



# CITY OF GLENDORA

## *Management Policy*

### Utility Billing Services Policy

Effective: 08/03/2017

#### I. Purpose

To establish and clarify departmental procedures for utility billing services.

#### II. Assignment of Responsibility

- A. The Finance Director will ensure that the appropriate measures are taken to ensure fair and courteous service to the residents of the City of Glendora.
- B. The Accounting Manager is responsible for overseeing the implementation of the utility billing procedures including payment processing, water service account maintenance and service requests, billing and delinquent procedures and the handling of non-sufficient funds checks (NSF) and Automatic Clearing House (ACH) payments.
- C. All Finance Department Employees are responsible for complying with the specifics of this policy.

#### III. Procedures

##### A. Opening and Closing Water Accounts

1. To open a water account the customer must submit an **Opening Request Form**, along with a valid ID and proof of ownership.
2. All water service customers that fail to show proof of ownership for an account's service address are required to pay a **\$200.00 deposit** at the time of sign-up.
  - a. The \$200.00 deposit is due prior to the beginning of water service.
  - b. The \$200.00 deposit stays on the account until the account is closed and then is applied to the final bill.
  - c. If there is a balance due on the closing bill after the \$200.00 deposit is applied, a final bill will be issued.
  - d. If there is a credit balance on the closing bill after the \$200.00 deposit is applied, a check will be issued to the customer thirty (30) days after the closing date (GMC 14.20.140).
3. Water service accounts remain open until the City receives **written notification** to close the account from the current customer **OR written notification** to open a new account at the service address from a new customer.
  - a. Accounts that are being closed and do not have a sign up will receive a **"Blue Tag"** requesting sign-up for water service.

- b. If the account is closed by a non-owner, then the water service shall be disconnected at the time that the final reading is obtained if the account does not have a **“Landlord Trust” (LLT)** agreement on file.
    - c. All service will stay disconnected until a new customer signs up and pays any applicable deposits.
  4. Landlords may choose to set up their account as a **“Landlord Trust” (LLT)**. This account will automatically revert back into the owner’s name when a tenant moves out and the service will not be disrupted.
    - a. The service will remain in the owner’s name until the owner closes the service, or until a new tenant signs up.
    - b. This arrangement is canceled if a new property owner becomes responsible for the service address or if the current owner provides **written notification** to discontinue the **LLT**.
  5. All **CLOSED** water service accounts that have a \$5.00 or more credit balance will be processed for a refund.

## **B. Water Billing**

1. The city is divided into 8 water routes. Each week one route has its meters read to produce a water bill the following week.
2. Once the city has produced and mailed a water bill the customers have 42 days to make payment on that bill, as indicated by the due date on the bill.
3. If payment is not received on time, the city will assess a 10% penalty and send out a delinquent Bill on the 43<sup>rd</sup> day.
  - a. As a courtesy to our water customers, a penalty on a water account can be waived, upon request, once every 12 to 18 months, depending on the customer’s payment history.
4. Delinquent Bills are due on the 50<sup>th</sup> day and should be paid in person to the City of Glendora or via the City’s website.

## **C. Payment Processing**

1. The City of Glendora accepts payment by cash, check, money order, credit card (Visa or MasterCard), or electronic funds transfer. Payments are accepted in person at the Cashier’s counter, in the night drop box, through the City’s website, through the customer’s bank bill-pay system, by mail, or through the City’s Automatic Clearing House (ACH) service.
2. All traditional cash and check payments received are processed and credited to the account on the **same business day** in which they are received.
  - a. All traditional cash and check payments sent to other City departments cannot be guaranteed to be processed and credited to the customer’s account on the same business day.
3. All payments made by electronic fund transfer are credited to the customer’s account on the date on which funds are received in the City’s bank account.

4. All payments received by the City's website will be credited to the customer's account on the date on which the online transaction is completed.
  - a. The City reserves the right to deactivate the website at any time for maintenance purposes.
5. Customers may make check payments at any time in the **night drop boxes** located in the Glendora City Hall parking lot.
  - a. Payments are collected by Finance Department Employees once a business day at 8:30 a.m.
  - b. Should a customer drop his/her payment in the night drop box after 8:30 a.m. on the due date of his/her regular bill but before 8:30 a.m. on the next business day, the payment will be credited to the account on the due date of the bill. All other payments dropped in the night drop box will be credited to the account on the date on which they are received.
6. Any customer with an active water account may apply for the **Automatic Clearing House (ACH)** payment plan. The customer must complete the ACH application with a "VOID" check attached, and submit it to the Finance Department. The process can take up to two water billings to become effective. If there are any customer problems or concerns, he/she must contact the Finance Department a minimum of five (5) business days prior to the due date in order to ensure that any necessary adjustments can be made in a timely manner. Customers must provide **written notice** to voluntarily terminate the ACH service.
7. "**Cash Only**" status accounts are required to pay with cash, money order, cashier's check, or credit card only. Applicable accounts will be flagged in the UB system with a descriptive note stating "**Cash Only**" and a brief explanation.
  - a. Accounts are subject to remain "**Cash Only**" until a Supervisor approves release of this status, or a term of one (1) year, whichever comes first.
  - b. If an account has a history of "**Cash Only**" status, that account will be returned to "**Cash Only**" status if another payment is returned for non-sufficient funds (NSF).
8. The City of Glendora currently accepts check payments for Athens Services, the franchised refuse service for Glendora. Payments must be received in sealed envelopes in the night drop box or at the cashier's counter. The City will not open the envelopes, cannot process these payments to the customer's refuse account, and cannot issue any kind of receipt. A courier contracted to Athens Services picks up payments at regular intervals. These intervals are determined solely by Athens Services.
9. Each account that is in good standing can be granted an **extension**. The extension does not prevent the account from having a penalty assessment if applicable, but will prevent water service disconnection.
  - a. An extension is for a maximum of fourteen (14) calendar days from the date of shut-off and must be requested in writing by the customer before the scheduled turn-off date.
  - b. Each account can have a maximum of two (2) extensions per calendar year.
  - c. Only one extension is allowed per billing cycle.
  - d. No account is allowed an extension on an extension.

- e. All requests received after a turn-off work order has been created will not be accepted.
- f. If a payment is not received by the agreed-upon date for the extension, water service will be disconnected and the account will be subject to a \$70.00 reconnection fee.
- g. All accounts that have shown a repeated failure to satisfactorily make payment in a timely manner can have their extension privileges revoked by the City of Glendora. Any extension request can be summarily denied, and the customer will be contacted to inform him/her of the revocation. **“Extension Revocation”** status will remain in effect until a Manager authorizes the account to be released from this status.

### C. Disconnection of Water Service

- 1. Accounts are subject to disconnection of water service if payment is not received by 8:30 am on the fifty-fifth (55<sup>th</sup>) day after the original bill date.
  - a. A reconnection fee of \$70.00 during regular working hours shall be paid to the City prior to reconnection of water service (GMC 14.20.180).
  - b. All outstanding charges, including the reconnection fee is due prior to the reconnection of water service.
- 2. All accounts with a balance on the fifty-third (53<sup>rd</sup>) day from the date of the original bill will receive an **“Orange Tag”**.
  - a. The **Orange Tag** shall state that payment is due by the end of the fifty-fourth (54<sup>th</sup>) day from the date of the original bill.
  - b. Accounts that receive an **“Orange Tag”** who do not pay by end of the fifty-fourth (54<sup>th</sup>) day from the date of the original bill are subject to disconnection of service and a reconnection fee of \$70.00 is added to the account.
- 3. Reconnection of water service that takes place between the hours of 5 p.m. and 8 a.m. the next business day are considered **“after hours”** reconnections.
  - a. Accounts that request reconnection **“after hours”** will be charged a \$100.00 reconnection fee (GMC 14.20.180).
  - b. Accounts that request reconnection of service **“after hours”** are required to pay the entire balance due plus the reconnection fee of \$100.00 by 10 a.m. the next business day. Those that fail to do so will have the service disconnected again and will be subject to an additional \$70.00 reconnection fee.

### D. Non-Sufficient Funds

- 1. Accounts that are paid with a check that is returned for **non-sufficient funds (NSF)** will be subject to a \$25.00 fee for the first time occurrence, or a \$35.00 fee for every subsequent occurrence in accordance with the limits set forth by CA Civil Code 1719(a)(1).

2. A **“Blue Tag”** will be processed to collect funds owed. If the **“Blue Tag”** is processed before 12 p.m., the amount of the check plus the NSF fee is due by the close of next business day.
3. If the **“Blue Tag”** is processed after 12 p.m., the amount of the check plus the NSF fee is due by the close of the second business day.
4. A flag will be added to the account indicating the amount and date payment is due.
5. All NSF checks plus appropriate fees are to be paid by cash, money order, cashier’s check, or credit card.
6. If payment is not received by the appropriate deadline, a work order will be created to disconnect water service. At that point all funds and fees, including the reconnection fee, are due prior to reconnection of service.
7. Accounts that appeared on the most recent **“Turn-Off List”**, who have paid for reconnection with a check that is returned for non-sufficient funds (NSF) will be disconnected immediately. All outstanding balances and appropriate fees, including an additional \$70.00 reconnection fee, are required to be paid in cash, money order, cashier’s check, or credit card prior to the reconnection of water service.
8. Accounts that have three (3) or more NSF’s within a one (1) year period are subject to **“Cash Only”** status.
9. Accounts that are paid with an ACH payment returned for non-sufficient funds (NSF) will be treated the same way as accounts that are paid with an NSF check.
  - a. After a second incidence of NSF payment or upon notification from the bank that the bank account is closed, the ACH payment plan will be removed from the account. Terms of D. 8 will apply.

#### **E. Manual Meter Read Fee**

1. Accounts that refuse to participate in the smart meter reader program are subject to a charge of \$45.86 per billing cycle.