

POLICY # UT 002	POLICY TITLE: COLLECTION OF WATER AND SEWER UTILITY ACCOUNTS
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APPROVAL DATE AND MOTION:	June 28, 2016 (2016-06-51)	CROSS-REFERENCE:	Bylaw 21-22 Schedule A; Municipal Government Act
RESPONSIBILITY:	General Manager – Public Works Operations	APPENDICES:	
APPROVER:	Council	EFFECTIVE DATE:	June 28, 2016
REVISION DATE(s)/ MOTION #:	May 28, 2024 (2024-05-83)	NEXT REVIEW DATE:	May, 2025

1. DEFINITIONS

- 1.a. **Account** means a customer account set up in the water and sewer utility billing system for the purpose of tracking pertinent customer and service details
- 1.b. **Aged Trial Balance Report** means a system generated accounts receivable report listing utility accounts with outstanding balances and reflects how long each balance has remained in past-due status
- 1.c. **CAO** means the person appointed as Chief Administrative Officer of the Count of Vermilion River, or their designate
- 1.d. **Collection Letter List** means that a customer is 90 days past the due date for an amount owing on an account
- 1.e. **Council** means the whole of the elected officials for the County of Vermilion River in the Province of Alberta

- 1.f. **County** means the County of Vermilion River (the "County")
- 1.g. **Customer** means the Owner(s) or Tenant(s) who are being provided water service by the County
- 1.h. **First Notice List** means that the customer is 30 - 60 days past the due date for an amount owing on an account
- 1.i. **Locked Off** means the stopcock shut-off valve at or near the property line of the premises has been turned off
- 1.j. **Lock Off Fee** means the rate as per Bylaw 21-22 Schedule A for water service disconnection and water service reconnection combined
- 1.k. **Owner(s)** mean the person(s) listed as Owner on the current Alberta Land Title for the property
- 1.l. **Past Due List** means that a customer is 60 – 90 days past the due date for an amount owing on an account
- 1.m. **Property** means the titled parcel of land
- 1.n. **Tenant(s)** means the person(s) other than the Owner, identified by the Owner as tenant(s) on the property
- 1.o. **Utility Arrears Notice** means written 14 days notice sent via mail to the Owner(s) and Tenant(s) advising of arrears balance on account and further actions that may be taken to bring the account to current

2. POLICY STATEMENT

To establish a process that will be followed should County of Vermilion River Water & Sewer Utility Accounts fall into arrears.

3. OBJECTIVE

All water and sewer utility accounts must be kept in current standing. In order to minimize potential loss from lack of payment, the County of Vermilion River will enact the collection of accounts.

4. BACKGROUND

This is a common issue for all municipalities and utility companies to collect payment on accounts in arrears.

- 4.a. This policy was first introduced in 2016

5. GUIDING PRINCIPLES

- 5.a. If an **Owner(s)** account has a balance owing of \$75.00 (seventy five dollars) or greater within 30 to 60 days on the **Aged Trial Balance Report** after the billing due date, this account is highlighted and placed on what is referred to as a **First Notice List**. The current utility bill will be marked with a Yellow Sticker indicating the account is First Notice Past Due.
- 5.b. If a **Tenant(s)** account has a balance owing within 30 to 60 days on the **Aged Trial Balance Report** after the billing due date, this account is highlighted and placed on what is referred to as a **First Notice List**. The current utility bill will be marked with a Yellow Sticker indicating the account is First Notice Past Due.
- 5.b.i. As of the effective date of Policy # UT 002 Revision #1 no **Account** shall be opened in a **Tenants** name. The **Account** is to be in the **Owners** name only. See 7.a for exceptions for existing accounts under a **Tenants** Name.
- 5.c. Any account that has a balance owing within 60 to 90 days on the **Aged Trial Balance Report** after the billing due date is transferred to what is referred to as a **Past Due List**. The current utility bill will be marked with a Pink Sticker indicating the account is Second Notice Past Due.
- 5.d. Any account that has not been removed from the previous month's **Past Due List** and has a balance owing, is transferred to what is referred to as a **Collection Letter List** and is mailed a **Utility Arrears Notice**. Should the account in question be that of a **Tenant(s)**, a copy of the **Utility Arrears Notice** is mailed to the **Owner(s)**.
- 5.e. Upon 14 days after the date of mailing of the **Utility Arrears Notice** or the 1st business day thereafter, any accounts that are not paid or have not made appropriate arrangements for payment, will be handled by;
- 5.e.i. Services **Locked Off** being supplied to the customer
- 5.e.ii. Transferring the utility charges and associated penalties to the Tax Roll
- 5.e.iii. Referral to a collection agency
- 5.f. Services **Locked Off**, as directed by Management, will be handled as follows:
- 5.f.i. Should the service be shut off, there is a **Lock Off Fee** which will be charged to their account. The Lock Off fee is the minimum charge for a service call, as stated in the Bylaw 21-22 Schedule A. The **Lock Off Fee** is payable, along with the balance stated in their **Utility Arrears Notice**, before service will be reconnected.
- 5.f.ii. Should the service remain **Locked Off** for 60 days and the account balance remains unpaid, the total outstanding balance of the Water & Sewer Utility

Account will be added to the Tax Roll, as allowed under the *Municipal Government Act*.

- 5.f.iii. Should the account in question be a service for a **Tenant**, the **Owner(s)** is notified before the service is **Locked Off** by management. Should the service for a **Tenant** be shut off, there is a **Lock Off Fee** which will be charged to their account. The Lock Off fee is the minimum charge for a service call, as stated in the Bylaw 21-22 Schedule A. The **Lock Off Fee** is payable, along with the balance stated in their **Utility Arrears Notice**, before service will be reconnected.
- 5.f.iv. Should the service remain **Locked Off** for 60 days, the account will be transferred into the **Owner(s)** name.
- 5.g. After every attempt has been made to collect an outstanding account, but the account remains unpaid, the account is deemed to be uncollectible and may be written off, at the discretion of the General Manager – Public Works Operations and either the **CAO** or Director of Finance.

6. ROLES & RESPONSIBILITIES

ROLE/TASK	
HANDLING INQUIRIES	General Manager – Public Works Operations
MONITORING REVIEWS AND REVISIONS	General Manager – Public Works Operations in conjunction with the Executive Assistant to CAO and Council
IMPLEMENTING POLICY	Council
COMMUNICATING POLICY	Chief Administrative Officer
INTERNAL STAKEHOLDERS	Administration, Council
EXTERNAL STAKEHOLDERS	

7. EXCEPTIONS

- 7.a. Accounts under a Tenants name that existed prior to Policy UT 002 Revision #1 effective date will continue until such time as the Account requires a change of name.

8. POLICY EVALUATION

The evaluation will include the following:

- 8.a. That the County will engage in a Policy Evaluation every year to monitor the effectiveness of the policy and review opportunities for improvement.
- 8.b. Needs assessment if required
- 8.c. Process evaluation to measure whether the policy is meeting its intended objectives
- 8.d. Outcome evaluation to determine whether the policy has met its objectives and whether additional opportunities for improvement in the policy can be identified.