

	<p align="center"><b>City of Lloydminster Request for Decision (RFD)</b></p>
---	--

<b>Subject Matter: Accounts Receivable Deemed Uncollectible</b>
<b>Department: Corporate Services</b>
Presented By: Linsay Organ
<b>Council Meeting Date: March 10, 2025</b>

**Recommendation:**

That Council approve an adjustment to bad debt expense for thirteen (13) customer accounts totaling \$38,593.22, as outlined in Schedule "A", which lists accounts receivable deemed uncollectable.

**Issue:** Select accounts receivable customer arrears have been deemed uncollectible after internal and external collection attempts. For this reason, an adjustment to bad debt expense is recommended to ensure the City's accounts receivable balance is not overstated.

**Background:** Per Accounts Receivable Policy 134-15, the City follows the following collection procedure for outstanding accounts receivable:

Aging Bracket	Actions Taken
<b>0-30 Days</b>	Customer is issued an invoice and receives 30-day grace period to pay
<b>31-60 Days</b>	Customer is contacted informally (phone, email) regarding payment
<b>61-90 Days</b>	Customer receives a collection letter from Accounts Receivable
<b>90-120 Days</b>	Customer receives a collection letter from Accounts Receivable
<b>120+ Days</b>	Customer is sent to external collections

Additionally, the customer receives a monthly statement on the fifth business day of each month. An account may be deemed uncollectible once all appropriate collection efforts have been exhausted. In accordance with Accounts Receivable Policy 134-15, any account with a balance of \$1,000 or more that is determined to be uncollectible must receive approval from the Council for write-off.

Reference Schedule "A" for a summary of accounts being requested for write off.

Balances written off from customer accounts are monitored for a period of ten (10) years. If the customer engages in any future transactions with the City during this time, the City can require that the outstanding balance be settled before any additional City services are provided

	<p style="text-align: center;"><b>City of Lloydminster Request for Decision (RFD)</b></p>
---	---

**Options:**

1. That Council approve an adjustment to bad debt expense for thirteen (13) customer accounts totaling \$38,593.22, as outlined in Schedule "A", which lists accounts receivable deemed uncollectable.
2. That Council request further information and that the item be brought forward to a future Regular Council Meeting for decision.

**Alignment with Strategic Plan:** This item is in alignment with the following strategic area: Delivering Good Governance.

**Legal Review:** N/A

**Governance Implications:** N/A

**Budget/Financial Implications:** The City will expense \$38,593.22 to bad debt expense in the 2025 year.

**Environmental Implications:** N/A

	<p align="center"><b>City of Lloydminster Request for Decision (RFD)</b></p>
---	--

## Report Approval Details

Document Title:	2024 Account Receivables Deemed Uncollectible.docx
Attachments:	- RFD - AR Deemed Uncollectible - Schedule A.pdf
Final Approval Date:	Feb 27, 2025

This report and all of its attachments were approved and signed as outlined below:

Adele Wakaruk

Marilyn Lavoie

Dion Pollard