Attachments:

N/A