

**POLICY:** The Village of Mannville requires that customers pay for goods and services provided by the Village in a timely manner.

**PURPOSE:** The purpose of this policy is to standardize guidelines for overdue Accounts Receivable.

## **1.0 GUIDELINES**

- 1.1 Administration will print an Accounts Receivable Trial Balance on a monthly basis that shows which Accounts Receivable Invoices are outstanding.
- 1.2 Penalties will be calculated for outstanding invoices over 60 days at a rate of 1.5% per month. Goods and services provided to municipal government entities will be exempt from penalties.
- 1.3 Monthly statements will be generated and sent to customers who have outstanding accounts, including the amount of the original invoice, plus any accumulated penalties, except fire department invoices.
- 1.4 After an account is overdue for 90 days, a letter will be sent to the customer/resident indicating all Village services will be suspended if payment is not received.
- 1.5 If an invoice is outstanding after 120 days and is eligible to be added to the property tax roll in accordance with Section 553(1) and 553.1 of the *Municipal Government Act* the outstanding amount will be added to the tax roll and will be deemed to be a tax imposed from the date it is added to the tax roll.
- 1.6 If accounts are overdue after 180 days the Village will forward details of the outstanding invoice to an Agency hired for the collection of overdue accounts, at the discretion of the CAO.
- 1.7 At year end, Administration will review all outstanding accounts and present to Council their recommendation for the writing-off of any accounts deemed uncollectable. Approval of write-offs will be as per Council resolution.

**END OF PROCEDURE**