ORDINANCE 2026-26

AN ORDINANCE FOR COLLECTING AND WRITING OFF DEBT OWED TO THE TOWN OF SAINT PAUL, INDIANA MUNICIPAL UTILITIES.

WHEREAS, upon the review of the policies and ordinances regulating collections of inactive utility accounts with a balance due to delinquency, unpaid debt or the like, it has been determined these policies should be amended.

WHEREAS, the Town of Saint Paul charges for services provided to utility customers, monetary damages for violations of utility rules and regulations, and costs to repair and restore utility facilities damaged by others; and

WHEREAS, the State of Indiana Senate Enrolled Act No 515 allows Indiana local governments to submit debts, $25.00 or more, to the Indiana Department of Revenue (DOR) and offset personal income tax refunds; and

WHEREAS, the Association of Indiana Counties has an agreement with the DOR to function as the one clearinghouse entity to submit debts on behalf of local governments; and

WHEREAS, the Town of Saint Paul intends to register for the Association of Indiana Counties TRECS (tax refund exchange and compliance system) program (the "TRECS program"); and

WHEREAS, the TRECS program will add a fee to the amount of the debt, paid by the utility customer, if a setoff occurs; and

WHEREAS, the Indiana Department of Revenue will withhold and retain for its collection fee an additional percentage of the total debt setoff amount, paid by the utility customer; and

WHEREAS, the Town of Saint Paul will not be assessed a fee to use the TRECS program; and

WHEREAS, the Town of Saint Paul may file suit on debt, not eligible for the TRECS program, with the Decatur County or Shelby County Small Claims Court; and

WHEREAS, the filing fees for debt filed with the Decatur County or Shelby County Small Claims Court will be assessed by the courts to the defendant; and

WHEREAS, the Town will write off debt, that is deemed non-collectible, or where the cost of collection would likely exceed the amount collectable, due to bankruptcy, death, or otherwise, and debt six years old, annually in December,

NOW, THEREFORE, BE IT ORDAINED by the Town Council of Saint Paul, Indiana that:

1. Definitions:
    a. Debtor: Any individual or business that owes money to the Town,
    b. Agreement: A written agreement negotiated between the Town and the Debtor setting forth the terms and provisions for the payment of a debt
2. Collection Procedure:
    a. Written notice to debtor:
        i. If payment is not received by the due date
            1. 1st notice is mailed
            2. Providing 14 additional days to pay or make an agreement
        ii. If no response is received
            1. A second notice will be mailed
            2. Providing 14 additional days to pay or make an agreement

b. TRECS filing:
   i. Debt thirty (30) days past due with a balance of $25.00 or more
   ii. If a debt is matched, the Town of Saint Paul will send notice to debtor within 15 days
   iii. Debtor has 30 days to respond:
      1. Pay the debt - no additional charge
      2. File a written appeal with the designated appeals board challenging the debt
      3. Failure to respond within 30 days' time will result in
         a. setoff of the debt against individual income tax refund
         b. fees assessed by Indiana Association of Indiana Counties and Indiana Department of Revenue

c. Small Claims filing:
   i. Debt thirty (30) days past due with a balance of $25.00 or more
   ii. Not eligible for TRECS
   iii. Case filed in Decatur County or Shelby County Small Claims Court
      1. Defendant assessed fees by Decatur County or Shelby County Small Claims Court
      2. Payments collected by Decatur County or Shelby County, forwarded to Town

3. Write-off Procedure:

   a. Annually in December
      i. Debt at least six years old
      ii. Debt has been deemed non-collectible
      iii. Debtor filed bankruptcy against the Town and debt was discharged in the bankruptcy.

PASSED AND ADOPTED by the Town Council of the Town of Saint Paul, Indiana on this 1st day of September, 2026.

AYE

Kimberly Rittington

NAY

ATTEST: