

TOWN OF MORDEN
POLICY & PROCEDURES MANUAL

<i>Section</i> Finance & Administration	<i>Classification</i> Policy
<i>Subject</i> Collection of Outstanding Accounts	<i>Pages</i> 2
<i>Authority</i> Council	<i>Effective Date</i> June 27, 2000
<i>Approved (date and resolution number)</i> June 27, 2000 – Res. #19	<i>Index Number</i> F/A-001

ISSUE

Outstanding accounts have been referred to committee from time to time for direction on collection procedures. Recent discussions at committee level have reached conclusion that it would be expedient to establish policy to deal with collection of outstanding accounts in a fair and consistent manner. Inefficient collection of outstanding accounts results in higher costs to the Town of Morden and subsequently, higher taxes for the residents of the Town of Morden

OBJECTIVE

To efficiently collect outstanding accounts in a manner that is deemed by Council to be fair and consistent for all taxpayers.

POLICY

Once an account with the Town of Morden has reached a state of delinquency and is considered to be an outstanding account, the following process will be used to collect the funds owing to the Town of Morden:

1. A telephone call will be made to politely explain the delinquent situation and request payment of the outstanding account. If unsuccessful with this step, proceed to step 2.
2. A formal letter will be issued to request payment of the outstanding account. If unsuccessful with this step, proceed to step 3.
3. Add the amount of the outstanding account to the Tax Roll. However, if there is no Tax Roll to add to, then proceed to Step 4.
4. File a claim with Small Debts Court. However, if the amount of the outstanding account does not qualify for Small Debts Court, then proceed to Step 5, 6 or 7, depending on the circumstances.
5. Refer the matter to the Town Solicitor for assistance with collection.
6. Refer the matter to a Collection Agency for collection.
7. Write off the outstanding balance of the overdue account.

(Steps 1 and 2 above require judgment of the staff member who is attempting to collect the outstanding account. As a general rule of thumb, allow approximately two (2) weeks for Step 1 and approximately one (1) month for Step 2.)

APPEAL

Relief from this policy may be appealed to the Council of the Town of Morden by written request or appearance before Council as a delegation. Council's final decision must be in the form of a resolution passed at a regular Council meeting.