

**Item No. 13.2**  
**Halifax Regional Council**  
**October 25, 2011**

**TO:** Mayor Kelly and Members of Halifax Regional Council

Original Signed

**SUBMITTED BY:** \_\_\_\_\_  
Councillor Gloria McCluskey, Chair, Audit and Finance Standing  
Committee

**DATE:** October 20, 2011

**SUBJECT:** Write-Off of Uncollectible Accounts

---

**ORIGIN**

Staff report dated August 25, 2011.

**RECOMMENDATION**

It is recommended that Halifax Regional Council approve that:

1. The general revenue accounts in the amount of \$81,583.7 comprised of \$77,332.83 principal and \$4,250.87 interest as detailed in Schedule 2 be formally written out of the books of account.
2. The real property tax and lienable charges in the amount of \$4,149.12 comprised of \$3,576.41 principal and \$572.71 interest as detailed in Schedule 3 be formally written out of the books of account.
3. The business occupancy tax accounts in the amount of \$254,214.76 comprised of \$188,812.39 principal and \$65,402.37 interest as detailed in Schedule 4 be formally written out of the books of account.

**BACKGROUND**

As per the August 25, 2011 staff report attached as Attachment 1.

**DISCUSSION**

As per the August 25, 2011 staff report attached as Attachment 1.

**BUDGET IMPLICATIONS**

As per the August 25, 2011 staff report attached as Attachment 1.

**FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

**COMMUNITY ENGAGEMENT**

As per the August 25, 2011 staff report attached as Attachment 1.

**ALTERNATIVES**

As per the August 25, 2011 staff report attached as Attachment 1.

**ATTACHMENTS**

1. August 25, 2011 staff report.

---

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: [Chris Newson, Legislative Assistant, 490-6732]

---



P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

Attachment 1

**Item No.**

Audit & Finance Standing Committee

**October 19, 2011**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:** Original Signed  
Mike Labrecque, Deputy Chief Administrative Officer Operations

Original Signed  
James Cooke, Director of Finance

**DATE:** August 25, 2011

**SUBJECT:** Write-off of Uncollectible Accounts

---

**ORIGIN**

Staff and HRM Charter requirement.

**RECOMMENDATION**

It is recommended that Halifax Regional Council approve that

1. The general revenue accounts in the amount of \$81,583.7 comprised of \$77,332.83 principal and \$4,250.87 interest as detailed in Schedule 2 be formally written out of the books of account.
2. The real property tax and lienable charges in the amount of \$4,149.12 comprised of \$3,576.41 principal and \$572.71 interest as detailed in Schedule 3 be formally written out of the books of account.
3. The business occupancy tax accounts in the amount of \$254,214.76 comprised of \$188,812.39 principal and \$65,402.37 interest as detailed in Schedule 4 be formally written out of the books of account.

## **BACKGROUND**

The HRM Charter requires that all accounts considered uncollectible and which are to be permanently removed from the accounts of the HRM be approved by Council.

Section 42 of the Halifax Regional Municipality (HRM) Charter requires that;

The Treasurer shall promptly advise Council of

- (a) all moneys due to the Municipality that the Treasurer considers cannot reasonably be collected after pursuing all reasonable avenues of collection; and
- (b) the reasons for the belief that such moneys cannot be collected, and the Council may write off the amounts determined to be uncollectible.

The last write-off report to Council was in June 2010.

## **DISCUSSION**

Each year the provision for losses on accounts is budgeted in the operating fund as mandated by the HRM Charter. The HRM Charter section 93(1) – (2b) requires that:

93 (1) The Council shall make estimates of the sums that are required by the Municipality for the fiscal year.

(2) The estimates shall include the probable revenue from all sources other than taxes for the fiscal year and make due allowance for

- (a) the abatement and losses that might occur in the collection of the taxes; and
- (b) taxes for the current fiscal year that might not be collected.

This provision is accumulated each year in the valuation allowance account in order to offset on the balance sheet the value of the receivables recorded in the books of account. In this way, and in accordance with legislation and with generally accepted accounting practices, there is recognition that not all accounts billed will be collectible.

Staff employ all means at their disposal within the parameters of the HRM Charter, MGA, and Administrative Order#18 (Revenue Collections Policy) to collect appropriate charges on a timely basis. General revenue accounts receive monthly statements as the terms on these accounts are usually net 30 days. Follow up phone calls are made, right of offset opportunities enforced and payment arrangements put in place where customers indicate the need and where staff deem appropriate. In the case of business occupancy taxes, monthly reminder letters are issued to overdue accounts and, as a final measure, warrants of distraint are issued and assets are seized in satisfaction of the accounts in accordance with the HRM Charter. Revenue staff also retain the services of an external collection agency to collect on unlienable accounts. In the case of real property taxes reminder letters are sent twice a year, as well as the biannual tax bills showing

outstanding arrears and, as a final measure, notices of tax sale are sent to the property owner if no satisfactory payment arrangements can be made and due process is followed as per the provisions of the HRM Charter. Legal action is taken where appropriate to collect accounts in dispute.

Still, with all these measures, some accounts remain uncollectible either because of bankruptcy or because the owner has vacated the premises and cannot be located or there are insufficient assets to satisfy the outstanding amount. With the implementation of newly formed collections department, collection efforts have been enhanced and empowered.

The Business Occupancy tax accounts are the most difficult to collect as the tax is non-liable and being phased out. However, August 2009 was last year that the 50% group was billed due to the phase out. Only the 75% group now remains (approx. 250 accounts), which consist of financial institution accounts, which are not a traditional collection risk. Our current recommended write offs are for companies that are defunct, bankrupt or the owners cannot be located. It is usual that processes to pursue accounts will take two to three years prior to being declared uncollectible by the trustee in bankruptcy or by our third party collection agency.

The amounts of lienable charges (\$4,149.12) being recommended for write-off are for amounts related to residential mobile home accounts.

General Revenue charges being recommended for removal are for miscellaneous charges related to bankruptcies, defunct companies or inaccessible persons and for numerous NSF charges that have been deemed uncollectible.

Schedules 5, 6 and 7 illustrate trends with respect to current and past write-off reports.

#### **Collection Performance Measurements Fiscal 2010-11**

- The average write-off amount since 1996 is \$2,005,226. The total amount proposed for write-off per this report is \$339,948, which represents a 83% decrease in write-offs when compared to the average write-offs since 1996
- The amounts proposed to be written-off per this report represent 0.04% of budgeted revenue for 2011-12.
- Property taxes and lienables +3 years in arrears decreased \$734,000, (30%)
- Business Occupancy taxes +1 year in arrears have not increased over 2010-11
- General Revenue accounts + 90 days in arrears decreased \$871,000 (30%)
- Automated right of offset process generated \$1.4M in collections

#### **Underfunded Project – Gorsebrook Outdoor Rink – \$60,000**

In September 2004, Clearwater advised HRM in writing that they would participate in the restoration of the Gorsebrook outdoor rink facility in the amount limited to a maximum of \$60,000. In the letter, Clearwater requested that HRM Staff/Project Manager provide a written cost estimate for the project. Staff did not provide a project cost estimate as requested by Clearwater. In April 2009, Staff/Accounting wanted to close the capital project. There was an

outstanding balance of \$60,000 that was committed as funding in the Capital Project but not received. Staff/Cash Management did an extensive review to investigate if a payment had been received from Clearwater for this project, but no evidence of payment was found. A decision was made by Staff that a billing request for \$60,000 be issued to General Revenue to invoice Clearwater for this pledge and Accounting to close the Capital Project.

Staff pursued collection on the invoice but was unsuccessful. In May, 2010, the file was escalated to the Manager of Revenue for direction. Legal Services provided a verbal legal opinion that there is no legal obligation for Clearwater to pay the invoice.

Staff's opinion is that there was no contractual obligation for Clearwater to pay this invoice as their letter was simply a pledge to contribute to the funding of the Gorsebrook Rink Project, and it would be for not more than \$60,000 (i.e. they may have only contributed \$5,000, \$10,000, or even less). Clearwater also never received a copy of the project's cost estimate from Staff/Project Manager as they requested in their 2004 letter, which likely may have triggered the cash disbursement for the project funding.

EMT and the Director of Finance were briefed on this account in December 2010, and gave direction to write-off the \$60,000 on the next write-off report.

### **BUDGET IMPLICATIONS**

Each year an allowance for bad debt, the valuation allowance, is calculated based on estimates of amounts outstanding that may be uncollectible in future years. Accounts proposed for write-off in this report have been 100% provided for in the annual valuation allowance expense.

<b><u>Account Type</u></b>	<b><u>Write-off Amount</u></b>	<b><u>Allowance Account</u></b>	<b><u>Bal July 26, 2011</u></b>
General Revenue	\$81,601.70	2525 -- Allowance Other	-\$20,383,250
Real Property	\$4,149.12	2521 -- Allowance Tax	-\$2,336,377
Business Occupancy	\$254,214.76	2521 -- Allowance Tax	-\$2,336,377

### **FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN**

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

### **COMMUNITY ENGAGEMENT**

N/A

### **ALTERNATIVES**

Staff is not proposing any alternatives

**ATTACHMENTS**

Schedule 1 - Summary of write-offs

Schedules 2, 3, 4 - Write-off details

Schedules 5, 6, & 7 - Write-off statistics

---

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Jerry Blackwood, CGA, 490-6470

Original Signed

Report Approved by:

James Cooke, CGA, Director of Finance/CFO, 490-6308

---

**SCHEDULE 1: WRITE-OFF SUMMARY**

<b>CUSTOMER TYPE</b>	<b>TOTAL AMOUNT</b>	<b>PRINCIPAL</b>	<b>INTEREST</b>	<b>DETAIL</b>
GENERAL REVENUE ACCOUNTS	\$ 81,583.70	\$ 77,332.83	\$ 4,250.87	SEE GENERAL REVENUE ACCOUNTS SCHEDULE 2
REAL PROPERTY ACCOUNTS	\$ 4,149.12	\$ 3,576.41	\$ 572.71	SEE REAL PROPERTY ACCOUNTS SCHEDULE 3
BUSINESS OCCUPANCY ACCOUNTS	\$ 254,214.76	\$ 188,812.39	\$ 65,402.37	SEE BUSINESS OCCUPANCY ACCOUNTS SCHEDULE 4
<b>TOTAL</b>	<b>\$ 339,947.58</b>	<b>\$ 269,721.63</b>	<b>\$ 70,225.95</b>	



**SCHEDULE 2: GENERAL REVENUE ACCOUNTS**

ACCT	ACCT NAME	TOTAL DUE	PRINCIPAL	INTEREST	BILL YEAR	ACCT TYPE	WRITE OFF REASON
GEN00273349	CLEARWATER FINE FOODS	\$ 60,000.00	\$ 60,000.00	\$ -	2009	Promise of donation	Incorrect Billing
GEN00400097	DOW MARKETING SOLUTIONS INC.	\$ 8,636.06	\$ 7,223.45	\$ 1,412.61	2008	Civic Event - Police Duty	Small Claims Dismissed
GEN00145972	HYDROSTONE SURPLUS STORE LTD	\$ 8,264.65	\$ 6,779.47	\$ 1,485.18	2008	Transit passes	Bankrupt
GEN00013212	Najat Chediac	\$1,572.45	\$ 1,052.52	\$ 519.93	2005	Fire Security	Dismissed/small claims
GEN00322891	RAND AUTO ELECTRIC	\$ 202.34	\$ 150.00	\$ 52.34	2003-2006	Misc. Rev/NSF	Bankrupt
GEN00044118	SIDNEY V BOUTILIER	\$ 114.74	\$ 74.00	\$ 40.74	2004/07/08	NSF	Uncollectable
GEN00307444	DONNA SPICER	\$ 56.45	\$ 40.00	\$ 16.45	2006/2007	NSF	Uncollectable
GEN00251611	BLOOMBERRY FLOWERS & GIFTS	\$ 54.50	\$ 54.50	\$ -	2005	NSF	Uncollectable
GEN00400086	LISA SMITH	\$ 47.59	\$ 40.00	\$ 7.59	2008	NSF	Uncollectable
GEN00027973	ROBERT D SCRIMSHAW	\$ 40.00	\$ 23.54	\$ 16.46	2006	NSF	Uncollectable
GEN00034424	DAVID MORASH	\$ 40.00	\$ 23.43	\$ 16.57	2006	NSF	Uncollectable
GEN00099946	KAREN HILCHIE	\$ 40.00	\$ 40.00	\$ -	2006	NSF	Uncollectable
GEN00222150	PATRICIA CLARKE	\$ 40.00	\$ 20.06	\$ 19.94	2007	NSF	Uncollectable
GEN00252579	FOUNDRY DEVELOPMENTS LTD	\$ 40.00	\$ 16.64	\$ 23.36	2005	NSF	Uncollectable
GEN00255070	ALOYSIUS GERARD OQUINN	\$ 40.00	\$ 32.20	\$ 7.80	2008	NSF	Uncollectable
GEN00278470	PREMIER HVAC SALES	\$ 40.00	\$ 16.65	\$ 23.35	2005	NSF	Uncollectable
GEN00288643	RICHARD THOMAS SULLIVAN	\$ 33.90	\$ 33.90	\$ -	2009	Private Road Sign	Uncollectable
GEN00296145	DENYSE A FRIZZLE	\$ 30.65	\$ 20.00	\$ 10.65	2006	NSF	Uncollectable
GEN00296530	MICK R QUASE	\$ 30.62	\$ 20.00	\$ 10.62	2006	NSF	Uncollectable
GEN00298097	LOIS A MACDONALD	\$ 30.20	\$ 20.00	\$ 10.20	2006	NSF	Uncollectable
GEN00298669	PATRICIA TOGNI	\$ 30.04	\$ 20.00	\$ 10.04	2006	NSF	Uncollectable
GEN00299198	CRAIG S LAYTON	\$ 29.95	\$ 20.00	\$ 9.95	2006	NSF	Uncollectable
GEN00300396	WAYNE WRATHALL	\$ 29.82	\$ 20.00	\$ 9.82	2006	NSF	Uncollectable
GEN00303045	PEGGY MERRILL	\$ 29.36	\$ 20.00	\$ 9.36	2006	NSF	Uncollectable
GEN00303067	MARIE STRICKLAND	\$ 29.36	\$ 20.00	\$ 9.36	2006	NSF	Uncollectable
GEN00303344	NANCY JANE MACINNIS	\$ 29.26	\$ 20.00	\$ 9.26	2006	NSF	Uncollectable
GEN00304697	ANDREW MCKENZIE	\$ 29.09	\$ 20.00	\$ 9.09	2006	NSF	Uncollectable
GEN00305550	BRADFORD G YUILL ITF	\$ 28.49	\$ 20.00	\$ 8.49	2007	NSF	Uncollectable
GEN00308985	LYDIA ES HUMBER	\$ 28.25	\$ 20.00	\$ 8.25	2007	NSF	Uncollectable
GEN00308986	HEATHER KIRK	\$ 28.25	\$ 20.00	\$ 8.25	2007	NSF	Uncollectable
GEN00310939	SUSANE JOHNSON BANFIELD	\$ 28.00	\$ 20.00	\$ 8.00	2007	NSF	Uncollectable
GEN00311006	AMANDA S MILNE	\$ 27.94	\$ 20.00	\$ 7.94	2007	NSF	Uncollectable
GEN00238431	ALLEN R JOHNSON	\$ 27.76	\$ 20.00	\$ 7.76	2007	NSF	Uncollectable
GEN00312689	PHILIP CONNOR	\$ 27.62	\$ 20.00	\$ 7.62	2007	NSF	Uncollectable
GEN00203276	ROMNEY DESIGNS	\$ 27.35	\$ 20.00	\$ 7.35	2007	NSF	Uncollectable
GEN00313173	JANIS MCKINNEY	\$ 27.35	\$ 20.00	\$ 7.35	2007	NSF	Uncollectable
GEN00315875	ARCHNET HOME DESIGN	\$ 27.08	\$ 20.00	\$ 7.08	2007	NSF	Uncollectable
GEN00294260	JUDITH ELIZABETH BARTLETT	\$ 27.06	\$ 20.00	\$ 7.06	2007	NSF	Uncollectable
GEN00316149	CRAIG LYNCH	\$ 27.06	\$ 20.00	\$ 7.06	2007	NSF	Uncollectable
GEN00316174	DEBBIE KENNEDY	\$ 27.04	\$ 20.00	\$ 7.04	2007	NSF	Uncollectable
GEN00316760	KIMBERLY SANFORD	\$ 27.00	\$ 20.00	\$ 7.00	2007	NSF	Uncollectable
GEN00316773	STREET FEAT	\$ 26.97	\$ 20.00	\$ 6.97	2007	NSF	Uncollectable
GEN00321709	KENNY COURTNEY	\$ 26.14	\$ 20.00	\$ 6.14	2007	NSF	Uncollectable
GEN00322563	WAYNE D NICHOLSON	\$ 25.99	\$ 20.00	\$ 5.99	2007	NSF	Uncollectable
GEN00325415	PATRICK K VANMEEKEREN	\$ 25.17	\$ 20.00	\$ 5.17	2008	NSF	Uncollectable
GEN00001136	A J M ALI AMERA	\$ 25.14	\$ 20.00	\$ 5.14	2008	NSF	Uncollectable

**SCHEDULE 2: GENERAL REVENUE ACCOUNTS**

ACCT	ACCT NAME	TOTAL DUE	PRINCIPAL	INTEREST	BILL YEAR	ACCT TYPE	WRITE OFF REASON
GEN00326717	JANET MARCHAND	\$ 25.06	\$ 20.00	\$ 5.06	2008	NSF	Uncollectable
GEN00328170	RAELINE BEALS	\$ 24.90	\$ 20.00	\$ 4.90	2008	NSF	Uncollectable
GEN00303340	STEVEN HARVEY FOUNDATIONS	\$ 24.83	\$ 20.00	\$ 4.83	2008	NSF	Uncollectable
GEN00329808	DARLENE SWALES	\$ 24.56	\$ 20.00	\$ 4.56	2008	NSF	Uncollectable
GEN00330988	KATHLEEN MERRILLE ONEIL	\$ 24.46	\$ 20.00	\$ 4.46	2008	NSF	Uncollectable
GEN00330990	LINDA NEWMAN	\$ 24.45	\$ 20.00	\$ 4.45	2008	NSF	Uncollectable
GEN00330993	ANDREW STEWART	\$ 24.45	\$ 20.00	\$ 4.45	2008	NSF	Uncollectable
GEN00331278	LEONARD SAMPSON	\$ 24.44	\$ 20.00	\$ 4.44	2008	NSF	Uncollectable
GEN00331284	CATHERINE HILTZ	\$ 24.43	\$ 20.00	\$ 4.43	2008	NSF	Uncollectable
GEN00331947	CHRISTINE C WILLIAMS	\$ 24.36	\$ 20.00	\$ 4.36	2008	NSF	Uncollectable
GEN004000005	BRITE SIGNS	\$ 24.28	\$ 20.00	\$ 4.28	2008	NSF	Uncollectable
GEN00321708	CAOHMIN CONSULTING	\$ 24.27	\$ 20.00	\$ 4.27	2008	NSF	Uncollectable
GEN00400078	KYLE V ROESLER	\$ 23.95	\$ 20.00	\$ 3.95	2008	NSF	Uncollectable
GEN00400079	JAMES MITCHELL	\$ 23.92	\$ 20.00	\$ 3.92	2008	NSF	Uncollectable
GEN00400118	COURTNEY V STODDARD	\$ 23.72	\$ 20.00	\$ 3.72	2008	NSF	Uncollectable
GEN00400119	JODY BOUTILIER	\$ 23.72	\$ 20.00	\$ 3.72	2008	NSF	Uncollectable
GEN00400120	JUDITH POWER	\$ 23.72	\$ 20.00	\$ 3.72	2008	NSF	Uncollectable
GEN00400121	NATASHA ANNE MARIE ROBERTS	\$ 23.72	\$ 20.00	\$ 3.72	2008	NSF	Uncollectable
GEN00400134	HEATHER HUGHES	\$ 23.62	\$ 20.00	\$ 3.62	2008	NSF	Uncollectable
GEN00400188	PAUL D SELVA	\$ 23.28	\$ 20.00	\$ 3.28	2009	NSF	Uncollectable
GEN00400196	LINDA MACKENZIE	\$ 23.23	\$ 20.00	\$ 3.23	2009	NSF	Uncollectable
GEN00400197	MALEETIA MARIE BROOKS	\$ 23.23	\$ 20.00	\$ 3.23	2009	NSF	Uncollectable
GEN00400224	CAROL N MABLEY	\$ 23.04	\$ 20.00	\$ 3.04	2009	NSF	Uncollectable
GEN00400239	AMY ENDERT	\$ 23.00	\$ 20.00	\$ 3.00	2009	NSF	Uncollectable
GEN00400242	KAREN M LYDIARD	\$ 22.99	\$ 20.00	\$ 2.99	2009	NSF	Uncollectable
GEN00400248	DAVID C MORASH	\$ 22.95	\$ 20.00	\$ 2.95	2009	NSF	Uncollectable
GEN00400258	SHANE ROSS	\$ 22.89	\$ 20.00	\$ 2.89	2009	NSF	Uncollectable
GEN00400271	R BOWES CONSTRUCTION	\$ 22.84	\$ 20.00	\$ 2.84	2009	NSF	Uncollectable
GEN00400284	LISA A DUFFNEY	\$ 22.76	\$ 20.00	\$ 2.76	2009	NSF	Uncollectable
GEN00400304	RICHARD M HOLLIHAN	\$ 22.68	\$ 20.00	\$ 2.68	2009	NSF	Uncollectable
GEN00400317	CAROL DEYOUNG	\$ 22.59	\$ 20.00	\$ 2.59	2009	NSF	Uncollectable
GEN00400331	DAVE GARNEAU	\$ 22.53	\$ 20.00	\$ 2.53	2009	NSF	Uncollectable
GEN00400337	PATRICIA C CONDY	\$ 22.52	\$ 20.00	\$ 2.52	2009	NSF	Uncollectable
GEN00400338	DONALD MARK HAMILTON	\$ 22.52	\$ 20.00	\$ 2.52	2009	NSF	Uncollectable
GEN00400355	SANDRA M DUBE	\$ 22.47	\$ 20.00	\$ 2.47	2009	NSF	Uncollectable
GEN00400358	CAROLYN D PRICE	\$ 22.41	\$ 20.00	\$ 2.41	2009	NSF	Uncollectable
GEN00400361	PEPPER JACKS SPORTS BAR AND GRILL	\$ 22.39	\$ 20.00	\$ 2.39	2009	NSF	Uncollectable
GEN00328926	PEMBRIDGE INSURANCE	\$ 22.36	\$ 20.00	\$ 2.36	2009	NSF	Uncollectable
GEN00295984	3086234 NS LTD	\$ 21.89	\$ 20.00	\$ 1.89	2007	NSF	Uncollectable
GEN00082964	DEBORAH WOLFE	\$ 20.00	\$ 7.66	\$ 12.34	2004	NSF	Uncollectable
GEN00092002	ANNETTE F SMITH	\$ 20.00	\$ 10.20	\$ 9.80	2006	NSF	Uncollectable
GEN00092427	DEBRA MCGRATH	\$ 20.00	\$ 12.08	\$ 7.92	2006	NSF	Uncollectable
GEN00110784	ROSEMARIE LANGEFELD	\$ 20.00	\$ 14.56	\$ 5.44	2007	NSF	Uncollectable
GEN00118409	WILLIAM MACDONALD	\$ 20.00	\$ 5.95	\$ 14.05	2003	NSF	Uncollectable
GEN00122095	KENENE DOHERTY FERGUSON	\$ 20.00	\$ 15.81	\$ 4.19	2008	NSF	Uncollectable
GEN00129867	MIDITERANEO CAFE/EDWARD &	\$ 20.00	\$ 10.39	\$ 9.61	2006	NSF	Uncollectable

**SCHEDULE 2: GENERAL REVENUE ACCOUNTS**

ACCT	ACCT NAME	TOTAL DUE	PRINCIPAL	INTEREST	BILL YEAR	ACCT TYPE	WRITE OFF REASON
GEN00132819	AISHA ELKATEB	\$ 20.00	\$ 16.36	\$ 3.64	2008	NSF	Uncollectable
GEN00144425	ARTHUR H SHEARS	\$ 20.00	\$ 10.64	\$ 9.36	2006	NSF	Uncollectable
GEN00174310	ANN COLLINSON	\$ 20.00	\$ 8.70	\$ 11.30	2005	NSF	Uncollectable
GEN00181755	AMBIENCE HOLDINGS LTD	\$ 20.00	\$ 16.41	\$ 3.59	2008	NSF	Uncollectable
GEN00188583	SMITH SIDNEY DAVID	\$ 20.00	\$ 11.93	\$ 8.07	2006	NSF	Uncollectable
GEN00193743	SHIRLEY LAVIGNE	\$ 20.00	\$ 6.46	\$ 13.54	2004	NSF	Uncollectable
GEN00195526	PATRICIA LAPPIN	\$ 20.00	\$ 12.68	\$ 7.32	2007	NSF	Uncollectable
GEN00202907	TIMOTHY J ILER	\$ 20.00	\$ 13.41	\$ 6.59	2007	NSF	Uncollectable
GEN00211178	PHILIP GRAHAM	\$ 20.00	\$ 12.98	\$ 7.02	2007	NSF	Uncollectable
GEN00211243	PAUL GRAHAM	\$ 20.00	\$ 9.85	\$ 10.15	2006	NSF	Uncollectable
GEN00212086	JOSPEH PAUL GUDGER	\$ 20.00	\$ 13.11	\$ 6.89	2007	NSF	Uncollectable
GEN00253271	BRIAN KARL WIENS	\$ 20.00	\$ 7.49	\$ 12.51	2004	NSF	Uncollectable
GEN00255753	SOLID GOLD CONSTRUCTION LTD	\$ 20.00	\$ 18.29	\$ 1.71	2009	NSF	Uncollectable
GEN00257980	KIM WALSH	\$ 20.00	\$ 9.10	\$ 10.90	2005	NSF	Uncollectable
GEN00262683	KIMBERLY MARY ZINCK	\$ 20.00	\$ 8.88	\$ 11.12	2005	NSF	Uncollectable
GEN00280221	C E EXECUTIVE OFFICE SERVICES	\$ 20.00	\$ 10.27	\$ 9.73	2006	NSF	Uncollectable
GEN00280431	ROBERT IAN WILSON	\$ 20.00	\$ 12.01	\$ 7.99	2006	NSF	Uncollectable
GEN00280994	LOMAN C BEZANSON	\$ 20.00	\$ 17.57	\$ 2.43	2009	NSF	Uncollectable
GEN00286352	LAURA CLARE COOKE	\$ 20.00	\$ 13.25	\$ 6.75	2007	NSF	Uncollectable
GEN00288542	KAR-VIN HOLDINGS	\$ 20.00	\$ 9.21	\$ 10.79	2005	NSF	Uncollectable
GEN00290646	WENDY POWELL	\$ 20.00	\$ 9.36	\$ 10.64	2005	NSF	Uncollectable
GEN00224588	DEBBIE MAHONEY	\$ 19.58	\$ 15.86	\$ 3.72	2008	NSF	Uncollectable
GEN00324004	INDIGO	\$ 12.00	\$ 12.00	\$ -	2008	NSF	Uncollectable
	TOTALS	\$ 81,583.70	\$ 77,332.83	\$ 4,250.87			

**SCHEDULE 3: REAL PROPERTY ACCOUNTS**

AAN #	CUSTOMER NAME	TOTAL AMOUNT	PRINCIPAL	INTEREST	BILL YEAR	BILLING	WRITE -OFF REASON
10034655	Darren Bergeron	\$ 1,439.95	\$ 1,303.04	\$ 136.91	2009/2010		Mobile Removed/Cannot Locate
03476782	Marvin Trent Hart	\$ 824.86	\$ 725.01	\$ 99.85	2007/08/09/10		Mobile Removed/Cannot Locate
09401741	William Bell	\$ 575.08	\$ 375.00	\$ 200.08	2007		Mobile/False Alarm/Bankrupt
00119024	J. Cameron & J Duffy	\$ 308.42	\$ 274.30	\$ 34.12	2010		Mobile Removed/Cannot Locate
02192276	Evelyn Arsenault	\$ 264.53	\$ 231.32	\$ 33.21	2009		Mobile Removed/Cannot Locate
02167166	Leslie Izzard	\$ 120.83	\$ 105.31	\$ 15.52	2009		Mobile Removed/Cannot Locate
08882134	Dwayne Howe	\$ 114.94	\$ 107.85	\$ 7.09	2010		Mobile Removed/Cannot Locate
01623605	Harvey Dauphinee	\$ 97.35	\$ 86.11	\$ 11.24	2009		Mobile Unable to locate
01648624	Paul Frank Harder	\$ 96.23	\$ 92.88	\$ 3.35	2010		Mobile Removed/Cannot Locate
04890922	Christopher Saulnier	\$ 95.58	\$ 84.97	\$ 10.61	2009/2011		Mobile Removed/Cannot Locate
02568934	Stephen Little	\$ 87.39	\$ 74.24	\$ 13.15	2007/08/09/10		Mobile Removed/Cannot Locate
05583152	Christa West	\$ 57.01	\$ 54.92	\$ 2.09	2009		Mobile Removed/Cannot Locate
05622581	James England	\$ 53.42	\$ 48.41	\$ 5.01	2009		Mobile Removed/Cannot Locate
01736701	Kevin/Nicole Marriott	\$ 13.53	\$ 13.05	\$ 0.48	2010		Mobile Removed/Cannot Locate
	<b>Totals</b>	<b>\$ 4,149.12</b>	<b>\$ 3,576.41</b>	<b>\$ 572.71</b>			

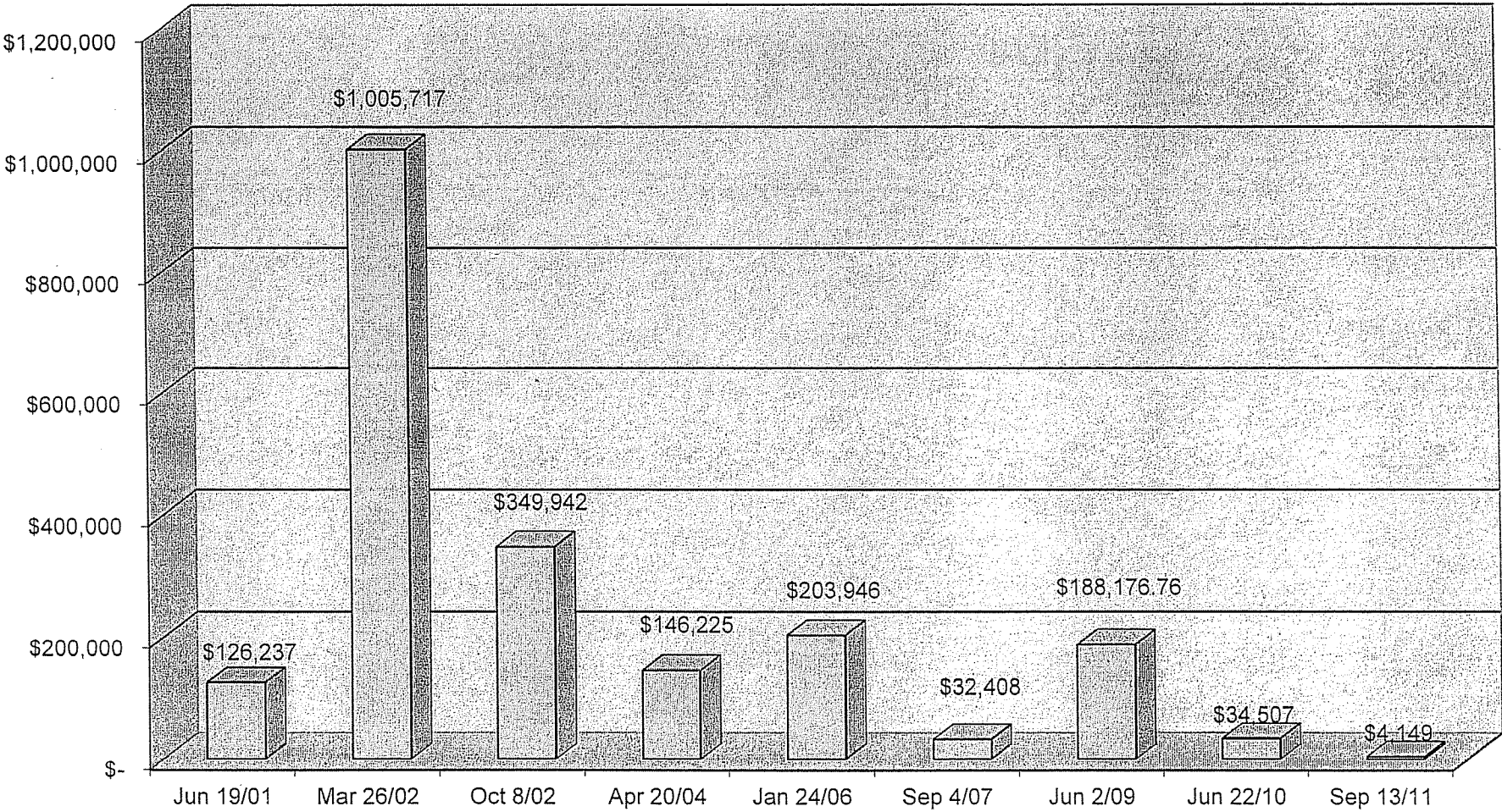
**SCHEDULE 4: BUSINESS OCCUPANCY ACCOUNTS**

ACCT	ACCT NAME	TOTAL DUE	PRINCIPAL	INTEREST	BILL YEAR	WRITE OFF REASON
08763119	Nova Scotia Crystal Ltd	\$ 35,602.06	\$ 31,468.49	\$ 4,133.57	2008-2009	Bankrupt
02634759	M & J Investments Ltd	\$ 19,414.86	\$ 13,029.86	\$ 6,385.00	2005-2007	Bankruptcy
07557620	JG Woods Litho	\$ 15,769.49	\$ 8,251.56	\$ 7,517.93	1996-1997	Bus closed/unable to locate
07520794	West Frank as Lake City Used	\$ 12,749.58	\$ 5,216.38	\$ 7,533.20	1996-1998	Bus closed/unable to locate
09568417	Sackville Valuewear Clothing	\$ 6,795.30	\$ 5,144.51	\$ 1,650.79	2005-2007	Bus closed/unable to locate
07824653	Holder Brokerage/Hallmark	\$ 6,630.56	\$ 4,818.88	\$ 1,811.68	2007	Bus closed/unable to locate
09647775	Brookfield LePage Johnson Controls	\$ 6,530.30	\$ 4,575.98	\$ 1,954.32	2006-2007	Bus closed/unable to locate
09573682	OP Fiberglass Inc	\$ 6,327.05	\$ 5,137.55	\$ 1,189.50	2008-2009	Unable to collect/Brett
09789812	Stillwater Design Inc	\$ 6,046.21	\$ 4,815.90	\$ 1,230.31	2006-2008	Bus closed/unable to locate
08781111	Cutans Salon Inc	\$ 5,421.11	\$ 4,180.60	\$ 1,240.51	2006-2009	Bankrupt
10252581	Minstrels Pub	\$ 5,295.35	\$ 5,015.05	\$ 280.30	2009	Closed/No Assets
10151937	Life Salonspa	\$ 5,081.86	\$ 4,326.45	\$ 755.41	2009	Bankrupt
10093066	Glubes Speed & Sound	\$ 4,658.67	\$ 4,658.67	\$ -	2008-2009	Bus closed/unable to locate
09789995	Gadget Corner Electronics	\$ 4,484.06	\$ 3,087.54	\$ 1,396.52	2005-2008	Bus closed/unable to locate
09647724	AHF Moving & Trucking	\$ 4,448.30	\$ 3,106.43	\$ 1,341.87	2005-2007	Bus closed/unable to locate
10044601	Kims Body Works	\$ 4,325.60	\$ 3,339.65	\$ 985.95	2007-2009	Bankrupt
09830723	Cribby Printing	\$ 4,021.37	\$ 3,097.20	\$ 924.17	2006-2007	Bus closed/unable to locate
08788480	Good Hair Day Salon	\$ 4,003.60	\$ 2,906.53	\$ 1,097.07	2006-2008	Coll Agency unable to collect
08698880	JW Cribby Printing	\$ 3,735.57	\$ 2,630.37	\$ 1,105.20	2006-2007	Bus closed/unable to locate
09651969	Alpine Auto Glass	\$ 3,623.95	\$ 2,374.93	\$ 1,249.02	2004-2006	Bankrupt
08781354	Salon Marrakesh	\$ 3,583.94	\$ 2,412.92	\$ 1,171.02	2005-2006	Bankrupt
09791973	Sackville Valuewear Clothing	\$ 3,568.48	\$ 2,658.14	\$ 910.34	2006-2007	Bus closed/unable to locate
09571388	Atlantic Transmission Limited	\$ 3,564.02	\$ 2,288.75	\$ 1,275.27	2004-2008	Bus closed/unable to locate
07822359	3020318 Nova Scotia Limited	\$ 3,214.25	\$ 2,129.26	\$ 1,084.99	2004-2007	Bus closed/unable to locate
07812841	Frozen Ocean	\$ 3,172.94	\$ 2,737.02	\$ 435.92	2004-2006	Coll Agency unable to collect
09795960	Frozen Ocean	\$ 3,110.46	\$ 2,350.79	\$ 759.67	2008-2009	Coll Agency unable to collect
10135087	Hakansson Industries Ltd.	\$ 3,101.54	\$ 2,575.43	\$ 526.11	2009-2010	Defunct Ltd.
09646191	Fireplaces to Go	\$ 3,048.76	\$ 2,168.24	\$ 880.52	2005-2007	Bus closed/unable to locate
09825703	CTI Counsellor Training Institute Inc	\$ 2,983.61	\$ 2,095.16	\$ 888.45	2006-2007	Bus closed/unable to locate
09653201	Mr. Romance Gifts	\$ 2,670.31	\$ 2,233.72	\$ 436.59	2005-2007	Bankrupt
08799911	Peddlers Pub/FTD Holdings	\$ 2,625.77	\$ 2,314.00	\$ 311.77	2009-2010	Defunct
08686491	Key Largo's Margaritaville Dining	\$ 2,559.75	\$ 1,676.79	\$ 882.96	2007	Bus closed/unable to locate
09793240	Eastern Greenbelts	\$ 2,445.33	\$ 1,717.76	\$ 727.57	2005-2008	Bankrupt
07825218	Bridal Connections	\$ 2,342.68	\$ 1,476.67	\$ 866.01	2003-2006	Bus closed/unable to locate
07806663	All-Pro Moving	\$ 2,238.02	\$ 1,437.11	\$ 800.91	2003-2007	Bus closed/unable to locate
08680035	1414695 Nova Scotia Ltd/Phoenicia	\$ 2,194.40	\$ 1,542.35	\$ 652.05	2005-2006	Bus closed/unable to locate
07813767	Pro-Tech Electronics	\$ 2,142.44	\$ 1,403.85	\$ 738.59	2004-2006	Bus closed/unable to locate
07790139	M & S Auto Repair	\$ 1,967.58	\$ 1,409.82	\$ 557.76	2006-2007	Bus closed/unable to locate
10027519	Fine Touch Refinishers	\$ 1,792.65	\$ 1,439.97	\$ 352.68	2007	Bus closed/unable to locate
09823476	Fanatic Footwear Inc.	\$ 1,752.89	\$ 1,477.37	\$ 275.52	2007-2009	Defunct Limited
07797990	Burnside Auto Body	\$ 1,488.86	\$ 1,094.22	\$ 394.64	2005-2007	Bus closed/unable to locate
08749485	Jubilee Grocery	\$ 1,466.72	\$ 1,297.37	\$ 169.35	1997-1999	Bus closed/unable to locate
08762619	Rasseys Pizza & Grocery	\$ 1,424.60	\$ 1,322.65	\$ 101.95	2008-2009	Coll Agency unable to collect
07786131	Par-T-Golf	\$ 1,385.00	\$ 1,171.65	\$ 213.35	2009	Bus closed/unable to locate
09574557	Rainmaker Call Center	\$ 1,224.65	\$ 865.17	\$ 359.48	2005	Coll Agency unable to collect
10201624	Sackville Racing Centre	\$ 1,211.93	\$ 1,067.04	\$ 144.89	2009	Bankrupt
09791485	Botticelli's Mercato Italiano	\$ 1,197.25	\$ 814.86	\$ 382.39	2006-2007	Bus closed/unable to locate
04619986	Timberlea Investments	\$ 1,180.91	\$ 993.43	\$ 187.48	2009	Bankrupt
09572538	Microplay	\$ 1,145.97	\$ 843.30	\$ 302.67	2006	Bus closed/unable to locate
09830200	Ron's TV and Video	\$ 1,080.53	\$ 659.77	\$ 420.76	2007	Bus closed/unable to locate
08796890	Harbour Rentals & Marine	\$ 1,050.72	\$ 719.88	\$ 330.84	2005-2006	Bus closed/unable to locate
07812256	CTI Counsellor Training Institute Inc	\$ 1,044.09	\$ 714.06	\$ 330.03	2005-2007	Bus closed/unable to locate

**SCHEDULE 4: BUSINESS OCCUPANCY ACCOUNTS**

ACCT	ACCT NAME	TOTAL DUE	PRINCIPAL	INTEREST	BILL YEAR	WRITE OFF REASON
08714738	RK Carrick Surveying	\$ 1,033.45	\$ 878.80	\$ 154.65	2008	Coll Agency unable to collect
09647813	Sunworld Tanning	\$ 1,002.54	\$ 907.49	\$ 95.05	2008-2009	Seizure/bal on acct
10067650	Curves for Women	\$ 933.67	\$ 789.67	\$ 144.00	2008	Defunct Limited
08763461	Miditeraneo Café	\$ 919.99	\$ 617.90	\$ 302.09	2005	Bus closed/unable to locate
09796371	D & L Olmstead Holdings	\$ 899.88	\$ 759.96	\$ 139.92	2009	Bus closed/unable to locate
08782741	Shippey's Brewing Co.	\$ 802.26	\$ 699.08	\$ 103.18	2007-2010	Defunct
07567286	Plastic World & Design Ltd	\$ 783.20	\$ 708.95	\$ 74.25	2008-2009	Seizure/bal on acct
09572678	Texture Hair & Tanning	\$ 774.34	\$ 605.22	\$ 169.12	2003-2004	Statute Barred
09822852	Spanish Peaks Canada	\$ 754.66	\$ 638.37	\$ 116.29	2009	Bus closed/unable to locate
10071372	Pawstively Pet Supplies	\$ 713.02	\$ 614.59	\$ 98.43	2008	Coll Agency unable to collect
07799225	Mail Boxes Etc	\$ 692.48	\$ 585.70	\$ 106.78	2009	Defunct
08732302	Smyle Ventures Ltd	\$ 674.02	\$ 570.07	\$ 103.95	2009	Bus closed/unable to locate
07819323	Mom's Laundry	\$ 626.97	\$ 438.16	\$ 188.81	2006	Bus closed/unable to locate
09825452	Spectrum Powder Coating	\$ 587.89	\$ 496.75	\$ 91.14	2009	Unable to collect/Brett
10095646	Investment Dealers Association	\$ 548.61	\$ 426.46	\$ 122.15	2008	Bus closed/unable to locate
09830405	Metro Dog Wash	\$ 508.22	\$ 375.12	\$ 133.10	2007	Bus closed/unable to locate
09824189	Rusty Anchor Lounge	\$ 505.38	\$ 432.07	\$ 73.31	2009	Bus closed/unable to locate
04568478	Pewter House	\$ 471.45	\$ 329.08	\$ 142.37	2006-2008	Uncollectable
10152275	Saturn 27	\$ 458.23	\$ 384.90	\$ 73.33	2009	Bus closed/unable to locate
09649751	Canadian Sailing Expeditions	\$ 427.61	\$ 293.45	\$ 134.16	2007	Bankrupt
10164176	I Fix Computers	\$ 424.67	\$ 375.79	\$ 48.88	2009	Bus closed/unable to locate
10094208	WBC Wireless Business Centre	\$ 409.97	\$ 318.65	\$ 91.32	2008	Bus closed/unable to locate
08924759	St Margarets Bay Rd Irving	\$ 406.70	\$ 323.63	\$ 83.07	2008	Coll Agency unable to collect
09829954	Stop N Drop Laundry	\$ 368.50	\$ 263.21	\$ 105.29	2006-2008	Bus closed/unable to locate
10074827	Spar Medical Hair & Vein	\$ 363.23	\$ 282.31	\$ 80.92	2008	Coll Agency unable to collect
10094747	Direct Overhead Tools	\$ 346.28	\$ 269.24	\$ 77.04	2008	Bus closed/unable to locate
07831331	Burnside Business Watch	\$ 342.18	\$ 233.29	\$ 108.89	2005-2007	Bus closed/unable to locate
09651594	Computer Generated Services	\$ 323.87	\$ 276.90	\$ 46.97	2009	Bus closed/unable to locate
09650164	Color Cars Experienced Automotives	\$ 258.77	\$ 174.22	\$ 84.55	2005	Bus closed/unable to locate
07782772	Rosedale Flower Shop	\$ 233.33	\$ 196.73	\$ 36.60	2008	Coll Agency unable to collect
09568980	Reid Newport	\$ 230.50	\$ 165.93	\$ 64.57	2006-2007	Bus closed/unable to locate
08762287	Hub Grocery	\$ 223.55	\$ 189.05	\$ 34.50	2009	Coll Agency unable to collect
08794618	Lewis Valerie & Bell Marilyn	\$ 219.00	\$ 177.60	\$ 41.40	2008	Coll Agency unable to collect
09795146	Wallenius Wilhelmsen Logistics	\$ 202.79	\$ 171.53	\$ 31.26	2009	Coll Agency unable to collect
10087007	Exceeding Reading Learning	\$ 196.41	\$ 179.86	\$ 16.55	2010	Small claim Court/Judgement
08776725	Romney Designs	\$ 170.79	\$ 156.40	\$ 14.39	2009	Bus closed/unable to locate
08918651	Streit Ltd	\$ 156.04	\$ 126.19	\$ 29.85	2008-2009	Bus closed/unable to locate
09571027	A & M Automotive Ent.	\$ 146.31	\$ 122.97	\$ 23.34	2009	Unable to collect/Brett
10082481	Andrew Munroe	\$ 146.11	\$ 123.57	\$ 22.54	2009	Coll Agency unable to collect
07781873	Baylee Supermarket	\$ 122.32	\$ 115.36	\$ 6.96	2008-2009	Coll Agency unable to collect
07811446	CE Executive Office Services Inc	\$ 105.21	\$ 88.53	\$ 16.68	2009	Bus closed/unable to locate
09573216	Tony Welsh Plumbing & Heating	\$ 95.63	\$ 80.81	\$ 14.82	2009	Defunct Ltd.
09794751	Shear Logic	\$ 92.01	\$ 72.31	\$ 19.70	2007	Bus closed/unable to locate
10096812	Merle Norman	\$ 87.91	\$ 80.50	\$ 7.41	2010	Small claim Court/Judgement
10080916	EVP Atlantic	\$ 85.35	\$ 74.26	\$ 11.09	2008-2009	Coll Agency unable to collect
08755051	Birch Cove After School	\$ 79.79	\$ 66.52	\$ 13.27	2008-2009	Bus closed/unable to locate
08793026	VR Interactive Inc	\$ 69.88	\$ 59.03	\$ 10.85	2009	Unable to collect/Brett
07811381	Novalis Technologies	\$ 66.87	\$ 56.29	\$ 10.58	2009	Bus closed/unable to locate
07575211	Will's auto Repair	\$ 65.41	\$ 50.85	\$ 14.56	2008	Bus closed/unable to locate
09572333	Grace Note Child Care	\$ 63.11	\$ 61.43	\$ 1.68	2009	Bankrupt
09797068	Newsbreak Café	\$ 28.49	\$ 23.12	\$ 5.37	2008-2009	Coll Agency unable to collect
08769222	Sasey's Antiques	\$ 20.01	\$ 13.47	\$ 6.54	2007	Bus closed/unable to locate
	<b>TOTALS:</b>	<b>\$ 254,214.76</b>	<b>\$ 188,812.39</b>	<b>\$ 65,402.37</b>		

Schedule 5: Total Real Property Write-offs Since 1996  
(including interest)

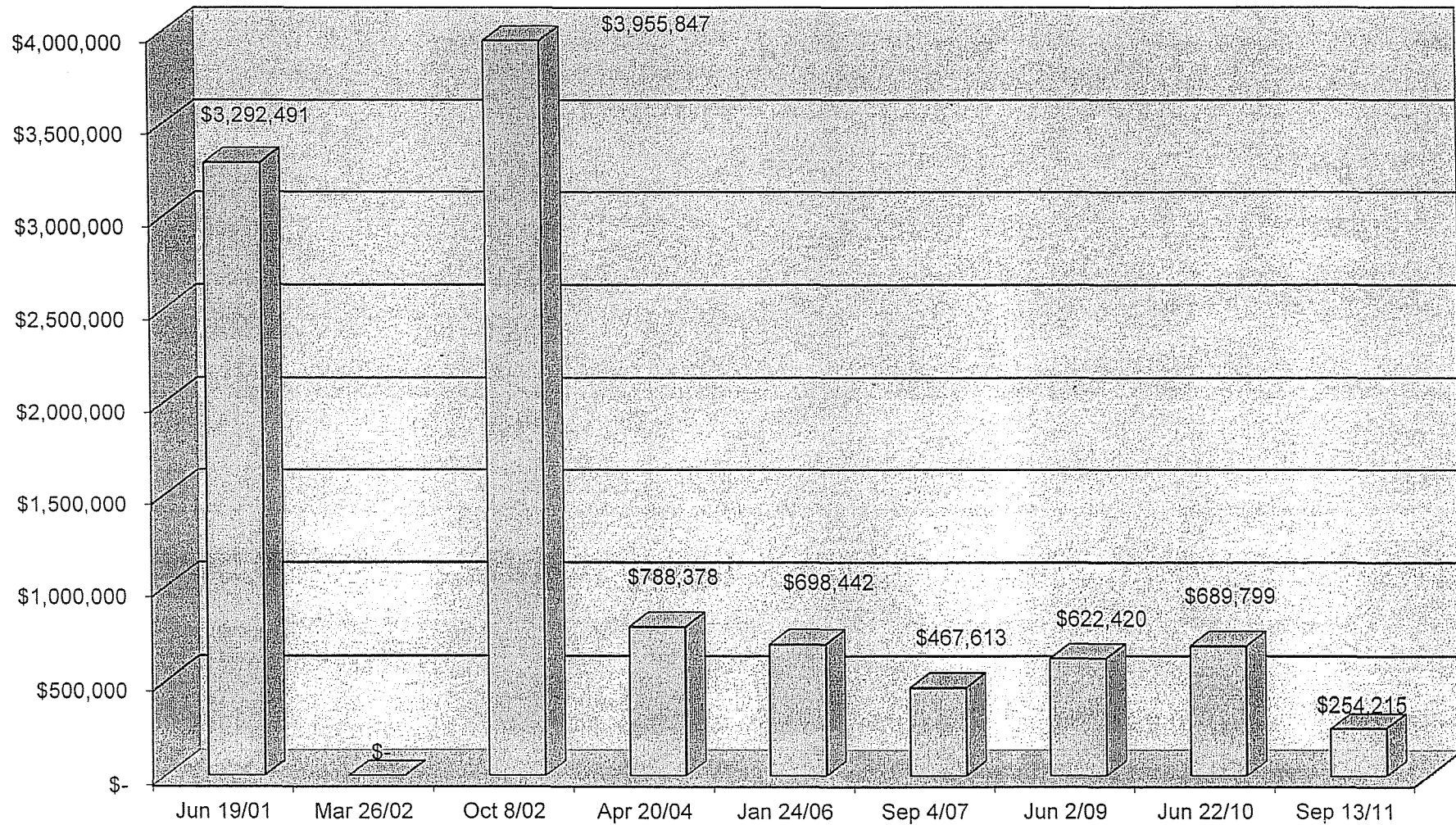


**Real Property write-offs since amalgamation**

<b>Date</b>	<b>Total Write-off</b>
Jun 19/01	\$ 126,237
Mar 26/02	\$ 1,005,717
Oct 8/02	\$ 349,942
Apr 20/04	\$ 146,225
Jan 24/06	\$ 203,946
Sep 4/07	\$ 32,408
Jun 2/09	\$ 188,176.76
Jun 22/10	\$ 34,507
Sep 13/11	\$ 4,149



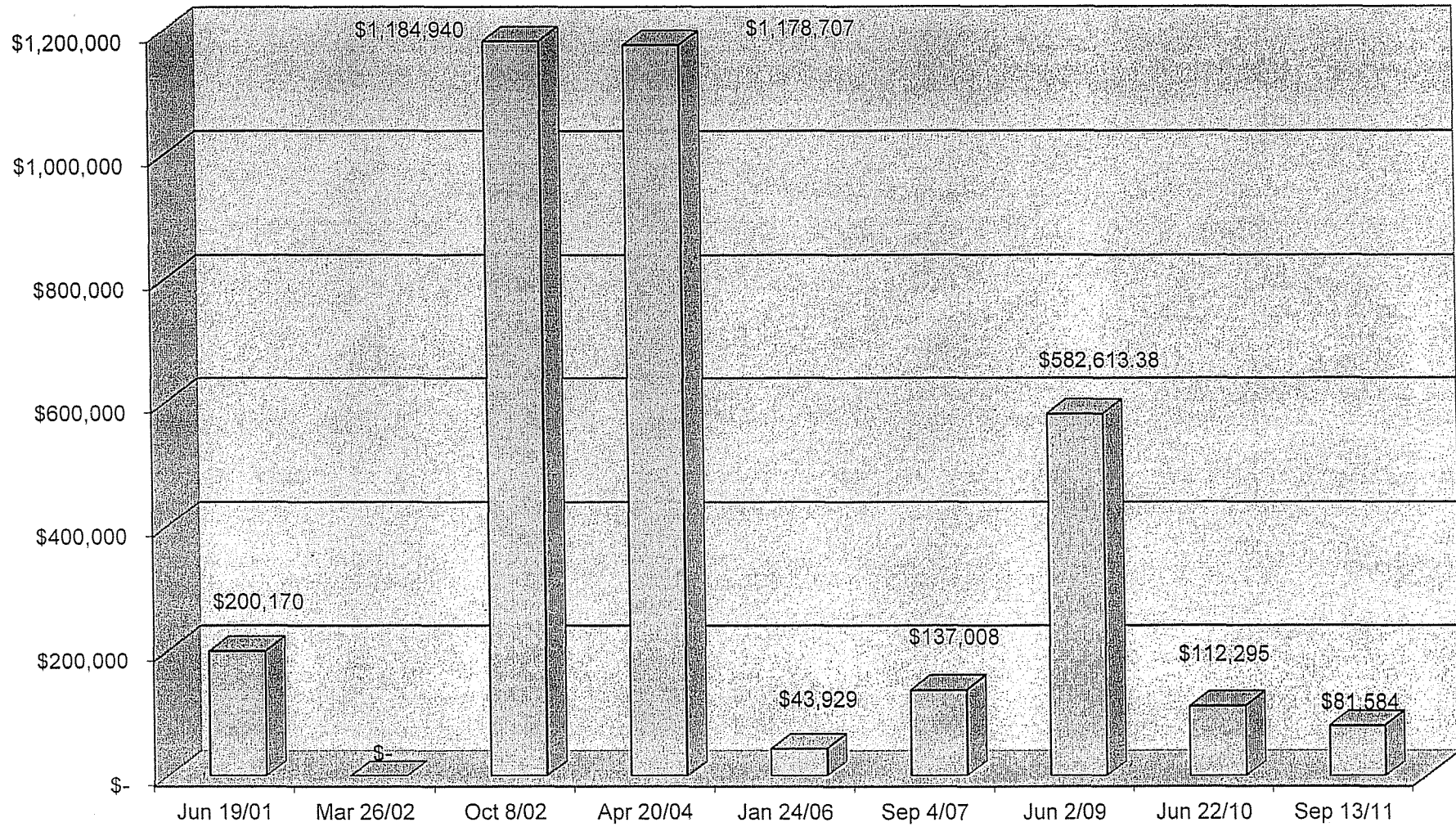
**Schedule 6: Total Business Occupancy Write-offs Since 1996  
(including interest)**



**Business Occupancy Write-offs Since Amalgamation**

<b>Date</b>	<b>Total Write-off</b>
Jun 19/01	\$ 3,292,491
Mar 26/02	\$ -
Oct 8/02	\$ 3,955,847
Apr 20/04	\$ 788,378
Jan 24/06	\$ 698,442
Sep 4/07	\$ 467,613
Jun 2/09	\$ 622,420
Jun 22/10	\$ 689,799
Sep 13/11	\$ 254,215

**Schedule 7: Total General Revenue Write-offs Since 1996  
(including interest)**



**General Revenue Write-offs Since Amalgamation**

<b>Date</b>	<b>Total Write-off</b>
Jun 19/01	\$ 200,170
Mar 26/02	\$ -
Oct 8/02	\$ 1,184,940
Apr 20/04	\$ 1,178,707
Jan 24/06	\$ 43,929
Sep 4/07	\$ 137,008
Jun 2/09	\$ 582,613.38
Jun 22/10	\$ 112,295
Sep 13/11	\$ 81,584