

# Staff Report to Council

**Title:** Accounts Receivable Policy

**Report Number:** Financial Services-2023-30

**Director:** Corporate Services

**Manager:** Manager.

**Meeting Date:**

Wednesday, October 25, 2023

**Date to be considered by Council:**

Wednesday, October 25, 2023

---

## Recommendation:

That Council adopts the draft Accounts Receivable Policy as presented or with amendments; and

That once the new Accounts Receivable Policy is adopted, Council repeals the former policy GG.2.20 Accounts Receivable; and  
Further that Council repeals policy GG.2.6 NSF Cheques.

---

## Executive Summary:

The purpose of this report is to provide Council with an updated Accounts Receivable Policy document that aligns with the Municipality's processes and incorporates best practices within the municipal sector. A revised draft policy is being presented for Council's consideration and adoption. Supplementary internal procedural documents will be developed that support the policy and can be used as a reference for staff to ensure our day-to-day actions are in alignment with corporate objectives.

## Strategic Priorities:

D.15-Serve, communicate, collaborate and engage with the community to build trust and confidence in municipal services, Council and staff

## Financial Considerations:

There are no direct financial implications as a result of this report.

**Policy:**

GG.2.20 Accounts Receivable; GG.2.6 NSF Cheques

**Context and Background Information:**

Municipal staff is presently undertaking a review of the Municipality of Kincardine Policy Manual in order to ensure existing policies are meeting the needs of the community and are relevant to the operations of the organization. As part of this review, staff identified that the existing GG.2.20 Accounts Receivable Policy and GG.2.6 NSF Cheques Policy are outdated.

The existing Accounts Receivable Policy was adopted in 2008 and has not been update since that time, and the NSF (Non-Sufficient Funds) Cheques Policy was adopted in 1999 and was last revised in 2008.

Updates to the policy include the following:

- Eliminating the procedural elements that will instead be updated and reflected in procedure documents going forward, including billing frequency which would be subject to change depending on system upgrades (e.g. water meter billing system);
- Eliminating sections of the policy that would already be covered by other by-laws (i.e. Consolidated Rates & Fees, Water By-law);
- Eliminating the Non-Profit Group interest rate of 5% per annum. The only non-profit groups that this reduced interest rate was historically applied to were the tenants at the Arts Centre facility. These lease agreements for these tenants already reflect the interest rates to be charged on late payments;
- Modifications that reflect the current organizational structure;

Council is being requested to approve the draft policy as presented.

**Consultation Overview:**

Finance Staff have reviewed other municipal policies and have referred to resources available through the Municipal Finance Officers Association (MFOA) in an effort to incorporate best practices.

**Origin:**

Policy Review: CAO General-2023-09

**Implementation Considerations:**

The implementation of this policy is not anticipated to significantly impact daily operations, as there are no substantive policy changes being proposed.

**Risk Analysis:**

The risks associated with not having an updated and relevant policy include inconsistent application of policy versus practice and lack of transparency to members of the public.

---

**Attachments:** Draft Accounts Receivable Policy

**Prepared by:** Roxana Baumann, Director of Corporate Services/Treasurer

**Submitted by:** Roxana Baumann, Director of Corporate Services/Treasurer