

# COUNTY OF ST. PAUL NO. 19

*Our Mission - To create desirable rural experiences*



## ADM-13 Delinquent Accounts Receivable Policy

Department: Administration

### POLICY OBJECTIVE:

The County of St. Paul desires to provide a process for managing overdue Accounts Receivable.

### POLICY STATEMENTS:

#### 1.0 Guidelines

- 1.1 County Administration will print an Aged Accounts Receivable Report monthly that will show what Accounts Receivable Invoices are outstanding – 30, 60, 90 and over 90 days.
- 1.2 Penalties will be calculated for outstanding invoices over 30 days at a rate of 2.5% per month.
- 1.3 Monthly statements are generated but will only be sent to customers who have outstanding accounts over 60 days, including the amount of the original invoice, plus accumulated penalties. Penalties less than \$10 may be written off as per ADM-23 Cancellation of Penalties.
- 1.4 After being overdue for **60 days**, County Administration will send a first reminder letter to the customer indicating that if payment is not received their charging privileges for services and equipment rentals will be suspended with the exception of snow removal services, as this is considered an essential service. Residents requiring snow removal services will adhere to Driveway Snow Removal Policy PW-3 and prepay for the service. The Municipal Services Assistant/Accounts Receivable will notify Managers in extraordinary situations, when invoices are more than 60 days overdue.
- 1.5 After being overdue for **90 days**, County Administration will send a second/final reminder letter to the customer indicating that their charging account privileges have been suspended and that their account will be forwarded to a Collection Agency, pending payment of their overdue account within **180 days**.
- 1.6 Accounts on the “No Charge Listing” **and** sent to the Collection Agency will require all future services/equipment rentals to be pre-paid. In the instance where an exact amount cannot be determined, ie. a 30 Yard Roll-Off Bin Rental, an estimate for pre-payment will be provided to the customer and full payment must be received prior to the service/equipment rental being provided. Pre-Payments must be in the form of Cash, Debit or Credit Cards.

- 1.7 Customers will remain on the “No Charge Listing” for five years from the date their account is paid in full. This includes reimbursement of the Collection Agency fees paid by the County.
- 1.8 If an invoice is outstanding and is eligible to be added to the tax roll as per Section 553.1 of the Municipal Government Act, it will not be sent to collections. It will be added to the tax roll and deemed to be a tax imposed from the date it is added to the tax roll.
- 1.9 At year end, Administration will review all outstanding accounts and present a recommendation to Council to write off accounts deemed uncollectable. Approval of write-offs will be as per County Council resolution. Should an Outstanding Account be written-off by Council, as deemed uncollectable by the Collection Agency, the customer will remain on the “No Charge Listing” until the account is paid in full, including any interest applied to the account. Pre-payment of all future services/rentals will be required for 5 years.
- 1.10 A message will be printed on all invoices advising residents to pay from the invoice, as no statements will be issued for accounts less than 60 days in arrears.

#### Related Policies

- Cancellation of Penalties

Council Approval: July 8, 2011  
Amended: April 12, 2016  
Amended: May 12, 2020  
Amended: October 13, 2020  
Amended: February 22, 2022  
Amended: September 13, 2022