



**Village of Rycroft
Request for Decision**

Council Meeting Date: May 19, 2020

TOPIC: Approval to Write Off Outstanding Tax and Utility Accounts

ADMINISTRATION RECOMMENDATION: 1. That Council directs Administration to write off the outstanding balance of \$7131.05 on Tax Roll 22000 recently sold by the Village. 2. That Council directs Administration to write off the outstanding balance of \$1,419.86 of delinquent Utility accounts.

BACKGROUND: It is a good accounting practice to write off uncollectable accounts to ensure the municipal accounting records are kept clean and accurate. A write off of an uncollectable account does not necessarily constitute forgiveness of the debt; it will remain payable by the debtor if a new account is requested.

Administration is asking Council for direction to have the following Tax Account written off for a total of \$7,131.05.

TAX ROLL NUMBER	TAX ROLL SOLD	EXPLANATION OF EVENTS	TOTAL AMOUNT
22000	2020	Village acquired property through tax sale with outstanding balance of \$4,776.05. In August 2019, the \$5,855 cost of demolition was added to the tax roll making the outstanding total \$10,631.05. The Village sold the property in 2020 for \$6,500. After legal fees and realtor expenses, \$3,500 was credited to the account leaving \$7,131.05 outstanding.	\$ 7,131.05

Administration is asking Council for direction to have the following Utility Accounts written off for a total of \$1,419.86

ACCT NUMBER	ACCT CLOSED	EXPLANATION OF EVENTS	TOTAL AMOUNT
107002	2018	Final billed November 2018 with balance of \$557.49 was billed until August 2019 accumulating \$207.77 in penalties. In previous years, utility amounts remaining unpaid were transferred to the tax roll of the property.	\$ 765.26
253004	2018	Private sale took place years prior to account being closed. Amounts were being transferred to the tax roll of the property. Account holder denied responsibility of utilities because of the private sale. April 2018 the certificate of title came in with new owner who then came in and signed up for utilities. A final bill was sent to previous owner and was returned by mail address unknown.	\$ 281.94
69008	2018	Final billed January 2018 when sold with balance of \$125.74 was billed until August 2019 accumulating \$129.74 in penalties.	\$ 255.48
328003	2018	Tax certificate issued; billing went out right after.	\$ 46.12
121001	2018	Tax certificate issued; billing went out right after.	\$ 41.86

152014	2016	While the sale was taking place, the amount was transferred to the tax roll of property. Property sold, account was final billed without amount included, bill was paid, account closed then July 2017 the amount was transferred back to account from tax roll being it was not the new owner's debt.	\$ 29.20
TOTAL AMOUNT OF UTILITIES TO WRITE OFF			\$ 1,419.86

IMPLICATION OF DECISION

FINANCIAL IMPLICATIONS: The Village will not receive cost recovery for services provided in the amount of \$8,580.11

POLICY AND/OR LEGISLATIVE IMPLICATIONS: None.

ALTERNATIVE OPTIONS:

1. Council could direct Administration to continue attempts to collect the outstanding amounts, understanding the debtors are not easily located.

ATTACHMENTS: None

Lisa Shaykowski

Lisa Shaykowski, Finance Clerk

May 14, 2020

Date