*Note: This VAMWA template is a draft starting point that may save VAMWA Members time in devising their individual resolutions. Elements highlighted in yellow are mandatory elements (do not delete) from Paragraph 7.f. of Item 4-14 of the controlling Appropriation Act Amendments. Non-highlighted language is example optional context that is potentially desirable for conveying background, need and positive intent.*

**RESOLUTION VERIFYING AND APPROVING UTILITY ACCOUNTS RECEIVABLE ARREARAGES ARE IN EXCESS OF ONE PERCENT OF ANNUAL OPERATING REVENUES**

**WHEREAS**, during the 2020 Special Session I (Appropriation Act Amendments, Item 4-14) the Virginia General Assembly approved specific procedures and requirements for utility service applicable in the coronavirus-related declared state of emergency, including provisions related to customer assistance grants, utility shutoffs for nonpayment, and customer utility debt repayment plans; and

**WHEREAS**, [LOCALITY/AUTHORITY] is well-positioned to implement these new procedures and requirements because [LOCALITY/AUTHORITY] has always worked to assist customers in a fiscally responsible manner to pay utility bills with flexible repayment plans where appropriate; and

**WHEREAS**, the Utility’s only source of revenue is from charges for services provided, which are generally based on rates necessary to recover the full cost of operations without reserve for forgiveness of payment due for such services; and

**WHEREAS**, the Utility employs industry-standard collection process for unpaid bills including disconnection of water service in appropriate cases, which historically has proven effective in minimizing losses; and

**WHEREAS,** the Utility self-imposed a moratorium on disconnection of water service for unpaid bills in response to the coronavirus pandemic and continued to offer customers the opportunity to enter into reasonable repayment plans; and

**WHEREAS,** during the disconnection moratorium period to date, customers generally have not availed themselves of repayment plan opportunities and instead have accumulated increasing debt; and

**WHEREAS,** a significant number of accounts have increasing overdue balances such that customers may find their repayment responsibility difficult to manage without undertaking an effort now to begin paying down balances over time through a reasonable repayment plan; and

**WHEREAS,** the Utility determined and documented in a written analysis from accounting records that account receivable arrearages exceed one percent of annual operating revenues and also provided such analysis to [BOARD/COUNCIL] as the Utility’s governing body;

**WHEREAS**, the Utility contemporaneously made the associated working papers verifying such facts available for public inspection; now therefore be it

**RESOLVED** **BY [BOARD/COUNCIL]** that it has reviewed the calculations of account receivable arrearages and verifies that the arrearages exceed one percent of annual operating revenues and ; be it

**RESOLVED FURTHER**, that the Utility resume normal collection procedures including disconnection of water service where necessary to achieve customer response, while also continuing normal procedures to avoid disconnecting water service for customers that request and implement repayment plans to bring accounts current over time; be it

**[OPTIONAL] RESOLVED FURTHER**, that the [MANAGER/ ADMINISTRATOR/ EXECUTIVE DIRECTOR] shall have the necessary authority to undertake all reasonable efforts and required processes to request, receive, and apply available state and federal customer assistance funding offered through the State Corporation Commission and the Virginia Department of Housing and Community Development, including appropriate modifications to normal billing and collection procedures as needed to facilitate such state and federal assistance.