

Collection of Outstanding Receivables

Financial and Business Planning Services – Cash Control
Policy C13

Policy:	C13 – Collection of Outstanding Receivables
Policy Department(s):	Financial and Business Planning Services – Cash Control
Adoption Date:	June 14, 1999
Adoption Reference:	N/A
Effective Date:	June 14, 1999
Last Amended:	October 28, 2025

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 when receivables are overdue.

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.

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

“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 pursuant to Section 45 of the Municipal Government Act.

“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 pursuant to the Municipal Government Act.

Collection of Outstanding Receivables

Financial and Business Planning Services – Cash Control Policy C13

“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. Collection of Accounts Receivable will follow appropriate escalation based on the risk and time outstanding for the account. Unless otherwise stated, accounts are given a credit term of net 30 days.
2. Accounts outstanding for more than 30 days will be contacted via email, phone and/or by issuing a statement of account. Contact must include a request for payment and Accounting Clerk must record detailed notes of the communication.
3. Accounts outstanding for more than 60 days will be contacted a second time, in accordance with section 2, and will be escalated to the Director, Cash Control, for follow up
 - 3.1. The accounts will be placed on-hold status, restricting any additional purchases until the account is brought back into compliance with the County’s established payment terms. Any department that bills to the account will be notified of the on-hold status.
 - 3.2. If the account is consistently unpaid within the terms set by the County herein, at the discretion of the Director, Cash Control, the account may be closed and changed to a cash on delivery account for future purchases.
4. Accounts outstanding for more than 90 days will be:
 - 4.1. Transferred to the tax roll as stipulated in the Municipal Government Act. A transfer fee shall apply in accordance with the Schedule of Fees, Rates and Charges Bylaw.
 - 4.2. Sent to the County’s collection agency.
5. Invoices under dispute will not be sent to the County’s collection agency until the respective billing department has confirmed that there is no required change to the invoice.
6. If an account was previously closed or changed to a cash on delivery status, the Director, Cash Control, may consider reopening the account following a review of the risk associated with non-payment.
7. If the amount remains uncollectable after the above escalation, a write-off may occur in accordance with Schedule A.

Utility Accounts Receivable

8. Collection of Utility Accounts Receivable will follow appropriate escalation based on the risk and time outstanding for the account. Accounts are given a credit term of net 30 days. Utilities are billed every second month.

Collection of Outstanding Receivables

Financial and Business Planning Services – Cash Control Policy C13

9. Accounts outstanding for more than 30 days will be contacted via email, phone and/or by issuing a statement of account. Contact must include a request for payment.
10. Accounts outstanding for more than 60 days will be contacted a second time, in accordance with section 9 and will be escalated to the Director, Cash Control for follow-up.
11. Accounts outstanding for more than 90 days will be transferred to the tax roll with the applicable transfer fee in accordance with the Schedule of Fees, Rates, and Charges Bylaw.
12. Account balances cannot be written off unless there is a billing error.
13. Accounts that remain unpaid for multiple periods will be submitted to the Transportation and Utilities department for potential disconnection/discontinuance of service where applicable.

Collection of Property Tax Arrears

14. Property Taxes Not Related to Land
 - 14.1. Property taxes on Designated Manufactured Homes are subject to tax recovery in accordance with the provisions of the Municipal Government Act.
 - 14.2. Taxes not paid by the due date will be subject to a penalty, in accordance with provisions of the Tax Penalty Bylaw. Correspondence will be sent to unpaid tax account owners by the end of July to advise of the new balance and reminder of the second penalty date.
 - 14.3. Taxes not paid by the due date second penalty date will be subject to another penalty, in accordance with provisions of the Tax Penalty Bylaw. Correspondence will be sent in January advising the account owners that their account is in arrears.
 - 14.4. Accounts that are in arrears for more than one year will be added to the Tax Arrears List. The fees and costs to register a tax notification against a parcel listed on the Tax Arrears List shall be added to the parcel in accordance with the Schedule of Fees, Rates and Charges Bylaw.
 - 14.4.1. Where the Designated Manufactured Home's serial number is known, a tax recovery lien will be registered against the Designated Manufactured Home. The cost of registering the lien will be added to the tax roll.
 - 14.4.2. If taxes are unpaid a notice of sale will be issued to the landowner and any person with a registered interest in the parcel, providing a one (1) year period to remit the outstanding property taxes or enter into a repayment plan with the County of Grande Prairie.
 - 14.4.3. If taxes are still outstanding or the repayment plan is not in good standing the parcel will be auctioned at the annual tax sale.

Collection of Outstanding Receivables

Financial and Business Planning Services – Cash Control Policy C13

- 14.5. Should the parcel's market value be determined to be less than the outstanding taxes, the account will be referred to the County's collection agency to aid in tax recovery.
- 15. Recovery of all other property taxes, excluding those related to land and Designated Manufactured Homes, shall be carried out in accordance with the provisions set forth in the Municipal Government Act.
 - 15.1. Taxes not paid by the due date will be subject to a penalty, in accordance with provisions of the Tax Penalty Bylaw. Correspondence will be sent to the owner of the unpaid accounts by the end of July to advise of the new balance and reminder of the second penalty date.
 - 15.2. Taxes not paid by the due date will be subject to a penalty, in accordance with provisions of the Tax Penalty Bylaw. Correspondence will be sent in January advising the account owners their account is in arrears.
 - 15.2.1. Accounts in arrears will be added to the Alberta Energy Regulator report when applicable.
 - 15.2.2. Accounts that remain in arrears for more than one (1) year will be referred to the County's collection agency to aid in tax recovery.
- 16. Property Taxes Related to Land
 - 16.1. Recovery of property taxes related to land shall be in accordance with the provisions set forth in the Municipal Government Act.
 - 16.2. Taxes not paid by the due date will be subject to a penalty, in accordance with provisions of the Tax Penalty Bylaw. Correspondence will be sent to the owner of unpaid accounts by the end of July to advise of the new balance and reminder of the second penalty date.
 - 16.3. Taxes not paid by the due date will be subject to a penalty, in accordance with provisions of the Tax Penalty Bylaw. Correspondence will be sent in January advising the account owners their account is in arrears.
 - 16.4. Accounts that are in arrears for more than one year will be added to the Tax Arrears List. 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 Schedule of Fees, Rates and Charges Bylaw.
 - 16.4.1. A notice of sale will be issued to the landowner and any person with a registered interest in the parcel, providing a one (1) year period to remit the outstanding property taxes or enter into a repayment plan with the County of Grande Prairie.
 - 16.4.2. If taxes are still outstanding or the repayment plan is not in good standing the parcel will be auctioned at the annual tax sale.

Collection of Outstanding Receivables

Financial and Business Planning Services – Cash Control Policy C13

- 16.5. Should the parcel's market value be determined to be less than the outstanding taxes, the account will be referred to the County's collection agency to aid in tax recovery.
17. At the discretion of the Director, Cash Control, Accounts with a remaining balance of less than two (2) dollars will be cleared annually with the year-end reconciliation process.

Attachments

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

References

Legal Authorities	Municipal Government Act, RSA 2000, c M-26 Electric Utilities Act Public Utilities Act
Related Plans, Bylaws, Policies, Etc.	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
Other	N/A

Revision History

Review Date	Description
October 28, 2025	Reviewed and Amended CM20251028.006
July 15, 2024	Reviewed and Amended CM20240715.023
November 28, 2022	Reviewed and Amended CM20221128.015
March 9, 2020	Reviewed and Amended CM20200309.021
October 19, 2009	Reviewed and Amended 10-1373-09
February 6, 2006	Reviewed and Amended 02/144/2006
July 19, 2004	Reviewed and Amended 07/791/2004
June 14, 1999	Adoption Date N/A

Collection of Outstanding Receivables

Financial and Business Planning Services – Cash Control
Policy C13

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

Account Type	Approval of Write Off		
	Director, Cash Control	General Manager, Financial and Business Planning Services	Council
General Accounts Receivable	Less than or equal to \$1,000 or there was an error with invoicing.	\$1,000 to \$10,000	Exceeds \$10,000
Utilities	If there was an error in invoicing		
Property Taxes (related to land)	If an error has been made by County staff		All amounts unless an error made by County staff
Property Taxes (not related to land)	If an error has been made by County staff		All amounts unless an error made by County Staff

- (a) Court action may be initiated for the above, excluding property taxes related to land and Designated Manufactured Homes which have not been moved out of the County, at the discretion of the General Manager, 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.
- (c) All accounts with a balance under \$2 will not be enforced for collection and written off at the direction of the Director, Cash Control.