

**Rural Water District No. 4  
Douglas County, Kansas**

**POLICY NO: 14**

**TITLE: Collection of Unpaid Water Accounts**

**Rationale:**

Out of fairness to all patrons, and in an effort to practice prudent financial management of District funds, a policy is necessary to guide District staff in the collection of unpaid water accounts from patrons of the District.

This policy supersedes and replaces all previous policies on collection of unpaid accounts, and is intended to provide for practical application of Article 6, Section 6 of the District Bylaws.

**Policy:**

1. Water bills are mailed early in the month and are due on the 20<sup>th</sup> day of the month billed. If not paid by the 20<sup>th</sup> of the month billed, a late fee of \$10 or 5% of the unpaid balance, whichever is greater, is posted to the account. When the 20<sup>th</sup> falls on a Saturday or Sunday, the due date is the following Monday, or on Tuesday if Monday is a Postal holiday.
2. On the 25<sup>th</sup> day of the month in which the payment is due, if the balance remains unpaid, a notice will be sent to the delinquent member or tenant, notifying the customer that the bill is unpaid. An additional \$10 charge will be added to the unpaid balance to cover the cost of labor and postage for preparing the notice.
3. The customer will have 5 days from the date of the notice to pay the bill, or on the 6<sup>th</sup> day after notice was mailed, a shut-off notice will be posted, and landlords will be notified that their tenants' account is delinquent.
4. If the delinquent account is not paid within two (2) days of posting a shut-off notice at the property, service will be discontinued by turning off the water setter and placing a padlock on the setter.
5. If service is discontinued, a 6% penalty plus a \$100 reconnection charge will apply. The entire amount due on the account, plus the 6% penalty, plus the \$100 reconnection charge must be paid in order to restore service.
6. In the event that the delinquent member or tenant states that the shut-off notice was not posted, the staff has discretion to collect only a \$25 service call fee with the balance due (\$50 for after-hours calls), instead of 6% plus \$100—the purpose of which is to eliminate conflict with delinquent patrons, and relieve staff from the task of sending shut-off notices by registered letter or certified mail.
7. Where Section 6 of Article 6 of the bylaws is to be enforced to revoke a benefit unit, a registered or certified letter will be utilized to notify the member of such pending revocation.
8. When the delinquent account is in the name of a tenant, the staff will make reasonable efforts to notify the landowner (benefit unit owner) that the tenant is delinquent, since the benefit unit owner is ultimately responsible for the unpaid account.

9. In the administrator's discretion, short-term contracts may be entered into with members or tenants to encourage bringing the account current. These contracts should not be for periods of more than a few months. Penalties continue to accrue monthly for the duration of the contract.

Policy effective following the November 13, 2001 Board Meeting.  
Revised October 11, 2005.