



Accounts Receivable Collections & Write Offs

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| Policy No.: CS-FIN-4 | Council Resolution No.: 368/13 |
| Department: Corporate Services | Authority: Council |
| Effective Date: 10/28/13 | Revision Date: |
| Review Date: 10/28/16 | Repealed Date: |
| Supersedes: Accounts Receivable – Write Offs Policy No. 08/03/10, Accounts Receivable – Write Offs No. 69S-831/228 and Collection of Accounts Receivable No. 24C-736/80 | |
| Related Procedure No.: CS-FIN-4 | |
| Related Procedure Name: Accounts Receivable Collections & Write Offs | |

Purpose

The Town of Taber recognizes the value of accounts receivable controls regarding accounts receivable collection and the write offs of amounts deemed uncollectable. Establishing processes regarding the collection & write off for these debts ensures that all customers are being treated fairly and equitably with respect to invoicing and collection services being performed by the accounts receivable function of the Town's Corporate Services department.

Policy Statement

- 1) A comprehensive accounts receivable control policy regarding accounts receivable collection and the write off of bad debt can help a municipality collect on amounts owed in a fair, equitable, and timely manner. This can help make the municipality financially viable and stronger.
- 2) Processes that are applied consistently ensure that customers are treated fairly and equitably.
- 3) Collecting receivables in a timely manner ensures the Town has greater control over its cash flow and liquidity.
- 4) Establishing strong fiscal management practices and proper controls over the municipality's resources minimizes the cost of collecting accounts receivables.
- 5) Administration will annually prepare of list of accounts receivable with a value of five hundred dollars (\$500) and over that it considers uncollectable as of December 31 to be brought forward for Council consideration to be written off each year.



- 6) Council authorizes the Chief Administrative Officer to annually write off accounts receivable with a value of less than five hundred dollars (\$500) that Administration deems uncollectable as of December 31 each year.
- 7) Administration shall establish procedures for this policy and shall be responsible to ensure the spirit and intent of the policy is adhered to.

Additional References



MAYOR

03/12/13

DATE



CHIEF ADMINISTRATIVE OFFICER

DEC 2 / 2013

DATE

