

# **WATER AND WASTEWATER BILLING AND COLLECTION POLICY**

Finance & Accounting Policy No: F&A 05-15

Approved by Council: June 8, 2016. Resolution:

Supersedes Policy: May 13, 2015. Resolution: 2015.08.17 and

June 24, 2015. Resolution: 2015.12.06

## **POLICY STATEMENT AND RATIONALE**

The Corporation of the Municipality of Dutton Dunwich recognizes the importance of having a written billing and collection policy for water and waste water service accounts, incorporating good and acceptable business practices and efficiencies and, which is

## **SCOPE**

The Water and Wastewater Billing and Collection policy applies to all customer water and wastewater service accounts within the geographic boundaries of the Municipality. Municipality staff assigned to the administration and collection of water and wastewater accounts shall adhere to the policy and procedures detailed below.

## **DEFINITIONS**

In reading and interpreting the Water and Wastewater Billing and Collection policy, the following definitions apply:

“Municipality” means The Corporation of the Municipality of Dutton Dunwich.

## **POLICY, PROCEDURE AND IMPLEMENTATION**

### **1.0 Billing Cycle**

- 1.01 Water and Wastewater will be read and billed quarterly.
- 1.02 Water and wastewater bills will be mailed a minimum of fifteen (15) days before the due date.

### **2.0 Due Date**

- 2.01 Due dates will be the 15th day of the month following the quarterly bill.

### **3.0 Payment**

- 3.01 Payments of the net amount will be accepted if received on or before the due date, or processed by the Bank on or before the due date. The amount payable after the due date incorporates a penalty charge as outlined in the Fee By-Law.
- 3.02 Payments received after the due date should be for the amount identified on the invoices plus any penalty charges.
- 3.03 If a payment is received after the due date, and the payment only reflects the net amount due, the penalty charge will remain outstanding until the next bill is issued.
- 3.04 Invoices are payable at the Municipal Office (199 Currie Rd.), on-line banking, at a banking institution or telephone banking. The receipt date will be the official date of payment. Payment will be in the form of cash, cheques, money order or debit card.

### 3.05 Pre-Authorized Payment Plan;

Payment may be made by Pre-Authorized Payment Plan if a customer provides completed Pre-Authorized Payment Plan Application and a void cheque encoded with the bank's transit number, bank number, and bank account number belonging to the bank account for which the amount owing is to be withdrawn 15 calendar days prior. Pre-Authorized payments will be withdrawn on the due date, and for the amount due, as indicated on the customer's bill. Monthly equalized payments may be available if prior authorization has been given to an owner on an exception basis, from the Treasurer or an authorized employee.

- The Due Date Plan debits the bank account and credits the invoice balance on the due date.

3.06 12 Month Equal Payment Plan will be calculated using past water consumption averages and will not be an exact representation of water consumption for a given billing period. The monthly equalized amount will be debited from the customer's bank account on the 15th business day of each month. Any balances or credits will show on the invoice and the customer is required to monitor the balance over or under the monthly equalized amount. Monthly equalized amounts will be reconciled yearly unless otherwise warranted.

- Active billing accounts with 12 Month Equal Payment Plan will be exempt from late penalties and will not accrue interest on outstanding balances, nor will interest accrue on credits.
- If there is no past consumption history, the monthly preauthorized amount will default to the average consumption for a family of four or 21 cubic meters per month.
- A customer must submit changes and/or cancellations to their Pre-Authorized Application Plan in writing, a minimum of 30 calendar days prior to the next due date.

## **4.0 Tenant Deposit**

4.01 Where a property is tenant occupied, and the tenant is responsible for the payment of water and wastewater charges, a deposit in an amount established by by-law, from time to time, is required prior to the water service being activated.

4.02 A tenant deposit will be applied to a final bill, and the balance of the deposit, if applicable, will be refunded to the tenant.

## **5.0 Seasonal Service**

5.01 Accounts, where there is a request for service to be temporarily disconnected a fee will be charged, as established by by-law, from time to time, for the disconnection.

5.02 The customer is required to pay the fixed monthly charge during the period the service is temporarily disconnected.

- 5.03 Where a service has temporarily been disconnected at the request of the account holder and a request is made for service reconnection, a fee will be charged, as established by by-law, from time to time, for the reconnection.
- 5.04 A minimum of five (5) business days' notice is required for a temporary disconnection or service reconnection. The customer or designate must be in attendance while service is disconnected or reconnected.

## **6.0 Final Accounts**

- 6.01 Where the municipality has been notified that a final meter reading is required as a result of a property sale, the final meter reading shall be done on the inside reader. A fee will be charged, as established by by-law.
- 6.02 If overtime is necessary to read the inside meter, the cost will be added to the final bill.
- 6.03 Where a property has been sold, payment must be received within 30 days of the final bill being issued.
- 6.04 Where a final bill has not been paid within 30 days, within 7 days a letter will be sent to:
- the previous property owners;
  - the new property owners; and
  - the lawyers for each party as applicable, informing them that should payment not be received within 10 working days, the overdue charges will be added to the property tax account, subject to the provisions of section 1(3) of the Municipal Act, 2001, which includes the ability to include outstanding charges in the cancellation price for a tax sale.
- 6.05 Where a final bill has been sent in regard to a tenanted property, and there is no response within 30 days, the balance will be transferred to the property owner's tax account.
- 6.06 Costs associated with the use of a collection agency are the responsibility of the consumer.

## **7.0 Collection**

- 7.01 First Letters for overdue accounts will only be mailed out for balances that are over 30 days overdue.
- 7.02 Amounts owing under \$100.00 will appear as past due on the next water and/or wastewater bill.

## **8.0 Disconnection**

- 8.01 Accounts remaining unpaid for a period of fifteen (15) days beyond the date of issuance of the First Letter are subject to disconnection of the service. At this time Second Letters are hand delivered (if no one is home, they are left in the mailbox/ between the screen door and front door).

Ten (10) days after the Second Letter is hand delivered the water service may be disconnected by the Municipality at any time.

Disconnects are to be scheduled between the hours of 8:00 a.m. and 2:00 p.m., Monday to Thursday.

- 8.02 A collection charge, as established by by-law, from time to time, will apply to all water and waste water accounts remaining unpaid one (1) day after the date for payment indicated on the First Letter.
- 8.03 Where disconnection is to occur, a service person will attend at the subject property to disconnect the service. A disconnection charge and a reconnection charge, as established by by-law, from time to time, will apply to all water and waste water accounts that are disconnected and reconnected.
- 8.04 Where extended interruptions of service would endanger the health and survival of a customer, reasonable measures will be taken to provide the customer with adequate time to make arrangements for account payment (not to exceed seven (7) calendar days).
- 8.05 Where the service is known to be in the name of a tenant the Municipality cannot disconnect the water, these will be added to the tax roll of the property owner.
- 8.06 Where service supplied to a landlord/owner is to be disconnected for nonpayment and the tenant(s) of the building will be affected, a letter will be sent to each tenant with a copy to the landlord/owner. The letter is to be delivered to the tenants providing them with a minimum of twenty-four (24) hours' notice of the impending disconnection. Should the account remain unpaid following the 24 hours' notice, the service will be disconnected.
- 8.07 When payment has not been made and the account has been disconnected or the property owners/tenants have moved, the Municipality will proceed with adding the balance to the tax roll.
- 8.08 Costs associated with the use of a collection agency, as approved from time to time by Council, are the responsibility of the consumer.
- 8.09 Where the property is owner occupied, and the services cannot be shut off, or collection efforts have been exhausted, the amount due shall be added to the tax roll.
- 8.10 Amounts added to the tax roll shall be collected in accordance with the provisions of section 1 (3) of the Municipal Act, 2001, which includes the provision to include the outstanding charges in the cancellation price for a tax sale.

## **9.0 Reconnection after Disconnection of Service**

- 9.01 Service may be reconnected at the request of the customer where the Municipality has received 100% payment for outstanding arrears. A reconnection charge as established by by-law, from time to time, will apply and must also be paid before water is turned back on. Payment must be made via cash, certified cheque, money order, or Interac only, in these circumstances.

9.02 Failure to pay the balance of the account within the time prescribed in section 7.01 will result in a further disconnection of service and an additional reconnection charge will apply.

9.03 Service will be disconnected immediately and without further notice for any account where payment of arrears as set out in section 7.01 is made by cheque returned NSF (“not sufficient funds” or “non-sufficient funds”).

#### **10.0 Dishonoured Cheques**

10.01 If during any calendar year the Municipality receives two (2) or more NSF (“not sufficient funds” or “non-sufficient funds”) cheques or preauthorized payments, the customer will be notified in writing that the Municipality will only accept payment on the subject account by cash, certified cheque, money order or debit, until the customer has established a good payment record for one year.

10.02 A charge, as determined from time to time by by-law, will be applied to the customer’s account for each payment returned by their financial institution for the reasons set out in section 9.01.

#### **11.0 Late Payment Charges**

11.01 Late payment charges are adjusted only if it was charged as a result of the Municipality’s error or omission. It shall be at the discretion of the Treasurer to determine if the error was a result of action taken by the municipality.

#### **12.0 Small Balance Write off**

12.01 When an account has been finalized, if the outstanding balance is less than \$20.00, this amount may be written off, and no action will be taken to recover this amount.

#### **13.0 Uncollectable Amounts**

13.01 On a semi-annual basis, where all collection efforts have been exhausted, a staff report will be presented to the Treasurer recommending that account balances be written off as uncollectable.

#### **14.0 Accounts transferred to taxes**

14.01 At any time during the year the Treasurer may transfer outstanding water accounts to the tax account. Amounts added to the tax roll shall be collected in accordance with the provisions of section 1 (3) of the Municipal Act, 2001, which includes the provision to include the outstanding charges in the cancellation price for a tax sale.