

Midway City Council
25 January 2024
Strategic Planning Meeting

Accounts Receivable /
Procedures

Section 3. Administrative

3.1 Copies and Compilations of Records

The public will be charged for copies and compilations of records based on the following price schedule:

Cost per Page	
8 ½" x 11", Black & White	\$0.25/page
11" x 17", Black & White	\$0.50/page
8 ½" x 11", Color	\$1.00/page
Staff Time	
As provided by the Utah Government Records Access and Management Act, staff time will be charged in an hourly amount that equals but does not exceed the wage of the lowest-paid employee who has the necessary skills and training to perform the request. No charge may be made for the first quarter-hour of staff time.	

The total cost will be determined by multiplying the unit cost by the number of pages plus staff time. The City does not have an 11" x 17" color copier. Staff time will be billed in ten minute increments.

3.2 Billing/Collections/Bad Debt

A. Purpose

The purpose of this policy is to provide Council and staff with a policy and guidelines with regards to the billing and collection of accounts, the writing off of irrecoverable debts/bad debts, owed by consumers to the City, and to ensure that all outstanding amounts owing to the City can be recovered effectively and economically and are financially viable.

B. Definitions

1. Bad debt refers to any debt which has become overdue by more than 150 days.
2. Debt means any sum of money which a citizen of the City, or customer of the City in some capacity, is legally obligated to pay to the City for any purpose.
3. Overdue refers to any debt owed to the City of Midway which has not been paid within thirty days of the date the payment was due. As an exception, debts owed

for utility services consumed are considered overdue after the date the payment was due.

4. Municipal account shall include all levies or charges including but not limited to:
 - a. water consumption,
 - b. basic water charges,
 - c. building safety charges,
 - d. planning charges,
 - e. professional services charges,
 - f. interest and/or surcharges,
 - g. miscellaneous and sundry charges.

- C. Collections – The following process, with limited exceptions, will be used to collect on accounts with Midway City:
 1. Invoice mailed immediately to the customer.
 2. Statement mailed at the end of each month and marked past due if applicable.
 3. 30 days from the date of a statement an unpaid account is considered past due. A letter is immediately sent to the customer explaining the City’s collections policy.
 5. After 60 days service is refused by the City.
 6. After 90 days the account is referred to the City Attorney and taken to small claims court (Up to \$10,000) or district court (Over \$10,000).
 7. 30 days after judgment a lien is placed on the associated property.

- D. Bad Debts
 1. Bad debts are to be accounted for by the City of Midway until collected or permanently written off.
 2. The City will take ongoing aggressive action to collect all debts owed to the municipality which are not otherwise written off, as provided by Section 3.2 of these policies.
 3. Bad debts over 150 days old which are under a cumulative amount of \$500 per customer may be written off immediately upon collective approval of the budget officer, recorder and mayor, if they are deemed not to be cost efficient to attempt to collect on.

4. Any bad debts over six years old which have been determined to be wholly uncollectable may be permanently written off upon approval of the City Council.

D. Criteria for Irrecoverable Debt

Debt will only be considered as irrecoverable if it complies with the following criteria:

1. All reasonable notifications and cost effective legal avenues have been exhausted to recover a specific outstanding amount; or
2. The cost to recover the debt does not warrant further action; or
3. The debtor is bankrupt; or
4. The debtor is untraceable or cannot be identified so as to proceed with further action; or
5. The outstanding amount is due to an irreconcilable administrative error by the Municipality; or
6. If an offer of full and final settlement is confirmed in writing by the City.

E. Records and Reporting

1. The City of Midway shall keep records of all bad debts which have been permanently written off for a period of three years after the year of the write-off.
2. The budget officer will submit a report to the City Council, on an annual basis within the first month of the new fiscal year, of all bad debts written off under the provisions of this policy for the prior fiscal year.

F. Authorization

1. Debt below \$500 as stipulated above may be automatically approved for writing off by the Budget Officer, Recorder and Mayor as a delegated authority.
2. In respect of other debt above \$500, schedules indicating the debtor account number, the debtor's name, the physical address in respect of which the debt was raised, address, amount per account category as well as a reason to write off the amount must be compiled and submitted to Council for approval as irrecoverable debt and writing off.

3. Notwithstanding the above, the Municipality or its authorized officials will be under no obligation to write off any particular debt and will always retain sole discretion to do so.

(2012-22 Section 3.21 Deleted & Combined with Section 3.2, eff. 9/12/12)

3.3 Frequency of Deposits

The treasurer, or his or her assistant, shall deposit all City funds in the appropriate bank accounts within three (3) days of receipt. It is unlawful for any person to commingle City funds with his or her own money.

3.4 Separation of Duties of Treasurer and Recorder

One person shall not perform both the treasurer's and the recorder's financial duties.

3.5 Property Owner's Responsibility for Utility Accounts

All utility accounts shall remain in the property owner's name. It is the property owner's responsibility to make sure all utility accounts stay current.

3.6 Work Order Policy

- A. The work order policy is designed to track work orders for the Midway City Public Works Department to help assist in the maintenance of its various departments.
- B. A work order has the following information:
 1. Date of request
 2. Requested by
 3. Contact information of person making request (i.e., phone number, address)
 4. Description and location
 5. Who request is assigned to
 6. Action taken
 7. Date completed