



CORPORATE POLICY

DEPARTMENT:	ADMINISTRATION – TREASURY OFFICE
SECTION:	WATER & WASTEWATER (SEWER) COLLECTION POLICY
APPROVAL:	COUNCIL
POLICY NUMBER:	01-2018
EFFECTIVE DATE:	January 23, 2018
AMENDED DATE:	July 28, 2025 by Resolution of Council

1. PURPOSE:

To provide a formal collection policy that increases transparency between residents and the municipality. The purpose of the collection policy is to provide a formal procedure in the process of collecting past due water and sewer use charges, accrued interest and other allowable fees on behalf of the municipality. The policy will help to manage water/sewer aging and keep administrative costs low.

2. POLICY STATEMENT:

The policy will provide a clear process to staff eliminating a need for interpretation or differential treatment. This policy will establish fair and equitable processes for the collection of overdue water/sewer accounts and serve to supplement areas where legislation is silent.

3. SCOPE:

The scope of this document is intended to cover only the aspects of “collection and delivery” of water and sewer accounts. Billing processes are covered in the most current Shelburne Water and Wastewater (Sewer) By-Law and will not be covered in this collection policy.

4. ACCOUNTABILITY:

The Treasurer and Utility Coordinator will be responsible for ensuring that outstanding Water and Sewer collection processes are performed in accordance with this policy and all applicable legislation. In addition, the Utility Coordinator or delegate is responsible to:

- Provide adequate notice of delinquency.
- Provide opportunity to bring water/sewer account current before attempting disconnection.



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- Provide step by step processes prior to disconnection and communicate any policy revisions to applicable staff.

5. DEFINITIONS:

Certified Funds – Payments such as Debit/Cash/Money Orders/Certified Cheques that are guaranteed funds.

Final Notice - Notice will be hand delivered quoting disconnection or roll to tax date of service 7 days after Second Notice.

First Notice – (Statement of Account) Issued to all water and sewer accounts with past due balances on or after the first day of the month following the due date.

High Water Bill – 2 x the normal consumption for the same period in the previous year based upon average daily consumption.

Leak – means an unintentional water loss that is caused by circumstances beyond the control of the property owner (failure in the plumbing system).

Penalties and Interest – means amounts applied by the Municipality to unpaid Water/sewer accounts, in accordance with Shelburne Water and Sewer By-law (currently By-Law no 47-2014), Part 3

Preauthorized Payment Plan (PAP) – where the owner has authorized the Town to directly withdraw funds from their bank account on certain dates.

Statement of Account (First Notice) – Issued to all water & sewer accounts with past due balances on or after the first day of the month following the due date.

Water/Sewer Arrears –any portion of Water/Sewer account that remain unpaid after the date on which they are due.

Water/Sewer Invoice – Bimonthly invoice issued 21 days before due date.

6. PENALTY & INTEREST CHARGES:

Any amount unpaid on an account upon the due date, to which the accounts are rendered, shall be subject to a late penalty charge equal to 1.25% of the amount overdue.

Interest will be charged at a rate of 1.25 % monthly for any amount unpaid thereafter.



7. PAYMENTS:

Payment of Water/Sewer accounts must be received in the Municipality's administrative office, on or before the due date. Payments not received on time are subject to Penalties and Interest.

1. The following are the modes of payments available for the property owner's use:

- a) Telephone, Internet (online) Banking or Credit Card Payments (Paymentus) – using the five-digit customer number as the account number (*property owners must allow at least 2-3 business days for the payment to reach the Town of Shelburne's financial institution*) payment will be deemed to be made on the date the payment is received by the Town.
- b) One of the Municipality's Preauthorized Payment Plans (due date, monthly, bi-monthly).
- c) Post Dated Cheque(s).
- d) In Person - at the counter by cash, cheque, debit, or money order.
- e) Payments made by regular mail will be processed on the day they are received, not the day it was mailed.
- f) In the secure drop box located at the Victoria Street staff entrance door that is accessible after hours (payments received after hours will be processed and date stamped on the following business day)

2. Receipts will be provided for all cash payments and upon request by the registered owner for all other methods of payment.

3. Payments shall be applied as follows:

- a) First to the oldest and all Penalty and Interest Charges.
- b) Then to the oldest invoice up to the current invoice.
- c) Then to other charges that have been added to the utility account.

4. Invoices are due twenty-one (21) days after the bill issue date - every 60 days.

5. Monthly and Bimonthly Pre-Authorized Payment Plans (PAP) are available.
Eligible properties must have no arrears owing.

6. Pre-approved payment plans for accounts with high arrears are an option and will be approved by the Utilities Coordinator. Plans may be cancelled in writing allowing seven (7) days before the next pre-authorized payment is due. If any 2 payments should be returned sequentially, enrollment in the plan will be cancelled.

7. Erroneous payment made to a wrong account requires a written request to correct the payment. Payment errors will be corrected in the current year only.



8. RETURNED PAYMENTS:

Payments that are returned by the bank for denied funds marked “insufficient funds or non-sufficient funds” will be subject to an NSF fee as set out in the Town of Shelburne’s User Fees and Charges By-Law. A notice will be mailed to advise the owner.

If the payment was made through the Preauthorized Payment Plan, a letter will advise that after two (2) payments have been returned the owner will be removed from the plan. All applicable finance fees and interest charges will apply.

9. BILLING ERRORS

1. Where billing errors have resulted in over-billing, the Resident shall be credited with the amount erroneously billed for the relevant period, inclusive of any interest accrued, but not exceeding two (2) years.
2. Where billing errors have resulted in under-billing, the Resident shall be charged the amount erroneously not billed for a period not exceeding two (2) years.

10. WATER/SEWER ARREARS COLLECTION:

All fees charged under the current Water Sewer Rate By-Law are deemed to represent the cost of providing water and wastewater services. Public utilities fees and charges imposed by a municipality are considered priority lien on the land, regardless of who consumed or wasted the water, as per Ontario Regulation 581/06. All collection actions are in accordance with The Municipal Act 2001 C25 Section 81 (1) (2) (3) (4).

The Municipality will primarily use the following methods to collect Water/Sewer Arrears:

- **Verbal communication**
Town staff will not initiate phone calls to customers regarding arrears. However, staff will provide full account information upon request when a home owner or authorized account holder contacts the Municipality.
- **First Notice**
A Statement of Account will be mailed or emailed to the mailing address on file on or after the first day of the month following the due date.
- **Final Notice**
A “Disconnection/Roll to Tax” Notice will be hand-delivered to the service address 14 days after the Statement of Account is mailed. This notice will quote the final date to make payment



on balances over 90 days.

Reference: Municipal Act, 2001, Section 81(3).

- **Extended Hours for Payment**
After the Final Notice has been delivered, the Municipality will offer extended office hours to allow residents additional time to make in person payments and avoid disconnection or transfer to taxes. Dates and hours for extended service will be clearly outlined in the Final Notice.
- **Payment arrangement agreement (written)** will need to be approved and signed by the property owner to avoid disconnection. Payment arrangements may not be made once the final notice has been delivered.
- **Disconnection of Service** will occur after the collection process has been exhausted. See Municipal Act, 2001 Section 81 (1) (2). Re-instatement of utility will occur with proof of payment (certified funds).
- **During Winter months (December-April)** water arrears will be added to the appropriate tax account in accordance with the Municipal Act 2001 Section 398. The entire balance on the account will be transferred on the specified date included in the final notice. These additions will have priority lien status under Ontario Regulation 581/06. Fees for transfer to taxes will apply as per the current year By-Law to assign User Fees and Charges for Municipal Services, Programs and Facilities.

Reminder notices are sent based upon account aging. Accounts in the 90-120 days aging bracket will be pursued for additional collection activities as laid out above.

11. PAYMENT AGREEMENTS

A written agreement signed by the property owner and approved by the Utility Co-Ordinator may be made to avoid disconnection of services. The agreement will clearly state that any payment arrangements missed will suspend services without prior notice unless the signee can demonstrate extenuating circumstances to the Town's satisfaction. In the case of a tenant making payment arrangements to clear arrears, the owner(s) must provide written permission to engage in any payment arrangements with that tenant.

A payment arrangement will be based upon receiving 50 % of arrears as a first scheduled payment.

12. DISCONNECTION OF SERVICE:

Residents will be notified that service cannot be resumed unless all outstanding invoices, penalties and interest, and water disconnection/reconnection charges are paid by certified funds in full. An additional



deposit may be required as a security deposit. Service will be returned within a 2-hour time slot (Monday-Friday 8:30 am-4:30 pm) during normal operation times. If disconnection falls on a Friday, Saturday, Sunday or statutory holiday or one day prior to a holiday, the reconnection will occur on the next business day.

Note: Certain properties do not have a shut off valve to disconnect service. These properties will always have water arrears added to taxes (120 days of aging) and will receive the same collection notification as above (Section 9).

These arrears will be collected on the tax roll in the same manner as taxes. (O Reg 581/06) Priority Lien Status.

As per the Municipal Act, 2001 Section 81 (4), a municipality may recover all fees and charges payable despite shutting off the supply of the public utility.

13. TOWN RESPONSIBILITIES:

The Town of Shelburne has a responsibility to provide water/sewer services to its residents. If those accounts fall into arrears, they are to provide necessary notices as described in this policy. From time to time, a payment agreement schedule may be allowable to pay for the arrears. The Town will follow up with all payment arrangements and may disconnect services due to non-payment. Every resident will be treated with courtesy and respect.

14. LEAK FORGIVENESS PROGRAM:

1. Only residential water accounts qualify for adjustments in this program.
2. The property cannot be vacant or unattended during the timeframe when the leak occurred.
3. The billing adjustment is limited to a maximum of \$1500.00 and is calculated at 50% of the excess water use over the customer's average consumption over a maximum two-month period.
4. The Resident is responsible for water consumption, including consumption resulting from any leak after the meter. High consumption due to filling a pool or spa, or irrigation system or any other similar use of water is not eligible for an adjustment.
5. Courtesy notification from Town may include:
 - a. Water billing with higher-than-average consumption
 - b. A written notice delivered to the owner or occupant
 - c. A courtesy phone call, email or hand delivered notice



6. The high-water leak adjustment must be requested within 90 days following the issue date of a high consumption bill.

7. To receive a leak adjustment the customer must show proof of repair (example; repair invoice, statement of repair or receipt for parts) The application for consideration for the program requires the following:

- A completed Leak Adjustment Request Form
- Proof of Repair as stated above

8. Any adjustment will be calculated using the rates that were in effect at the time of the high consumption.

SAMPLE Consumption Adjustment Credit Calculation						
			<30m3	>30m3 to <60m3	>60m3	
Customer's High Water Bill						
	Consumption		Rate			Amount
			\$0.99	\$1.09	\$1.23	
Water	50 m3		30	20		\$51.50
			\$1.37	\$1.50	\$1.70	
Sewer	50 m3		30	20	0	\$71.10
Total Amount of Water and Sewer Charges						\$122.60
Customer's Average Water Bill						
	Consumption		Rate			Amount
			\$0.99	\$1.09	\$1.23	
Water	28 m3		28			\$27.72
			\$1.37	\$1.50	\$1.70	
Sewer	28 m3		28		0	\$38.36
Total Amount of Water and Sewer Charges						\$66.08
Amount Eligible for Adjustment per policy						
	Consumption		Rate			Amount
			\$0.99	\$1.09	\$1.23	
Water	22 m3		22			\$21.78
			\$1.37	\$1.50	\$1.70	
Sewer	22 m3		22		0	\$30.14
Difference between High Water Bill and Average Bill						\$56.52
			Less:			50%
Amount Eligible for Adjustment						\$28.26



9. Property owners are responsible for ensuring that there is no repetition of this occurrence. As such, only one leak adjustment per property during the term of the applicant's ownership of the property shall be permitted.

10. Acts of vandalism are eligible for an adjustment limited to a maximum of \$1500.00 and is calculated at 50% of the excess water use over the customer's average consumption over a maximum two-month period.

15. VACANT PROPERTIES:

Water/Sewer charges are not subject to refund or adjustment because of vacancy. Water Sewer Base rate charges will continue to apply according to the number of units.

16. BILLING REFUSAL OF METER/METER REPAIR:

Customer refusal of meter or refusal of access to municipal meter will result in a five (5) times the base water charge per month as per Schedule B of the current Water Sewer Rate Bylaw.

17. CONTACT:

Utilities Coordinator
Telephone 519-925-2600 ext 231
Email: water@shelburne.ca

18. CHANGE HISTORY:

Policy Name	Effective Date	Significant Change	Authorization
Water & Sewer Collection Policy	January 23, 2018	Establish a policy	By Law 04-2018
Water & Sewer Collection Policy	April 3, 2023	Wording Changes	Motion of Council
Water & Sewer Collection Policy	December 11, 2023	Wording Changes	Motion of Council
Water & Sewer Collection Policy	July 28, 2025	Wording Changes	Motion of Council