

<b>POLICY TITLE</b> <i>EXTENSION OF CREDIT FOR CIVIC GOODS AND SERVICES</i>	<b>ADOPTED BY:</b> <i>CITY COUNCIL</i>	<b>EFFECTIVE DATE</b> <i>SEPTEMBER 22, 1986</i>
<b>ORIGIN/AUTHORITY</b> <i>LEGISLATION AND FINANCE COMMITTEE REPORT NO. 32-1986</i>	<b>CITY FILE NO.</b> <i>CK 1550-0</i>	<b>PAGE NUMBER</b> <i>1 of 3</i>

1. **PURPOSE**

To ensure the City receives full payment for civic goods and services.

2. **POLICY**

Unless circumstances warrant otherwise, the City will not extend credit to individuals and organizations receiving civic goods and services.

2.1 **Exceptions** The following circumstances may justify extending credit:

- a) Where the goods and services are provided to Federal and Provincial Government departments and agencies and School Boards, Hospitals and other quasi-government organizations.
- b) Where the extension of credit is a factor in attracting trade shows, conventions, and similar major events to the City.
- c) Where the charges for goods/services cannot be predetermined.
- d) Where, for any other reason, a Department is satisfied that extending credit is administratively more expedient.

2.2 **Authority to Grant Credit**

Departments shall, unless otherwise directed by the City Treasurer, have authority to grant credit subject to 2.1 above, provided they are able to justify such credit if and when called upon to do so.

- a) The City Treasurer shall retain the power to withdraw such authority from a department(s).

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- b) The City Treasurer shall have authority to require a department(s) to withdraw or limit credit privileges extended to an individual(s) or organization(s).
- c) The City Treasurer shall determine the circumstance where security and performance bonds will be necessary in order to support credit privileges.

2.3 Collection

The Treasurer's Department is responsible for the collection of accounts but may require assistance from the department(s) granting credit.

2.4 Past Due Accounts

The City may charge interest on past-due accounts at rates approved by City Council.

2.5 Uncollectible Accounts

Uncollectible accounts will be charged back to the applicable departments.

2.6 Procedures and Forms

Wherever possible, the City will standardize all credit and collection procedures and forms. The Procedure and forms are subject to approval of the City Treasurer.

3. RESPONSIBILITY

3.1 City Treasurer - is responsible for:

- a) Developing, in conjunction with other departments, standardized procedures and forms to be used by Departments involved in extending credit.
- b) The administration of this policy.
- c) Recommending to City Council, updates to this policy.

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- 3.2 Departments - are responsible for implementing standardized procedures and forms (i.e. for extending credit) approved by the City Treasurer.
- 3.3 City Council - shall be responsible for:
- a) Approving interest rates to be charged against past-due accounts.
  - b) Approving any and all changes to this Policy.