



POLICY No.: I-7  
DATE ADOPTED: NOV. 2, 2011

## TOWN OF WEST BOYLSTON BOARD OF SELECTMEN'S POLICY

### Wastewater Enterprise Commitments and Accounts Receivable Policies and Procedures

**Purpose:** To establish Wastewater Utility billing, commitment, abatement, demand and lien standards and processes that are consistent with statutory requirements in order to assure collection of committed charges based on a sound system of internal controls and division of responsibilities.

**Authority:** MGL Chapter 53F1/2  
MGL Chapter 83 §§16A-16F Inclusive

**Policy:** The town's policy is to optimize the enterprise fund's cash flow by mailing each wastewater utility commitment within 15 days of receipt of the billing data to the Wastewater Enterprise for each quarter from the *West Boylston Water District* (WBWD).

Wastewater utility users shall be issued on a Quarterly basis. Payments are due and payable in full within 30 days of issue.

Demand Notices for prior fiscal year unpaid balances will be calculated and mailed annually in August. Interest is charged at 12 percent per annum and begins accruing from the due date until it is paid.

Demand Notices are due and payable in full within 30 days of issue.

A \$25.00 Demand Fee will be included along with interest on the unpaid balance of the prior fiscal year bill. Payments not paid at demand are subject to a Sewer Lien as allowed under MGL C83 §16B.

Unpaid prior fiscal year Demand balances along with any fees or interest shall be calculated and forwarded to the Board of Assessors in October each year for commitment as a tax.

A \$50.00 Sewer Lien Fee will be included along with interest on the unpaid balance of the bill.

## **Commitment**

The WBWD maintains all records on periodic water use. Quarterly the WBWD provides the town's wastewater enterprise with the water use for each wastewater utility user.

### **PROCEDURES:**

- The town's wastewater department utilizes the water consumption data to prepare a quarterly bill for each user.
- The wastewater department then completes the commitment information for the current quarterly billing. The wastewater department sends either a *Letter of Commitment or Warrant* to the town collector and to the town accountant for recording on the General Ledger. One copy of the commitment is also sent to the Sewer Commissioners so they know the quarterly bills have been issued on a timely basis.

## **Billing**

### **PROCEDURES:**

- The treasurer/collector creates a commitment in the VADAR accounts receivable system for the utility use to be billed and collected based on the file as edited by the wastewater department (which should reconcile to the Warrant/Letter of Commitment). This file represents the commitment book and will have the number of bills and the total dollar amount.
- When the treasurer/collector has reviewed:
  - The totals on the VADAR commitment
  - The *Letter Commitment/Warrant* from the wastewater department
  - The *Control Totals Summary* of bills provided by VADAR

and verifies that all are in agreement, then the treasurer/collector will give signed authorization to mail the quarterly utility bills.

- The treasurer/collector posts the Affidavit as to Time of Sending Bills form and posts it on the bulletin board outside of the Town clerk's office in order to provide appropriate evidence of the mailing to interested residents.

## **Application of Utility Bill Payments**

### **POLICY:**

The town's policy is to assure the correct application of UTILITY BILLS taxpayers' payments to their accounts on a timely basis.

## **Current Payments and Demand Payments**

### **PROCEDURES:**

Current UTILITY BILLS payments and demand payments are received

- By mail to a lock box at Century Bank
- In person payment at the treasurer/collector's office
- Via online Unibank payment.

*The payment processing for current UTILITY BILLS payments follow the same procedures as outlined for real estate payments.*

## **Delinquent/Warrant Payments**

### **PROCEDURES:**

The responsibility for warrants for delinquent UTILITY BILLS accounts is a function of the town staff.

The Town Administrator, the DPW Director, the Town Treasurer/Collector, the Town Accountant and the Chief Assessor shall work together to insure that an efficient process exists.

## **Collection**

### **PROCEDURES:**

- The treasurer/collector's office shall maintain a collection calendar that documents, by year, for each commitment:
  - Commitment dates
  - Demand date
  - Lien date
- Demand bills shall be issued within sixty days of the close of the fiscal year. A \$5.00 demand fee and 12 percent interest is added to the balance due, as allowed by Massachusetts General Law.
- As a final collection action, the unpaid prior fiscal year balance along with any fees and interest shall be forwarded to the Board of Assessors for inclusion as a lien on the next fiscal year tax bill.

## **UTILITY BILLS Abatements**

### **POLICY:**

The town's policy is that the Sewer Commission has sole responsibility for granting Wastewater Utility Bill abatements when appropriate. It is policy to receive and process wastewater use abatement applications in a

timely manner in accordance with state law.

**PROCEDURES:**

- Requests for abatements will be presented to the Sewer Commissioners for action at a public meeting

**Refunds**

**POLICY:**

On a monthly basis, the treasurer/collector should produce a *UTILITY BILLS Credit Balance Report* to allow the treasurer/collector's staff to process refunds.

**PROCEDURES:**

- Refunds shall be processed within 30 days of the granting of an abatement.

**ATTACHMENTS:**

- Notice of Town Meeting Vote To Accept MGL Ch 83 §§ 16A-16F