

## BAD DEBTS SCHEDULE

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### POLICY

The SAO or designate is responsible for preparing and submitting to Council a Bad Debts Schedule for the previous year's bad debts on or before the November Council Meeting each year.

Council will review the Bad Debts Schedule and give its approval in "whole" or in "part" to the writing off of bad debts.

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### DEFINITIONS

"Hamlet" means Hamlet of Enterprise

"SAO" means Senior Administrative Officer

"Bad Debts" means an Outstanding General Accounts Receivable or other receivable which has:

- been in arrears for twelve (12) months and
- is considered to be uncollectable after at least four (4) written attempts and collection proceedings have been unsuccessful in attempting to collect the outstanding account.

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### GUIDELINES

1. The Bad Debts Schedule must include, but is not limited to, such uncollectable accounts, as:
  - 1.1. Business Licenses
  - 1.2. Utility Arrears
  - 1.3. General Accounts Receivable
  - 1.4. Culture and Recreation User Fees, Registrations and Rentals
  - 1.5. Tax and Compliance Certificates
  - 1.6. Burial Fees and Licenses
  - 1.7. Other Fees, Charges, Permits, Registrations, etc.
  - 1.8. NSF, Stale-dated and Returned Cheques.
2. Once the bad debt(s) schedule has been approved for write-off:
  - 2.1. the debt(s) will be removed from the current Accounts Receivable Ledger and placed into an Inactive Accounts Receivable Ledger.
  - 2.2. A Bad Debts Bylaw will be prepared, as per the *Hamlets Act*.
3. Although the Bad Debt(s) are written off by Council, this does not exempt the debtor from any liability for the outstanding debt.
4. All new applications for credit or utility hook-ups must be checked against the inactive Accounts Receivable Ledger to ensure no one is granted a new utility hook-up or additional credit if they have a previous outstanding account with the Hamlet.
  - 4.1. If the debtor pays off the previous outstanding account, he will be hooked up to utilities or eligible for general additional credit.
  - 4.2. If the debtor has not paid off the previous outstanding account, he/she will be refused credit or a utility hook-up.

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### ATTACHMENTS

N/A

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### REFERENCES

N/A