

Forest Hills Borough Council Policy 01 - 2013

Delinquent Collections and Payment Plans for Delinquent Rate Payers

Borough Council hereby establishes that any and all delinquent fee payers requesting a payment plan to settle their account must submit such a request in writing to the Borough Manger. The request for a payment plan will be presented to Borough Council for consideration. The Borough will notify the delinquent fee payer of the date and time the payment plan request will be presented to Borough Council. Upon its review, Borough Council shall have the authority to authorize a payment plan and outline and establish any and all payment plan parameters, if any, with the following exceptions and conditions:

1. Any rate payer owing \$600 or less in delinquent fees for a particular service or fee may be granted a payment plan by Borough staff which allows payments over a 6 month period provided that staff follows established procedure that includes, among other established procedures not specifically set forth herein:
 - a. That all penalties owed to date as of the beginning of the plan are included in what is owed
 - b. That all penalties on the remaining balance are included in the plan, and
 - c. That failure to follow the prescribed plan, including failing to remit payment on the day it is due, results in the full amount owed including penalty/interest due immediately and is subject to the borough's established collection procedures for the fee in question including immediate notification of water shut off in the case of delinquent sewer fees.

2. Any rate payer owing \$1,200 or less in delinquent fees for a particular service or fee may be granted a payment plan by Borough staff which allows payments over a 12 month period provided that staff follows established procedure that includes, among other established procedures not specifically set forth herein:
 - a. That all penalties owed to date as of the beginning of the plan are included in what is owed
 - b. That all penalties on the remaining balance are included in the plan, and
 - c. That failure to follow the prescribed plan, including failing to remit payment on the day it is due, results in the full amount owed including penalty/interest due immediately and is subject to the borough's established collection procedures for the fee in question including immediate notification of water shut off in the case of delinquent sewer fees.

3. Any rate payer owing an amount greater than \$1,200 in delinquent fees for a particular service or fee may be granted a payment plan by Borough staff which allows payments over a 24 month period provided that staff follows established procedure that includes, among other established procedures not specifically set forth herein:
 - a. That all penalties owed to date as of the beginning of the plan are included in what is owed
 - b. That all penalties on the remaining balance are included in the plan, and

- c. That failure to follow the prescribed plan, including failing to remit payment on the day it is due, results in the full amount owed including penalty/interest due immediately and is subject to the borough's established collection procedures for the fee in question including immediate notification of water shut off in the case of delinquent sewer fees.
4. No payment plan will be granted for less than a monthly payment of \$100 which may require a shorter payment plan length than stated above.

In all cases, a request for a payment plan will mean that the accrual of penalties and interest will be temporarily suspended during the period of time from the Borough's receipt of the payment plan request and review by council (or staff as in the case of the exceptions above). Council or Borough staff will prepare a written response that will be provided to the delinquent rate payer with specifications of the payment plan. The payment plan must be signed and returned to the Borough within 7 days of the date of the letter transmitting the payment plan.

In this policy the following applies:

1. "Established collection procedures" means water shut off in the case of delinquent sewer fees or other penalty, interest and activity in the case of all fees including submission of the fee to the borough's collection agent which may add additional penalties and interest on the existing amount owed.
2. "Payment plan" means any such determination from council (or staff as in the case of the exceptions noted above) that specifies the length of the plan, due dates for receipt of payments, and notice that failure to make any payment will result in immediate implementation of the prescribed penalty.
3. Once a water shut off notice is issued to Wilkinsburg Penn Joint Water Authority it cannot be rescinded even if the bill is subsequently paid in full on the date of the scheduled shut off. Further, the delinquent payer is fully responsible for any associated fees and penalties including fees associated with restoring water service. We cannot control when the water authority will restore service once the bill is paid.
4. Staff is not permitted to make exceptions or alterations to any fees, payment schedules, amounts owed, penalties, payment plan procedures, collection activities, etc. as these are established by council via ordinance, resolution or policy and may only be altered with approval of council.

5. It is the responsibility of any property owner to ensure that payments referred to tenants are made on time as the ultimate responsibility for the payment of all fees, penalty and interest rests with the property owner.

6. This policy is in effect immediately upon approval of council in a public meeting. Any procedures, wording, etc. that may conflict with any borough ordinance or resolution is hereby changed so as to comply in full with the ordinance or resolution without further action by council on this policy.

DRAFT: April 10, 2013

APPROVED: April 17, 2013

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Approved: May 15, 2013