

# Operational Guidelines

<b>Title:</b>	<b>Applies to:</b>	<b>Reference #</b>
<b>Payment Arrangement Guidelines</b>	All Utility customers and employees	601-UTL-11
<b>Approved by:</b>	<b>Dates:</b>	<b>Total # of Pages</b>
Director of Finance	<b>Effective:</b>	01-JUN-2011
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<b>Authority:</b>		
Utility Billing Collection Policy 600-UTL-11		

## 1.0 Purpose

To establish guidelines for granting payment arrangement that are fair and equitable to all customers and to ensure these guidelines are followed.

## 2.0 Scope

These guidelines apply to all managers, supervisors and employees of Utility Billing and Service Regina.

## 3.0 Definitions

*Qualified Customer* – Customers are considered qualified for a payment arrangement unless they have failed to honour payments created to prevent disconnections.

*Delinquency Path* – Delinquency Rules are used to define and maintain delinquency paths. These rules control when customers are penalized for past due charges, when notices are sent, when cut off for non-payment occurs, and what credit history action takes place. This form has three main sections:

- The Delinquency block of the form defines the different delinquency paths and descriptions.
- The Step Detail block outlines the steps in that delinquency path.
- The right-hand block defines the actions that occur for the selected step.

The following table outlines the types of payment arrangements available:

### Payment Arrangement Types

Code	Description	Credit Rating	Grace Period	Credit Hit	Delq Path	Proposed Use
CS	Service Regina (1-70)	A,B, or C	7 days	MPAY	PYEX	Service Regina is permitted to create this type of payment arrangement for any customer whose credit rating is greater than or equal to Fair.
CO	Cut Off		2 days	MPAY	PYCO	Intended for collection officers to use when customer's phone to avoid disconnection.
OF	Collection Officer (71-289)	D or E	3 days	MPAY	PYEX	Intended for collection officers to use for customers that have a credit rating less than Fair.
IN	Inactive Account		4 days	MPAY	DELI	Intended for collection officers to use for inactive accounts.
FI	Final (290+)	R	2 days	MPAY	PYEX	Intended for collection officers to use for high risk customers.
SS	Social Services Arrangement		0 days	MPAY	PYSS	Service Regina or collection officers can create this type of arrangement when Social Services commits to making a one time payment for a client to avoid disconnection. New delinquency path created so that collection officers will see when a payment arrangement of this type defaults and is put on the PYSS path (Delinquency Exception Report-UARDQEX).

The following chart shows the actions that are taken if the payment arrangement defaults and the account follows the appropriate delinquency path.

#### PYEX - Defaulted 'CS', 'OF', and 'FI' Arrangement Types

	Action	Min Amount
1	COFF service order, DELQ fee & DK Credit Hit	\$100.00
60	No actions defined – ensures that charges have not completed all steps of delinquency path if charges are moved to a payment arrangement	

#### PYCO - Defaulted 'CO' Arrangement Type

Base Steps	Action	Min Amount
1	COFF service order	\$100.00
60	No actions defined – ensures that charges have not completed all steps of delinquency path if charges are moved to a payment arrangement	

## PYSS - Defaulted 'SS' Arrangement Type

Base Steps	Action	Min Amount
1	COFF service order, DELQ fee & DK Credit Hit	\$100.00
60	No actions defined – ensures that charges have not completed all steps of delinquency path if charges are moved to a payment arrangement	

#### 4.0 Guidelines

- Customers with an open Cut off Service order are to be dealt with by a Collection Officer, Co-ordinator or the Manager of Utility Billing.
- Service Regina can make payment arrangements for customers who have a credit history rating of Excellent, Good or Fair.
- Qualified customers are allowed to make a payment arrangement to avoid disconnection. All payments covered in the payment arrangement must be RECEIVED at City Hall on the stated date regardless of where payment was made in order to ensure collection activity does not continue.
- If the customer does not keep the arrangements, the account may be subject to further collection action.
- Customers who default on more than 4 payment arrangements in one year will not be allowed to make another payment arrangement within that year.
- A payment arrangement confirmation letter is mailed to all customers who have more than 1 payment term scheduled.
- Service Regina can make payment arrangements with customers who have a credit history rating of Excellent, Good or Fair and who do not have an open cut off service order, in the following manner:
  - Any balance in 90 days past due **MUST** be paid within 15 days of the mailing date of the notice.
  - Outstanding delinquent balances from previous addresses are due **immediately**. Payment arrangements must be made within 5 days of applying for a new water service to avoid disconnection.
  - Customers who are unable to specify a date or amount of the next payment must be advised that the balance will be scheduled for 2 weeks after the first payment. If the customer disagrees with that, the call must be transferred to Collections.
  - Payment arrangements can be taken on inactive accounts using the above guidelines
  - Service Regina must record their initials-and the name of person they make the arrangement with, e.g. (staff initials – customer's name) Ip-Sally, etc.

***All customers must be asked to read their Payment Arrangement confirmation letter closely to avoid having their water disconnected. Changes to the arrangement will not necessarily be accepted.***

- Payment arrangements that do not fall into Service Regina's responsibilities are escalated to Collection Officers, the Collection Coordinator or the Manager of Utility Billing.

The guidelines for escalated payment arrangements are:

- Any balance over 90-days past due must be paid immediately and the balance of the arrears are to be paid within 2 weeks.
- Balances or bad debts from previous addresses must be paid prior to the due date of the current account.
- Any deviation from the guidelines must be explained in Collection Notes.
- Payment Arrangements made to avoid a disconnection are created as “CO” type ONLY by a Collection Officer, Co-ordinator or the Manager of Utility Billing.
- Failure to keep a CO payment arrangement will result in immediate disconnection. No notice will be given.
- Reconnection will only be done when missed payments are made or the entire account is paid in full (CASH/DEBIT ONLY).
- Reconnection fees will be charged each time the water is physically reconnected.

## 2.0 Roles & Responsibilities

The Collection Coordinator is responsible for enforcement or compliance and the Manager of Utility Billing will provide interpretations in the event of the need for clarification or when there is a dispute.

## 3.0 Related Forms

None

## 4.0 Reference Material

[Utility Billing Collection Policy](#)  
[Utility Billing Collection Practices](#)

## 5.0 Revision History

Date	Description of Change	(Re)-Approval Required (y/n)
01-JUN-2011	Initial Release.	Yes