



City of Lloydminster

Policy

Policy Title:	Finance Charge Policy	Policy Number:	134-06
Date of Adoption:	October 26, 2020	Motion Number:	340-2020
Date of Amendment:	March 28, 2022	Motion Number:	125-2022
Sponsoring Department	Finance		

1. Purpose:

- 1.1. To establish a fair, consistent, and transparent finance charge for outstanding accounts receivable balances for goods supplied or services rendered by the City.

2. Definitions:

Administration	An employee or Contract employee of the City of Lloydminster.
City	The corporation of the City of Lloydminster.
Customers	The person or business to which the City provides goods or services.
Invoice	A document outlining the amount of money due from a customer in exchange for goods supplied or services rendered by the City and the payment terms.
Accounts Receivable Statement	A document outlining the Invoices, payments, finance charges, or other adjustments for a customer account for a specific time period.
Member of Council	An individual elected pursuant to <i>The Local Government Election Act</i> (Saskatchewan) as a Member of Council.

3. Scope:

- 3.1. This Policy applies to all accounts receivable in the City, unless finance charges are otherwise stipulated by City policies, bylaws, leases, agreements, contracts, or by resolutions of Council.
- 3.2. This Policy applies to all members of Council, Administration and all Customers of the City.

4. Guiding Principles:

- 4.1. All accounts receivable by the City shall be considered due and payable upon issuance unless otherwise determined by the City policies, bylaws, leases, agreements, contracts, or resolutions of Council.
- 4.2. The finance charge will be applied to an invoice in excess of 30 days from the Invoice date and every month thereafter until the outstanding invoice is paid.
- 4.3. All outstanding Invoices where finance charges are applicable shall receive a finance charge of 1.5% (one and a half percent) in accordance with 4.2.

5. Penalty:

- 5.1. Any staff member found to be in violation of this policy may be subjected to a disciplinary action. Such action may be dependent upon the nature of the breach of this policy; discipline may range from a verbal warning to dismissal with cause.
- 5.2. Any Member of Council found to be in violation of this policy may be dealt with utilizing the "*Code of Conduct Bylaw*" or provisions of "*The Lloydminster Charter.*"

6. Responsibility:

- 6.1. City Council shall review and approve all policies.
- 6.2. City Administration shall administer the policy through the use of a supporting procedure.
- 6.3. Sponsoring Department is responsible for creating and amending a supporting procedure.