

Late Payments and Shut-Off Policy for Delinquent Water Accounts

Purpose

It is necessary for Belmont Terrace Mutual Water Company (BTMWC) to establish rules and regulations for payment of delinquent water accounts. These rules and regulations will ensure that all water fees be paid in a timely manner in order to provide adequate cash flow for operations of the water company.

Coupons – A Reminder

A water payment coupon booklet is mailed to each household every August for the September through August water bills. This enables members to pay their bills without receiving a monthly paper invoice.

Criteria for Late Fees

Water payments are due on the 1st of every month and are considered late if not received by the 15th of the month. A late fee of 1.5% of the balance outstanding will be incurred for late payments. Any account that has a balance due at the end of the month will receive a detailed paper statement. A statement fee of \$10 will be charged for each statement sent. This fee covers labor, supplies and postage.

90 DAYS DELINQUENT

Accounts with balances that are 90 days past due are subject to a \$50 delinquent fee.

The delinquent resident shall be sent a Notice of Delinquency stating that their account is in arrears by more than 90 days and a \$50 delinquent fee has been added to their account. *If the delinquent resident is a renter, the owner of the property shall be notified.*

120 DAYS DELINQUENT

Accounts with balances that are 120 days delinquent are subject to shut-off of water service and \$250 processing fee.

The delinquent resident shall be sent a Water Shut-Off Notice by certified mail for their Belmont Terrace water account. The Notice will state their account is over 120 days past due and a \$250 processing fee has been assessed. The Notice will also indicate the exact amount due within 15 days of the date of said Notice; otherwise water service will be shut off the following day. Before water service can be restored, full payment (including the \$250 processing fee) must be made to Redwood Credit Union. Complete payment instructions will be included in the Water Shut-Off Notice. *If the delinquent resident is a renter, the owner of the property shall be notified, and a lien will be placed against the property. All relevant lien fees will be applied.*

Restoration of Service

All balances (including fees) must be paid in full. Water reconnection shall be restored the next working day.

Illegal Restoration of Service

Members tampering with the shut-off valve, or attempting to restore water to their home after water is turned off by BTMWC per this procedure, shall be fined an additional \$350. Members are also responsible for damage caused as a result of unauthorized tampering with the water shut-off fixture.

Returned Checks

Payments returned from the bank will be charged back to the resident's water account and a \$35 check return fee will be charged. The resident must remit cash or a money order immediately to Redwood Credit Union to compensate for the returned check, or risk additional late fees.

Renters

This policy also applies to renters unless the renter submits a copy of the rental agreement showing that payment for water service is the responsibility of the owner.

FEE STRUCTURE

Late Fee – payment received after the 15 th of the month	1.5% of unpaid balance
Annual interest on monthly unpaid balance	18%
Statement Fee	\$10
90 Day Notice of Delinquency	\$50
120 Day Water Shut-Off Process initiated	\$250
Attempted Illegal Restoration of Service after Water Shut-Off per 120 day process	\$350
Research and Initial Lien Fee	\$100
Periodic Lien Update Fee	\$50
Returned Check Fee	\$35

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