

## Delinquency Process – Discontinuation of Service Due to Non-Payment

**Billing:** Occurs every other month for each of the two Cycles.

Cycle 1 (Copper Cove, Jenny Lind, Wallace, West Point, Wilseyville)	Cycle 2 (Ebbetts Pass)
January	February
March	April
May	June
July	August
September	October
November	December

Per Section 25 of Article III:

Where service is metered, the meters will be read at specified intervals for the preparation of regular bills, opening bills, closing bills, and special bills.

Typically, regular bills are completed and mailed out between the 20<sup>th</sup> – 25<sup>th</sup> of each month.

Per Section 22 of Article III:

A delinquent account is any account that remains unpaid by the close of business 25 calendar days after the date of issuance of the water or wastewater bill unless the customer has made alternative payment arrangements.

**Late Fees & Reminder Notices:** If a bill is not paid by the due date, the District will apply a \$10 late fee (first offense) to the account. A reminder notice will also be mailed to the customer with details regarding the delinquent amount and a demand for payment to be made ten (10) days from the date printed on the notice. Note: any balance of \$20 or less may be carried over to the next billing period without being assessed a late fee or incurring further collection action.

**Alternative Payment Plans (Payment Arrangements/ Amortization Plans):** Residential customers who are unable to pay for their billed services may request a payment arrangement to avoid discontinuation of service(s). CCWD will consider the request and make a determination. Requests will only be granted under certain circumstances, including:

1. Threat to health or safety, **and**
2. Financial inability to pay

**Appeals:** A customer may dispute a bill or request an adjustment of charges through the Customer Service Department within 25 days following the billing date.

**Fee Waivers:** Fees may be waived in certain circumstances on accounts that are defined as “in good standing”.

**Service Disconnection Notifications (Hang Tag Process):** The District will make a reasonable, good-faith effort to contact residential customers by phone, email, written warning, or door tag at least ten (10) days before discontinuation of service(s) for non-payment. A second late fee of \$20 will be assessed on the account at this time. The District will not discontinue service(s) for non-payment on non-residential accounts unless the account has been delinquent for at least thirty-five (35) days. The District will make a reasonable, good-faith effort to notify the customer forty-eight (48) hours in advance of discontinuation.

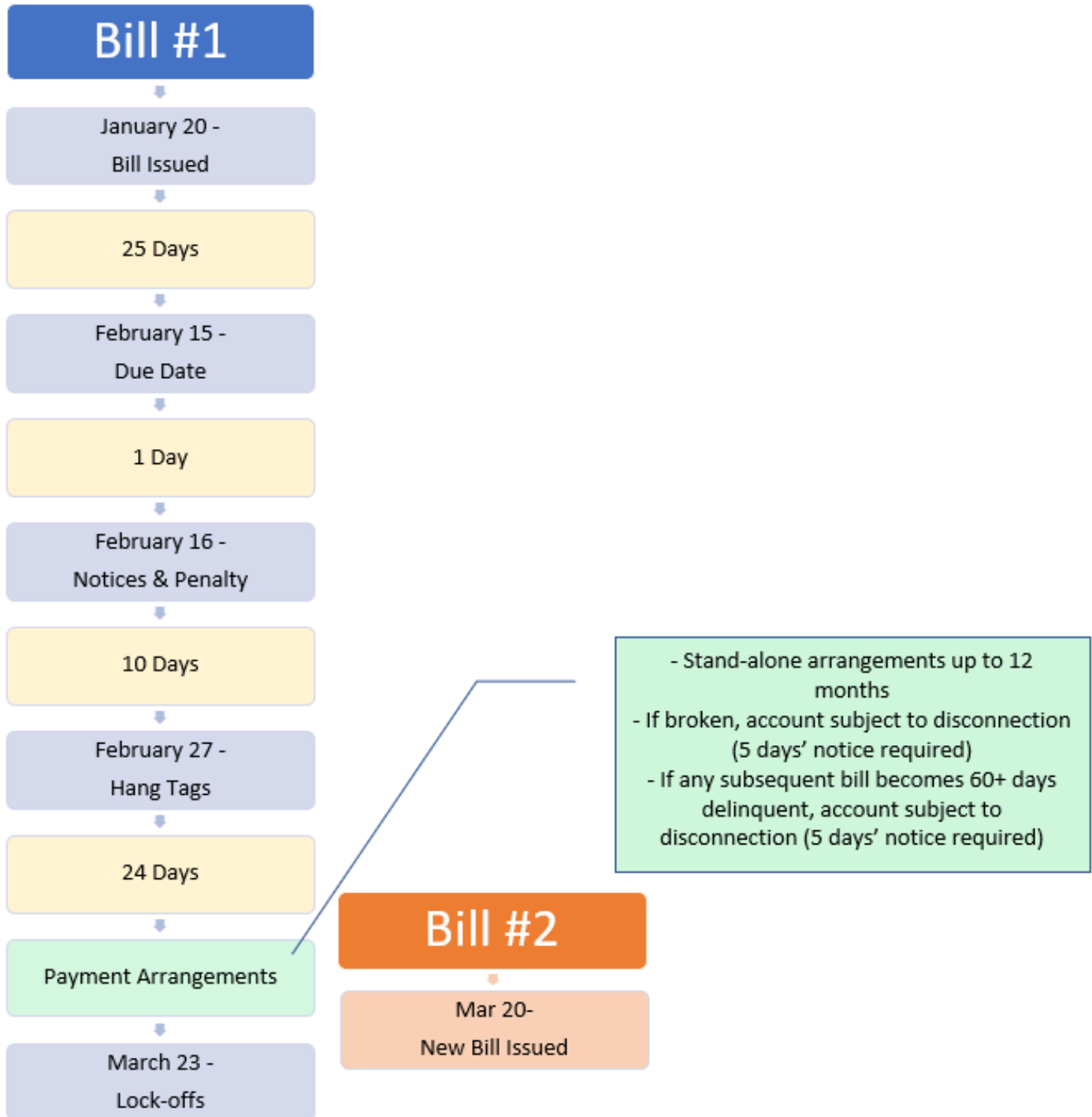
**Tenant Accounts:** If property owner account is delinquent and the tenant occupying the property is subject to potential service disconnection for non-payment, the tenant may contact Customer Service and establish an account under their name to avoid interruption. This new account is subject to a deposit held on the account (deposit subject to interest).

**Field Disconnection:** Field Staff are provided service location information for those accounts that are still delinquent and are dispatched to disconnect or shut-off service. A \$50 fee is assessed on each account once staff has been dispatched.

**Service Reconnection:** A disconnected service will only be reconnected if all charges and indebtedness for service(s) has been made. A \$50 fee will be charged for each reconnection during regular business hours. A higher fee will be charged for reconnections occurring after regular business hours, not to exceed \$150. After-hours reconnections are subject to an annual CPI adjustment as of July 1, 2021.

In addition to the reconnection fee, a reconnection deposit would be required, collected, and held on the account (deposit subject to interest).

### Timeline of Delinquency



## Administrative Processes Involved in Delinquency Timeline:

Delinquency Step	Admin Process	Staff Affected	Staff Time Required
Billing	Incode CIS System Billing Process; DataProse Mailing; CPI Lockbox	CS Supervisor, All CSR's, Accounting Technician, Field Staff	~60-100 hours/ month**
Late Fees/ Reminder Notices	Incode CIS System Past Due Process Packet; DataProse or In-house Mailing	CS Supervisor, Sr CSR, Accounting Technician	Unknown
Payment Arrangements	Incode CIS System Contracts	CS Supervisor, All CSR's, Accounting Technician	~20 minutes/ account to establish, unknown time required for tracking
Appeals	Admin Services Director/ GM Review & Determination	Admin Services Director, GM or Other Designee	Unknown
Service Disconnection Notifications	Incode CIS System Past Due Process Packet	CS Supervisor, All CSR's, Accounting Technician	Unknown
Service Disconnection	Incode CIS System Past Due Process Packet; Disconnect Service Orders	CS Supervisor, All CSR's, Accounting Technician, Field Staff	Unknown
Service Reconnection	Incode CIS System Reinstate Service Orders	CS Supervisor, All CSR's, Field Staff	Unknown

\*\*current requirement due to AMI project

**A/R & Revenue Implications:** It is anticipated that moving forward with Reminder Notices and possibly reinstating Late Fees will decrease open and aged A/R, while also increasing rate payer revenue. Costs associated with mailing notices in-house vs. through DataProse will also need to be considered and evaluated. There will also be revenue implications if it is decided that CCWD will not be moving forward with Service Disconnection Notifications or Service Disconnections indefinitely and utilizing other means for collection on active accounts including but not limited to tax roll assessments.

It is proposed that payment processing as it currently exists be re-evaluated for potential changes to ensure accurate and timely managing of all customer payments. Areas to evaluate would include lockbox processing, P.O. Box vs. direct mail delivery, customer portal processing, etc.

**Tyler Incode CIS System Needs:** Much of the delinquency process within the CIS system will need to be tested and vetted, with some of the process still needing set-up within the system and training of staff.