



STAFF REPORT

To: Council

From: Michelle Williams, Director of Finance

Approved by: Trudy Payne, Chief Administrative Officer

Date: December 14, 2020

Subject: **Collections Policy Amendment – December 2020**

ORIGIN

Council requested a statement be included in the Collections Policy for correspondences with residents to include the procedures of the Finance Department whereas payment errors made by the property owner/client not be refunded.

RECOMMENDATIONS

THAT Council of the Municipality of the District of Shelburne approve the attached Collections Policy as amended.

DISCUSSION

Minutes from the Council meeting on October 13, 2020 regarding the Collections Policy:

CAO, Trudy Payne, presented Council with two letters from residents concerning the interest charges on their property tax bills. It was mentioned that perhaps staff should include a clause in their collections policy that states that it is not the Municipality's responsibility to reimburse for errors due to postage or payment. It was suggested that the requests be denied as past requests have also been denied. Council agreed that these matters should not have to come to Council and CAO, Trudy Payne, stated that she would revise the policy with staff and bring back to Council.

As a result of this Council meeting, all correspondence from the Finance Department to residents has been changed to reflect the following statement: "The Municipality will not reverse interest payments for payment errors made by the property owner/client."

This statement has been incorporated in the Municipality's Collections Policy and has been reflected in Section 43.9 of the Collections Policy.

ATTACHMENTS

Collections Policy with proposed amendments in red.



Policy 43
Collections Policy

POLICY PURPOSE

43.1 To provide the Finance Department with clear requirements related to the notification process for its accounts receivable.

POLICY DETAILS

- 43.2 Collection Letters are sent out every September and January for any properties that are in arrears of \$50.00 or more.
- 43.3 Tax bills are sent out in April and due June 30 for all properties, regardless of the amount. Amounts will include arrears.
- 43.4 Pre-warning letters are sent out in May for any properties that are going to be on the tax sale list generated in July.
- 43.5 Monthly statements are sent for the Construction and Demolition Site (RMRF), Septage Receiving Station, Miscellaneous, RCMP and Sherriff for statement amounts that are \$2.00 or more.
- 43.6 Invoices created during the month are due the end of the following month before interest is charged, i.e. Invoice charged Nov. 3, Statement sent Nov. 30, due Dec. 31.
- 43.7 Residents will receive a receipt:
- When the 'request receipt' box amount is checked on the Tax Bill, Statement or Collection Letter.
 - When a resident pays with cash.
 - If after a payment, there is any balance or credit on the account.
- 43.8 As of April 1, 2019, if a property is in arrears one year plus current, it will be on the tax sale list, regardless of the amount owed.
- 43.9 The Municipality will not reverse interest payments for payment errors made by the property owner/client.

THIS IS TO CERTIFY that the Council of the Municipality of the District of Shelburne duly passed the policy respecting Collections on February 25, 2019.

SIGNED this _____ day of _____, 2020

WARDEN

CHIEF ADMINISTRATION OFFICER

Approved by Council: February 25, 2019

Effective Date: February 25, 2019

Amended Date: February 24, 2020

Amended Date: