

Policy Number: 2.5.0

Title: DELINQUENT ACCOUNTS

Introduction:

This policy has been developed to establish the way in which the District processes and collects on delinquent accounts.

Ends:

The Board of Directors has set forth the following procedures for collection of accounts receivable:

1. Payment is due within forty-five (45) calendar days of the date the bill is issued.
2. If the account has not been paid in full within forty-five (45) calendar days after the billing date, the account will be considered past due and will be assessed a one-time administrative charge of ten percent (10%) of the outstanding balance. In addition to the administrative charge, the account will be assessed a finance charge of ten percent (10%) per year (0.8333% per month) on the outstanding balance to cover ongoing administrative costs of the District. The District shall send a statement of account, which lists the outstanding balance and the administrative and finance charges, to all accounts which are past due. The property owner shall be notified that the account is past due and delinquent charges have been incurred.
3. Seventy-five (75) calendar days after the billing date, the District shall send a second statement of account to all accounts which are past due.
4. Customers who inform the District, in writing, within forty-five (45) days after the billing date that they wish to make installment payments on balances due shall be provided with the opportunity to do so. The notice of intent to make installment payments must be accompanied by payment of one-quarter of the total amount due plus a twenty dollar (\$20.00) finance and handling charge. The outstanding balance shall be paid off in no more than four equal payments, including the one accompanying the notice of intent to make installment payments. Payments shall be due and payable at thirty (30) day intervals and will include a twenty dollar (\$20.00) finance and handling charge for each payment. The \$20.00 finance and handling charge is in lieu of the 10% administrative charge and monthly interest payments. (See paragraph 2 above.) The District shall send one statement to customers on the installment payment plan notifying them of the date on which the payments are due. If any payment is late, the District will immediately assess a one-time administrative charge of ten percent (10%) of the outstanding balance and the account will be assessed a finance charge of ten percent (10%) per year (0.8333% per month) on the outstanding balance.
5. One hundred five (105) calendar days after the billing date, the District shall send a notice of collection to all accounts which are past due and which have not established a payment plan.
6. Any account which is not paid in full within one hundred thirty-five (135) days after the billing date shall be considered delinquent. The District shall send all delinquent accounts to the Placer County Tax Collector for collection. All accounts sent to collection will be charged an additional administrative fee of fifty dollars (\$50) and a processing charge of one percent (1%) of the total balance sent to collection.
7. Customers may appeal their bills, or any specific charge thereon, by sending a letter to the ASCWD Budget & Finance Committee requesting its review of the bill. Customers may attend Budget & Finance Committee meetings to present their case. The decision of the Budget & Finance Committee is final.

8. Customers who write the District a check for payment and do not have sufficient funds to cover the check, will be charged the administrative fee from the Bank plus the District's administrative time fee in the amount of \$20.

Responsibility:

The General Manager will be responsible for implementation of this policy.