

TOWN OF WESTLAKE UTILITY NON-PAYMENT

JUNE 3, 2024

NON-PAYMENT OF UTILITY BILLS

- The Town currently lacks an ordinance regulating how to handle non-payment of utility bills
- Averaged \$141,375 for the last year (21% of total billed)
- Ordinance outlines process, timing, and fees
- Intended to deter non-payment and recoup costs for theft of service, staff actions, and materials



THE TOWN OF
WESTLAKE

DISTINCTIVE BY DESIGN

NON-PAYMENT OF UTILITY BILLS

- Ordinance enacts late fees (10% of current bill) for each month unpaid
- Clear steps for contacting account holders
- Fees assessed based on meter type/location and corresponding staff time
- Also includes steps for resolution



THE TOWN OF
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DISTINCTIVE BY DESIGN

PROCESS FOR UNPAID BILLS - RESIDENTIAL

Event	Charges/Fees Assessed	Contact Action
<i>Month 1</i>		
Bill #1	\$100 Current Usage	Bill emailed (\$100)
Due Date +1	\$10 Late Fee	Past due emailed (\$110)
<i>Month 2</i>		
Bill #2	\$100 Current Usage	Bill emailed (\$210)
Due Date +1	\$20 Late Fees	Past due emailed (\$230)
<i>Month 3</i>		
Bill #3	\$100 Current Usage	Bill emailed (\$330)
15th		Certified letter
Due Date +1	\$30 Late Fees	Past due emailed (\$410)
	\$50 Disconnect Fee	Meter locked
<i>Month 4</i>		
Bill #4	\$100 Current Usage	Bill emailed (\$510)
15th		Certified letter
Due Date +1	\$610 + Penalty	Referred to collections

PROCESS FOR UNPAID BILLS - COMMERCIAL

Event	Charges/Fees Assessed	Contact Action
<i>Month 1</i>		
Bill #1	\$100 Current Usage	Bill emailed (\$100)
Due Date +1	\$10 Late Fee	Past due emailed (\$110)
<i>Month 2</i>		
Bill #2	\$100 Current Usage	Bill emailed (\$210)
15 th		Certified letter
Due Date +1	\$20 Late Fees	Past due emailed (\$305)
	\$75 Disconnect Fee	Meter locked
<i>Month 3</i>		
Bill #3	\$100 Current Usage	Bill emailed (\$405)
15 th		Certified letter
Due Date +1	\$30 Late Fees	Past due emailed (\$435)
	\$435 + Penalty	Referred to collections



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DISTINCTIVE BY DESIGN

PROCESS FOR UNPAID BILLS - TEMPORARY

Event	Charges/Fees Assessed	Contact Action
<i>Month 1</i>		
Bill #1	\$100 Current Usage	Bill emailed (\$100)
Due Date +1	\$10 Late Fee	Past due emailed (\$110)
<i>Month 2</i>		
Bill #2	\$100 Current Usage	Bill emailed (\$210)
15 th		Certified letter
Due Date +1	\$20 Late Fees	Past due emailed (\$410)
	\$150 Disconnect Fee	Meter locked
	\$50 Permit Hold Fee	Hold placed on project permits
<i>Month 3</i>		
Bill #3	\$100 Current Usage	Bill emailed (\$510)
15 th		Certified letter
Due Date +1	\$30 Late Fees	Past due emailed (\$540)
	Meter Cost + 10%	Meter recovered
	\$540 + Meter + Penalty	Referred to collections



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RESIDENTIAL EXAMPLE

- January 9: Resident billed \$100 for December usage, due January 26
- January 29: Resident assessed 10% late fee; resident emailed reminder
- February 8: Resident billed \$100 for January usage, due February 28; bill also contains \$110 past due (December usage plus January non-payment)
- February 29: Resident assessed 10% late fee for both months unpaid; resident emailed reminder
- March 7: Resident billed \$100 for February usage, due March 27; bill also contains \$230 past due (December usage + 2 late fees; January usage + 1 late fee)
- March 15: Certified letter with balance and notice of intent to cutoff service
- March 28: Resident assessed 10% late fee for 3 months unpaid; meter is locked; resident assessed \$50 disconnection/locking fee
- April 5: Resident billed \$100 for March usage; bill also contains \$360 past due (December usage + 3 late fees; January usage + 2 late fees; February usage + 1 late fee); final bill
- April 15: Certified letter with balance and notice of intent to refer to collections
- April 26: Account assessed collection penalty fee and referred to collections



THE TOWN OF
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DISTINCTIVE BY DESIGN

COMMERCIAL EXAMPLE

- January 9: Business billed \$100 for December usage, due January 26
- January 29: Business assessed 10% late fee; resident emailed reminder
- February 8: Business billed \$100 for January usage, due February 28; bill also contains \$110 past due (December usage plus January non-payment)
- February 15: Certified letter with balance and notice of intent to cutoff service
- February 29: Business assessed 10% late fee for both months unpaid; business emailed reminder; meter is locked; business assessed \$75 disconnection/locking fee
- March 7: Business billed \$100 for February usage, due March 27; bill also contains \$305 past due (December usage + 2 late fees; January usage + 1 late fee; \$75 disconnection/locking fee)
- March 15: Certified letter with balance and notice of intent to refer to collections
- March 28: Account assessed collection penalty fee and referred to collections

TEMPORARY EXAMPLE

- January 9: Account billed \$100 for December usage, due January 26
- January 29: Account assessed 10% late fee; resident emailed reminder
- February 8: Account billed \$100 for January usage, due February 28; bill also contains \$110 past due (December usage plus January non-payment)
- February 15: Certified letter with balance, hold on permitting for active projects, and notice of intent to cutoff service; \$50 permit hold fee assessed
- February 29: Account assessed 10% late fee for both months unpaid; business emailed reminder; meter is locked; account assessed \$150 disconnection/locking fee
- March 7: Account billed \$100 for February usage, due March 27; bill also contains \$430 past due (December usage + 2 late fees; January usage + 1 late fee; \$50 permit hold fee; \$150 disconnection/locking fee)
- March 15: Certified letter with balance and notice of intent to recover meter and refer account to collections
- March 28: Account assessed late fee; meter recovered account assessed collection penalty fee and referred to collections

NON-PAYMENT OF UTILITY BILLS

- Ordinance 998, including 2 attachments, would be effective July 1, 2024
- Communication to customers
- Update engagement with collections agency
- Collections & write-off activities
- Report back to Council with fiscal impact

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