

REQUEST FOR DECISION

SUBJECT

Policy No. 26-04 Accounts Receivable and Collections Policy

RECOMMENDATION

That Council for the Town of Vermilion approve the Accounts Receivable and Collections Policy No. 26-04 as presented and repeal the Collections & Bad Debts Policy that was passed on September 16, 2020.

BACKGROUND

As part of Administration's ongoing review of policies, Administration has completed a review and update of the Town's collections policy. The Town's current Collections & Bad Debts Policy was approved in 2020 and is due for review and update. The new policy includes the following upgrades from the existing policy:

- Outlines the framework when invoices and statements will be issued
- Sets the Town's standard finance charges, unless otherwise determined by bylaw, lease or agreement
- Is more overarching and less procedural in nature
- Includes more details on the transferring of utility accounts to tax rolls
- Write-off amounts have been updated

Administration brought this updated policy to the Committee of the Whole Meeting on April 7, 2026 for review, and no changes have been made to the document since that time.

IMPLICATIONS

This policy will replace the Town's Collections & Bad Debts Policy from 2020. Once approved, this new policy will be posted on the Town's website as part of the Town's policy library.

This policy will guide administration in the discontinuance of completing door hangars for utility accounts, and utility accounts will be handled through in-house collection

efforts for up to 90 days and after that time, the outstanding balances will be transferred to the tax roll. Administration will be preparing communications to utility customers to explain the changes that are upcoming, as well as communicate on the Town's website and social media.

OPTIONS

- 1) That Council for the Town of Vermilion approve the Accounts Receivable and Collections Policy No. 26-04 as presented. In addition, that Council repeal the Collections & Bad Debts Policy that was passed on September 16, 2020.
- 2) That Council not approve the Accounts Receivable and Collections Policy No. 26-04, and request additional information from Administration, to be brought forward to a future meeting.

STRATEGIC PLAN ALIGNMENT

Infrastructure – Cost Recovery: having formalized policy on the collection of debt owed to the Town enables Administration to proceed with recovery of debts owed to the Town in a fair and consistent manner.

ATTACHMENTS

1. Policy No. 26-04 Accounts Receivable and Collections Policy
2. Collections & Bad Debts Policy