Village of Rycroft
Request for Decision
Council Meeting Date: December 21, 2020

TOPIC: Approval to write off outstanding amounts on uncollectable utility accounts.

ADMINISTRATION RECOMMENDATION: That Council directs Administration to write off the outstanding balances of $703.71 on utility account 158004 and $24.66 on utility account 75002.

BACKGROUND: It is a good accounting practice to write off uncollectable accounts to ensure the municipal accounting records are kept clean and accurate. To write off an uncollectable account does not necessarily constitute forgiveness of the debt; it will remain payable by the debtor if a new account is requested. Although possible, this would be very unlikely to happen.

Administration is asking Council for direction to have the following Utility Accounts written off for a total of $728.37

ACCOUNT NUMBER	ACCOUNT CLOSED	EXPLANATION OF EVENTS	TOTAL AMOUNT
75002	2021	Tax Certificate went out in May 2021 showing outstanding utility account balance of $541.85. It was a fast sale, the lawyers paid the balance to zero May 14, 2021. May 17, 2021, the account was Final billed $24.66 for the partial month which remains outstanding to date.	$ 24.66
158004	2021	Private sale, no tax certificate requested. Account was closed in January 2021 with an outstanding balance of $451.79 and has since been collecting monthly penalty charges bringing the outstanding balance to $703.71.	$ 703.31

Because the account owners no longer reside or own property in the Village of Rycroft, collecting the money owing would be difficult with little chance of success.

IMPLICATION OF DECISION

FINANCIAL IMPLICATIONS: The Village will not receive cost recovery for services provided in the amount of $728.37

POLICY AND/OR LEGISLATIVE IMPLICATIONS: None

ALTERNATIVE OPTIONS: No practical options

ATTACHMENTS: None

Lisa Shaykowski
Lisa Shaykowski, Finance Clerk

December 7, 2021
Date