

EVANSDALE WATER WORKS

Delinquent Bills and Bad Debt Policy

Objective:

To establish procedures for the collection of delinquent accounts and writing off bad debts to ensure that the financial statements of Evansdale Water Works reflect only the amounts that are realistically collectible.

Purpose:

Evansdale Water Works has the responsibility to attempt to collect delinquent debts that are owed to Evansdale Water Works. Evansdale Water Works further recognizes that some receivables may become uncollectible and thus will be written off as bad debts.

Background:

All bills are due on the first day of the month as follows: For Section 1, in February, May, August and November; For Section 2, in March, June, September and December; And for Section 3, in April, July, October and January. Charges will cover the preceding three (3) months and will be delinquent after the fifteenth (15th) day of each month in which they fall due.

Effective July 1, 2004, all customers with present quarterly billings of \$500.00 or more will be changed to a monthly billing procedure.

Notification Process of Active Delinquent Accounts:

After the 17th of the billing month but no later than the 23rd of the billing month, a Disconnect Notice will be sent by ordinary mail to the last known address of the customer. If the customer is a tenant in which the property owner has filed a lien exemption with Evansdale Water Works, the property owner will be sent by ordinary mail a copy of their tenant's Disconnect Notice.

The Disconnect Notice will provide at least a 15-day notice of the unpaid balance and the consequences of non-payment.

Delinquent Notice:

If the unpaid balance remains after the 17th of the following month, a Delinquent Notice will be sent by ordinary mail to the last known address of the customer and will provide at least a 30-day notice of the unpaid balance, which will then be turned over for collection through processes such as property tax assessments or filing a claim against state funds payable to the customer.

If the unpaid balance is a tenant in which no lien exemption has been filed with Evansdale Water Works, the property owner will be sent by ordinary mail a copy of the tenant's Delinquent Notice and informing the property owner they may become responsible for an unpaid balance.

Customers who feel the notice is in error must contact the Evansdale Water Works office immediately.

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Final Bill:

When services cease in the customer's name, a final bill will be issued. If a deposit is on file, the deposit will be applied to the balance. If a balance still remains, the customer will have 15 days to pay the remaining final balance.

Delinquent Notice for Final Bills:

If the unpaid balance remains after the 15 days, a Delinquent Notice will be sent by ordinary mail to the last known address of the customer and will provide at least a 30-day notice of the unpaid balance, which will then be turned over for collection through processes such as property tax assessments or filing a claim against state funds payable to the customer.

If the unpaid balance is a tenant in which no lien exemption has been filed with Evansdale Water Works, the property owner will be sent by ordinary mail a copy of the tenant's Delinquent Notice and informing the property owner they may become responsible for an unpaid balance.

Customers who feel the notice is in error must contact the Evansdale Water Works office immediately.

Process for Challenging a Debt

Customers who believe the debt is incorrect or wish to challenge it, should contact Evansdale Water Works' Office within 30 days of receiving the notice and provide supporting documentation (e.g., proof of payment, account discrepancies, or other relevant details) to support their challenge, by any of the following methods:

- Phone: 319-233-5524
- Email: office@evansdalewaterworks.org
- In-person: 123 North Evans Rd, 8:00am – 5:00pm Monday-Friday
- Mail: Evansdale Water Works, 123 North Evans Rd, Evansdale IA 50707

The Office Manager will review the appeal within 15 days of receipt and may request additional documentation if necessary. Upon receiving the appeal, Evansdale Water Works will suspend all collection activities related to the challenged debt until the review process has been completed and a written decision has been made.

A written decision of the outcome of the review and any adjustments to the debt, if applicable, will be provided to the customer. If the customer disagrees with the written decision, a request for a hearing with the Board of Trustees must be made within 15 days of receipt of the written decision by contacting the office by phone, email, mail, or in-person.

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PROPOSED LANGUAGE FOR THE NOTICE:

Right to Appeal or Challenge This Debt

If you feel this notice was sent in error or the debt is incorrect, you have the right to appeal and challenge the debt. To file an appeal, contact Evansdale Water Works' Office within 30 days of receiving this notice:

- Phone: 319-233-5524
- Email: office@evansdalewaterworks.org
- In-person: 123 North Evans Rd, 8:00am – 5:00pm Monday-Friday
- Mail: Evansdale Water Works, 123 North Evans Rd, Evansdale IA 50707

Submit a written appeal with any supporting documentation (e.g., proof of payment or account discrepancies). Your appeal will be reviewed, and you will receive a written decision regarding the outcome within 15 days. A request for a hearing with the Board of Trustees must be made within 15 days of receipt of the written decision. For further questions, please contact our office promptly.

Bad Debt Write-off:

Unpaid balances unable to be assessed to the property or certified to the State of Iowa Setoff Program will be considered "bad debt" and written off.