

DELINQUENT ACCOUNTS AND DISCONNECTION POLICY

EFFECTIVE DATE: JANUARY 1, 2026

Any statement which is not paid in full prior to the designated "Due Date" shall be deemed to be delinquent. In addition to the charges set forth herein, the District, at its discretion, will disconnect the water services and, if needed, foreclose its statutory lien as set forth herein.

A notice is printed on the regular monthly statement indicating a past due amount and the possibility of disconnection of services. Delinquent accounts are subject to the following procedures:

1. On the day following the due date for the period, a report is generated which identifies the delinquent accounts meeting the shut-off criteria. The shut-off criteria are as follows:
 - a. An account with a minimum past due balance of \$75 and
 - b. This balance has not been paid by one month after the original due date.
2. A notice of Shut Off is generated for accounts meeting the criteria.
3. Each Notice of Shut Off:
 - a. Is hand posted at the physical service address by the district's operations services company and is mailed by the district's financial management company to the contact address on file.
 - b. Advises the customer of the amount owed and the due date, which is 10 days after the notice is posted.
 - c. Advises the customer that water services may be disconnected if payment is not made by the due date. A disconnection fee of \$100 will be charged.
 - d. Advises the customer that all payments must be made at the office of the district's financial management company during regular business hours or, if paid online, the customer must call the office of the district's financial management company to communicate that payment has been made. Service will not be reconnected until the funds have been verified as fully received by the District.
 - e. Advises the customer that any payments made within 5 days prior to the shut-off date must be paid with certified funds in the office of the district's financial management company.
 - f. Advises the customer that if water service is disconnected, and if the delinquency is then paid in full, a reconnection charge of \$100 shall be assessed according to the most current schedule of fees.
 - g. Advises the customer that if circumstances exist as to why the service should not be disconnected, the district's financial management company should be notified.
4. A delinquent account which is in excess of \$150 and which is at least six months delinquent may be collected in accordance with Section 32-1-1101 (1) (e), C.R.S., by certification to the county treasurer for collection in the same manner as taxes. Such certification shall be made by the Board of Directors to the Treasurer only after notice has been given to the affected parties as set forth in the statute.

STATUTORY LIEN

Pursuant to Section 32-1-1001(j), C.R.S., and Sec. 32-1-1006, C.R.S., until paid, all such fees, rates, tolls, penalties, or charges shall constitute a prior and perpetual lien on and against the property served. Such lien may be foreclosed upon as provided by state statutes.

ADJUSTMENTS

The district's financial management company is authorized to make adjustments in billings for good and just cause, and to resolve disputes, and will notify the Board of this action. In no event shall service be provided at reduced rates.