

RURAL WATER DISTRICT NO. 4
Douglas County, Kansas

POLICY NO. 13

TITLE Inactive Accounts

Rationale:

For the purpose of accounting for inactive accounts, the Board of Directors provides the following guidance to the office staff of the District in the form of a policy:

Policy:

In the past, when a patron purchased a benefit unit but did not request that water service be initiated, a physical water meter was placed in reserve for this party and identified with the party's account number in the District shop area. Because the hardware often was not installed on a timely basis, this created unnecessary inventory for the District. These inactive accounts were often referred to as "shelf meters".

On a prospective basis, hardware in the shop area will no longer be associated with the account of a patron holding an inactive account. Rather, the computerized accounting system will account for a unique account number for each benefit unit owned, whether it is active or inactive. Shop inventory will only become associated with specific accounts when service is being activated, and at that time, accounting entries will be made in the computerized accounting system to associate the unique account numbers with serial numbers on the hardware installed by the District.

The term "shelf Meter" will no longer be used in the District. Accounts will be of only two types: Active accounts will be those that have water service installed. Water meters installed for active accounts will be read periodically, even in the case involving water meters that are shut off, including so-called "pasture meters," in order to minimize water losses for the District and patrons, and to maintain the integrity of the water system. Inactive accounts will be those for which no water service is being provided. Inactive accounts will be billed the minimum fee charge each month, along with any other applicable charges, but will have no identifiable hardware in the District records.

Approved: October 24, 2000