

Springfield News and Views

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FULL DISCLOSURE OF OUTSTANDING RECEIVABLES

The following problem has been revealed in the municipal accounts prior to this councils' term. Over the last decade there has been an enormous accumulating amount owing to the municipality from individuals and businesses which would be termed "outstanding receivables". You should be astonished that this amount totals \$680,000.00. I have instructed our municipal solicitor through our CAO to take the legal steps necessary to recover these funds from the people and businesses involved. At the end of the day a certain percentage of these accounts may not be recouped for the reason that the legal timeframe has expired. The drawback in keeping the uncollectible receivables on the books is that the year end financial statement reveals to the public a false financial position of the municipality.

The outstanding revenues which are not recoverable for legal reasons or prohibitive legal costs need are to be removed from the record with full disclosure to our independent auditor and to the public. This will ensure that the year end 2008 financial statement is a true reflection of the municipal fiscal health. I have instructed our CAO to make certain that all revenue accounts are to be collected in a timely fashion and any delinquent ones be brought to council's attention immediately for quick decisive action.

We need to ask the question why these outstanding receivables were not collected. This fiscal revelation from the past is now a big present financial hit and suggests that all expenditures need to experience some belt tightening in 2008.