



## Utilities (Billing and Collection)

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Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](http://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

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## Utilities (Billing and Collection)

Reference Number: MTAS-702

<b>UTILITIES (Billing and Collection) RECORDS RETENTION SCHEDULE</b>		
<b>Description of Record</b>	<b>Retention Period</b>	<b>Legal Authorization /Rationale</b>
<b>S-1. Application for Service.</b> Customer requests for service, including name, address, phone, services, and signatures.	Retain 3 years after service is discontinued but may want to keep in electronic format longer in case customer returns to service.	Keep in case of billing errors. Tennessee courts have allowed utilities to back bill customers 3 years.
<b>S-2. Audit Reports.</b> Independent audit of financial records.	Permanent record.	Recommended by comptroller in Internal Control and Compliance Manual for Tennessee Municipalities.
<b>S-3. Billing Adjustment Reports.</b> Customer names and adjustment information.	Retain 3 years.	Keep in case of billing errors. Tennessee courts have allowed utilities to back bill customers 3 years.
<b>S-4. Billing Stubs.</b> Collection stubs of accounts paid.	Retain 3 years.	Keep in case of billing errors. Tennessee courts have allowed utilities to back bill customers 3 years.
<b>S-5. Billing Register.</b> Listing of monthly customer billings (account number, amount, etc.).	Retain 7 years. If record kept in electronic format, the paper copy may be destroyed after audit.	Keep to help resolve billing disputes with customers.
<b>S-6. Collection Agency Reports.</b> Listing of accounts turned over for collection and how resolved.	Retain 7 years.	Keep to help resolve billing disputes with customers.
<b>S-7. Complaints by Customers.</b> Records of meter rechecks, billing inquiries, service problems, etc.	Retain 5 years.	Keep in case of litigation.
<b>S-8. Deposits from Customers.</b> Customer name, date, services, amount of deposit.	Retain 3 years after service is discontinued and deposit applied or refunded.	Keep in case of billing errors. Tennessee courts have allowed utilities to back bill customers 3 years.
<b>S-9. Disconnection Notices.</b> Notice to discontinue service after non-payment of bill.	Retain 3 years.	Keep in case of billing errors. Tennessee courts have allowed utilities to back bill customers 3 years.
<b>S-10. General Ledger.</b> Financial information of utility. (Also see G-14 and G-21.)	Permanent record. If maintained in electronic format may destroy paper record after 7 years.	Recommended by comptroller in Internal Control and Compliance

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	NOTE: The Tennessee State Library and Archives does not favor keeping permanent records in electronic format.	Manual for Tennessee Municipalities.
<b>S-11. Meter Reading Records.</b> Meter sheets or printouts from hand-held devices.	Retain 3 years.	Keep in case of billing errors. Tennessee courts have allowed utilities to back bill customers 3 years.
<b>S-12. Meter Records.</b> Size, type, meter number, dates service began and ended, serial number.	Retain 1 year after meter is retired and disposed of.	Keep to aid in settling billing disputes involving the accuracy of the meter.
<b>S-13. Meter Tests/Repairs.</b> Record of any meter testing and any repairs.	Retain 1 year after meter is retired and disposed of.	Keep to aid in settling billing disputes involving the accuracy of the meter.
<b>S-14. Rate Schedules.</b> Listing of rates for utility services.	Permanent record.	Keep for historical purposes.
<b>S-15. Tap Records.</b> Including when tap installed, size, location.	Permanent record.	Keep for historical purposes.
<b>S-16. Work Orders for Customer Service.</b> Detail of meter number, installation date, readings, etc.	Retain 3 years.	Keep in case of billing errors. Tennessee courts have allowed utilities to back bill customers 3 years.

*DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.*

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**Municipal Technical Advisory Service**  
INSTITUTE for PUBLIC SERVICE