



# Collection of Outstanding Receivables

Financial and Business Planning Services – Cash Control  
Policy C13

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<b>Policy:</b>	C13 – Collection of Outstanding Receivables
<b>Policy Department(s):</b>	Financial and Business Planning Services – Cash Control
<b>Adoption Date:</b>	June 14, 1999
<b>Adoption Reference:</b>	N/A
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## Policy Purpose

To provide guidelines for the collection of overdue receivables, including general receivables, utilities, and property taxes.

## Policy Statement

This policy defines the actions the County will initiate to ensure receipt of funds in cases of overdue receivables.

## Definitions

“Accounts Receivable” means the balance of money due to the County for goods or services delivered or used but not yet paid for.

“County” means the municipality of the County of Grande Prairie No. 1 having jurisdiction under the Municipal Government Act and other applicable legislation.

“County Manager” means the person appointed by Council to the position of County Manager, also referred to as CAO, or Chief Administrative Officer under the Municipal Government Act for the County or designate.

“Council” means the duly elected Council members of the County of Grande Prairie No. 1.

“Designated Manufactured Home” means a manufactured home, mobile home, modular home or travel trailer as defined in the Municipal Government Act.

“Disconnection of Services” means to end the supply of utility distribution and assistance to customers.

“Distress Warrant” means a written instruction to seize goods of the person named in the warrant.

“Municipal Public Utility” means the system or works of a public utility operated by or on behalf of a municipality or a subsidiary of a municipality within the meaning of the Electric Utilities Act other than under an agreement referred to Section 45 of the Municipal Government Act.



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“Tax Arrears” means taxes that remain unpaid after December 31 of the year in which they are imposed.

“Tax Arrears List” means a list prepared by a municipality under section 436.03(1)(a) of the Municipal Government Act.

“Utility Accounts Receivable” means the balance of money due to the County for the provision of goods or services by a Municipal Public Utility.

### Policy Guidelines

#### Accounts Receivable

1. Accounts Receivable outstanding after ninety (90) days may be sent to a collection agency. Minimum thresholds for write-off of accounts and for submitting uncollectible Accounts Receivable to a collection agency are listed in Schedule A.
2. Under the Municipal Government Act some Accounts Receivable may be added to property taxes or court action initiated.
3. Any Accounts Receivable that is not collectable and exceeds the minimum threshold, must be submitted to Council for approval to be written off. A note will be added to the receivable account for future reference and a ledger of all accounts written off shall be maintained and checked periodically to current accounts in case the opportunity to collect should arise.
4. The General Manager of Financial and Business Planning Services will give written approval to proceed with any collection activities. An annual collection report shall be provided to Council for information.

#### Utility Accounts

5. Utility Accounts Receivable are subject to additional collection practices as follows:
  - 5.1. Owners shall be invoiced for utility services in areas where services cannot be easily discontinued if in arrears. Outstanding utility charges are to be transferred to taxes:
    - 5.1.1. Upon receipt of a tax certificate request.
    - 5.1.2. Arrears balance transferred to taxes when balance is unpaid for 60 days after the due date.
    - 5.1.3. At other such times as approved by the General Manager of Financial and Business Planning Services
  - 5.2. Disconnection of services at the discretion of the County Manager or designate.



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## Collection of Property Tax Arrears

6. Property Taxes Not Related to Land
  - 6.1. Designated Manufactured Home property taxes are subject to tax recovery under the Municipal Government Act. The process for collection of property taxes on manufactured homes in arrears includes the issuance of a Distress Warrant, seizure of the manufactured home, and public auction should arrears not be paid. All costs to recover the property taxes shall be added to the tax account.
  - 6.2. Recovery of all other property taxes not related to land and not for Designated Manufactured Homes shall be in accordance with the Municipal Government Act.
7. Property Taxes Related to Land
  - 7.1. Recovery of property taxes related to land shall be in accordance with the Municipal Government Act. Parcels in arrears will be added to the Tax Arrears List once they are in arrears more than one (1) year. The fees and costs to register a tax notification against a parcel appearing on the Tax Arrears List shall be added to the parcel in accordance with the current Schedule of Fees, Rates and Charges Bylaw.

## Attachments

Schedule A – Current Thresholds for Collection Action and Write-off of Accounts

## References

<b>Legal Authorities</b>	Municipal Government Act, RSA 2000, c M-26 Electric Utilities Act Public Utilities Act
<b>Related Plans, Bylaws, Policies, Etc.</b>	Policy B1 – Policy Development Schedule of Fees, Rates and Charges Bylaw Penalties for Non-payment of Property Taxes Bylaw and Amendments Property Tax Penalties Bylaw
<b>Other</b>	N/A

## Revision History

Review Date	Description
July 15, 2024	Reviewed and Amended CM20240715.023
November 28, 2022	Reviewed and Amended CM20221128.015
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October 19, 2009	Reviewed and Amended 10-1373-09
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July 19, 2004	Reviewed and Amended 07/791/2004
June 14, 1999	Adoption Date N/A



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## Schedule A – Current Thresholds for Collection Action and Write-off of Accounts

Account Type	Collection Action (a)	Approval of Write Off (b)		
		Corporate Controller	General Manager of Financial and Business Planning Services	Council
<b>General Accounts Receivable</b>	To Collection Agency if balance exceeds \$100.00	Less than or equal to \$1,000	\$1,000 to \$10,000	Exceeds \$10,000
<b>Utilities</b>	Transfer to taxes or disconnection of services. Send to Collection Agency if property sold and balance exceeds \$100.00.	Less than or equal to \$1,000.00	\$1,000 to \$10,000	Exceeds \$10,000
<b>Property Taxes (related to land)</b>	Tax Recovery process MGA Part 10, Division 8		If an error has been made by County staff	All amounts unless an error made by County Council
<b>Property Taxes (not related to land)</b>	Tax Recovery process MGA Part 10, Division 9 (if manufactured home has not been moved out of the County). Send to collection agency for manufactured home taxes where: a) unit has moved out of the County, <u>and</u> b) balance exceeds \$10,000		If an error has been made by County staff	All amounts unless an error made by County Council

- (a) Court action may be initiated for the above, excluding property taxes related to land and manufactured homes which have not been moved out of the County, at the discretion of the General Manager of Financial and Business Planning Services in consultation with the County Manager.
- (b) The account may only be written off after in-house attempts at collection have been exhausted.