

TO: Administration & Finance Executive Committee
FROM: Laurie Lindberg, Treasurer
DATE: May 4, 2018
SUBJECT: Provincial Offences Act Fine Debt Recovery Services

BACKGROUND

On November 26, 2007, Council passed By-Law No. 57/07, being a by-law to establish fees and charges for the costs of collection of Provincial Offences (POA) fines that are due and unpaid. The collection fees were added onto the debt to be recovered and do not have a financial impact on the expenses of the Fort Frances POA Court operations. The original collection agency was with Canadian Bonded Credits Limited (CBCL), transferred to iQor Canada Ltd in 2008, then a second transfer to Nordia in July of 2017.

On April 24, 2018, the attached letter was received by e-mail notifying that Nordia will be ceasing active collections activities on all accounts effective May 14th, 2018. In accordance with the Procurement Policy, that three (3) written quotes are required for purchases over \$5,000 but not exceeding \$35,000, contact has been made to known debt recovery/collection agencies to provide a quote for fee for service as the payable amount is between \$8,000 to \$11,000 on an annual basis. The following suppliers of collection services were contacted to provide a quote: A-1 Credit Recovery & Collection Services Inc., Credit Bureau Collections, Commercial Credit Adjusters Ltd. and Groupe Solution Collect.

We have received the following quotes of which are stated as a percentage of the debt owed/collected:

1. A-1 Credit Recovery & Collection Services Inc., Toronto, ON
 - a. 23% First Assignment
 - b. 40% Second Assignment – accounts dating back from 2001 through to December 2017
 - c. 1st, 2nd and 3rd assignment POA collection experience.
2. Credit Bureau Collections, Barrie, ON
 - a. 30% of all collections
 - b. No direct POA collection experience (some by-law infractions including parking tickets and fire department infractions)
3. Commercial Credit Adjusters Ltd., Winnipeg, MB
 - a. 16% 1st Placement Assignment
 - b. 23 % 2nd Placement Assignment (those accounts that have prior arrangements)
 - c. POA collection reference 2nd assignment for City of Toronto
4. Groupe Solution Collect, Branch offices in Montreal, Quebec & Pickering
 - a. 15.9% of collections
 - b. No POA collection experience in Ontario and no direct collection staff presently