



Village of Cremona

Policy #1004-01 Accounts Receivable

POLICY STATEMENT:

The Village of Cremona shall provide guidelines for accounts receivable transactions in the Village of Cremona.

1. DEFINITIONS

1.1 **Accounts Receivable** means the monies due from all customers for merchandise or services delivered.

2. RESPONSIBILITIES

2.1 Chief Administrative Officer

2.1.1 Shall make recommendations to Council relative to writing off accounts as required.

3. GUIDELINES

3.1 General Receivables

3.1.1 All payments for General Accounts Receivable are due at the end of the month following the date of invoice.

3.1.2 Any account that remains unpaid on the last day of the month is considered overdue and is assessed a penalty based on the current Rates and Fees Bylaw.

3.1.3 Accounts that remain unpaid after all collection procedures have been followed shall be transferred to the corresponding tax roll for the service address where permitted under the Municipal Government Act.

3.1.4 For accounts that are not transferable to the corresponding tax roll, the Chief Administrative Officer or their designate may obtain a collection agency to recover unpaid accounts.

3.1.5 Returned payments shall be charged back to the appropriate account. Any service charges, as outlined in the current Rate and Fee Bylaw shall be charged to the account.

3.1.6 Approval of Council shall be required to write off any accounts receivable balance greater than \$300.00.

3.2 Tax Receivables

3.2.1 All Taxation Notices shall be prepared and sent in accordance with the Municipal Government Act.

- 3.2.2 Taxes that remain outstanding after the due date will be assessed interest charges according to the current Rate and Fee Bylaw.
 - 3.2.3 Returned payments shall be charged back to the appropriate tax account. A service charge, as outlined in the current Rate and Fee Bylaw will be charged to the account.
 - 3.2.4 Outstanding tax arrears will be processed in accordance with the Municipal Government Act.
 - 3.2.5 The request to write off tax accounts shall be submitted to Council as required.
- 3.3 Utility Receivables
- 3.3.1 All payments for Utility Receivables are due on the invoice due date.
 - 3.3.2 An account that remains unpaid after the invoice due date is considered overdue and shall be assessed a penalty according to the current Rate and Fee Bylaw.
 - 3.3.3 An account that remains unpaid after the invoice date may be transferred to the tax roll in accordance with the Municipal Government Act.
 - 3.3.4 An application with outstanding utility arrears may be denied any new utility services until the arrears are paid in full.
 - 3.3.5 All historical outstanding utility accounts owed by the same Account Holder shall be transferred to any active utility account and will be subject to collection.
 - 3.3.6 Returned payments shall be charged back to the appropriate account. A service charge, as outlined in the current Rate and Fee Bylaw will be charged to the utility account.
 - 3.3.7 Approval of Council shall be required to write off utility account balances greater than \$300.00.

4. END OF POLICY

Resolution #195-15

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