

**Board Resolution**  
**2019-1**  
**Late fee and service termination policy**

Revision Control

Description and Status of Revision	Revision by	Rev	Date
As edited and approved at the 25 September 2019 Board meeting	Cote	A	25Sep2019

By a majority vote of a quorum of the S&T Mutual Board of Directors at a regular meeting held on 25 September 2019, we hereby resolve that:

**Late payments:** A payment received more than 30 days after the invoice date will be subject to a \$25 per month late payment fee. The S&T Treasurer and Bookkeeper shall enter a "Due Date" on each invoice which will be no less than 30 days from the date the invoice is mailed. This invoice Due Date will be more than 30 days from the invoice mailing date and be convenient to the Treasurer and Bookkeeper for mail box checking purposes. The S&T receipt date for checks is the date the check has been received by S&T and not necessarily the date writing on the check.

**Priority placed on partial payments:** {\*\* approved by board at the 15Jan2018 board meeting \*\*} Partial payments of S&T invoices should be applied to the outstanding invoice in this order of priorities:

1. Assessments
2. Late fees
3. Fines and penalties
4. Water use

**Returned Checks Policy:** A charge of \$25 in addition to applicable late charges will be assessed to any checks returned by the bank.

**Delinquency Procedures:** When a water or assessment invoice becomes past due by 60 days the account will be considered delinquent. The policy for delinquent accounts is:

1. A Notice of Delinquency will be sent to the Shareholder by certified letter and by placement of a door hanger indicating the total amount due (including current charges and all late fees) and the date that water service will be terminated (10-days from delivery of the door hanger notice) will be placed on the front door. In the case of a rental property, 2nd home, or vacation home an additional photocopy of the notice will be mailed to the property owner and/or property manager.
2. All amounts due (overdue invoices, accumulated late charges and current invoices) must be immediately paid.
3. If the full amount indicated on the hanger is not received by the due date, water will be shut off, the meter reading will be recorded, and a lock will be placed on the meter.
4. To re-establish water service, the property owner must pay in full the amount indicated on the door hanger plus;
  - a. Any additional late charges and costs associated with collection.
  - b. A \$100 reconnect fee
  - c. Any additional costs that are incurred by S&T Mutual Water Company deemed necessary for the collection of the invoice.

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5. After an addition 20 days from the Notice of Delinquency the Water Company can record a lien against the real property of the Shareholder (per CA Corp§14303).

**Appeals:** No individual S&T officer shall have the authority to forgive invoiced amounts. Shareholders and water customers can appeal a disputed invoice amount to the Board of Directors at a formal meeting either in person or by letter written to the Board. Resolution of the dispute will be decided by a vote of the Board.

This resolution can only be changed, amended or revoked by a majority vote of a quorum at a future regular Board of Director meeting.

I hereby certify that this resolution was passed by a majority of a voting Board of Director's quorum

Signed:

A handwritten signature in blue ink, appearing to read "Paul Matichuk".

Title: President, S&T Mutual Water Company

Signature Date:

10/17/19