

STAFF REPORT: ENGINEERING AND PUBLIC WORKS DEPARTMENT

REPORT TO: Council
MEETING DATE: December 17, 2012
REPORT NO.: EPW.12.109
SUBJECT: Camperdown Road Reconstruction –
Write-off of Uncollectible Receivable
PREPARED BY: John Caswell, Manager of Water &
Wastewater Services/Asst. Director

A. Recommendations

THAT Council receive Staff Report EPW.12.104 entitled 'Camperdown Road Reconstruction – Write-off of Uncollectible Receivable';

AND THAT Council approve a write-off of the Receivable relating to the Camperdown Road Reconstruction in the amount of \$45,886.16 to be funded from the Working Capital Reserve.

B. Background

The reconstruction of Camperdown Road proceeded in September 2005 and included the placement of a 300mm watermain, 200mm sewer main and the reconstruction of Camperdown Road South to the Camperdown Water Reservoir.

Subsequent to the construction of Camperdown Road, the road failed due to wet soil conditions and heavy truck traffic. At the time, there was consideration that external parties were partially responsible for the damage and were invoiced as such. Although partial payment was made, the outstanding portion of the invoice was determined not to be payable. Unfortunately, the receivable created by the invoice was not "cancelled". Therefore, an uncollectible receivable needs to be funded.

C. The Blue Mountains' Strategic Plan

This Report furthers the Town's Strategic Plan Goal #6, "Providing a strong, well-managed municipal government".

D. Environmental Impacts

None

E. Financial Impact

In 2008 a receivable (account 1-000-0000-15315) was set up for the amount of \$141,815.84, based on an estimate from The Ainley Group of the monetary value of the road damages. In the following year, partial payment of this receivable was made for \$95,929.68. As the remaining receivable balance will not be collected, the \$45,886.16 must be written off and expensed in the 2012 financial year. As any tax surplus/deficit is funded to/or from the Working Capital Reserve at year-end, Staff recommends funding the \$45,886.16 write off from the Working Capital Reserve.

F. In Consultation With

Renee Ouellette, Financial Accountant

G. Attached

None

Respectfully submitted,

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