

# **Delinquent Utility Bill Collections Policy**

Origin Department: Finance Department Policy Code: A09-FIN

Approval Date: March 10, 2010 Approved by: Council

Next Review: As required Revision Date: April 25, 2022

# **Purpose**

The Township of Clearview has a responsibility to provide water and wastewater services to its residents and businesses. If those accounts fall into arrears, the Township is required to provide necessary notice prior to transferring the arrears balance to property taxes.

Pursuant to Section 398(2) of the Municipal Act, 2001, the municipality may add unpaid public utility fees and charges, which include water and/or wastewater/storm arrears to the tax roll for the property to which the public utility was supplied.

The purpose of this policy is to outline when water and wastewater arrears will be transferred to the corresponding property tax account for collection.

# Scope

This policy applies to water and wastewater (utility) accounts that are in arrears ninety (90) days or more.

# **Policy**

#### **Active Utility Accounts**

- 1. On or after April 30<sup>th</sup> and October 30<sup>th</sup> of each year, if an account is 90 days or more in arrears then the Treasurer may, at their discretion, transfer the past due amount to the property tax account for collection as property taxes.
- 2. A notice will be sent to the current mailing address of the utility account, mailing address of the property owner (if different) advising that the account has a past due amount and will subject to transfer to the property tax account.
- 3. The notice shall provide twenty-one (21) days from the date of the notice to make payment of all outstanding amounts.
- 4. All amounts greater than 90 days past due at the time the transfer is processed will be transferred to the property owners tax account.
- 5. All utility amounts transferred to property tax will be subject to fees, interest and penalties set forth in the current Fees and Charges By-law.

6. Any parties with interest in the property (e.g., Mortgage provider) will receive a notice advising that the account had a past due amount that was subject to transfer to the property tax account.

#### **Inactive Accounts/Final Billed Accounts**

- 1. When an account becomes inactive, final billed, or a change of ownership of the property has occurred a final bill will be generated within 30 days.
- 2. Should an account remain in delinquent status after a final bill has been generated on the account, the full account balance will be transferred to the property tax account within 30 days of the due date of the final billing.
- 3. A note on the final bill will outline the notice that it full account will be transferred to property taxes if it is not paid by the due date.
- 4. Notice shall by provided to the new property owner notifying of the delinquent account and will provide twenty-one (21) days from the date of the notice to make payment in full or have the amount specified in the policy transferred to the property owners tax account. The new property owner will also be instructed to contact their lawyer to obtain payment from the Seller.
- 5. All utility amounts transferred to property tax will be subject to fees, interest and penalties set forth in the current Fees and Charges Bylaw

# Responsibility

It is the responsibility of the Finance Department to implement and follow this policy.

### **Authority**

By signing below, the official representative validates that the policy has been approved by the appropriate Approval Authority (Council, Senior Management, Department Director).

Approval Authority Official Representative:	Mayor	Resolution / By-law # / Meeting Date: April 25, 2022
Signature:	Original Signed By: Mayor Me	easures
Date signed:	May 2, 2022	