



Town of Apex

THE PEAK OF GOOD LIVING

February 17, 2021

P.O. BOX 250
APEX, NORTH CAROLINA 27502

TO: Shawn Purvis, Assistant Town Manager

FROM: Vance Holloman, Finance Officer

SUBJECT: Customer Assistance Program

The Staff has a spoken agreement with Western Wake Crisis Ministries (WWCM) to assist with the customer assistance program (CAP) by determining eligibility based upon criteria set by the Town. There are still some details to be worked out. We expect to have a final agreement and program guidelines for Council approval at its March 9 meeting.

We have discussed eligibility requirements with WWCM and how they would verify those requirements. We recommend the following eligibility requirements:

1. The applicant must be living at the account's address.
2. The applicant should be a US citizen or legally recognized alien.
3. The applicant should meet income eligibility requirements set as a percentage of the US poverty level.

The federal Low Income Energy Assistance program upon which Raleigh bases its CAP eligibility uses these three requirements as well as a requirement that the applicant have less than \$2,250 in cash assets. We have not included that final requirement because it would eliminate folks who have a very minimal level of savings.

We have attached a file that contains a calculation of the US poverty level for various household sizes and percentages based upon poverty levels updated by the US Government in January, 2021. We ask for Council's views on the appropriate level to set for the income requirement. WWCM also recommends we base eligibility requirements upon income levels for the last 2 months. This will permit recent changes in come levels to be taken into account. We agree with that recommendation.

WWCM has expressed concern about the potential number of applicants for the CAP. As of January 31 there were 1,992 accounts eligible for disconnection. We have no prior experience upon which to estimate how many of those accounts will apply for assistance. We have evidence that suggest the number of applicants could fall between 737 and 128. To address those concerns we have suggested that applicants have scheduled appointments with WWCM. Once an applicant has an appointment we will not disconnect that customer until the application is processed and a determination of eligibility has been made. If the applicant misses their appointment, we will extend this period for one additional appointment. We hope this will prevent WWCM from feeling overrun by applications and feel the pressure to take as many applications as possible each day and make determinations before the applicant's cutoff date.



We have also offered compensation for assistance. WWCM is exploring what amount of assistance might be needed.

Staff recommends that the Town keeps the current date of February 28th for ending the moratorium on disconnection of service. Staff will not disconnect customers in March in order to give customers time to sign up for payment plans and apply for aid through the CAP. The first billing cycle in which a customer could be disconnected would be the April bills which would be for services provided in March. The process of disconnection takes approximately 51 days. The earliest date that a cycle 1 customer could be disconnected would be the third week of May and the first week of June for cycle 2 customers.

Payment plans will allow a customers to pay their past due amount as of the date the plan is established over many months. Staff recommends customers be given up to 12 months to pay the past due amount. They will be expected to pay their currently monthly bill and the payment plan amount each month. If they fail to pay both, they are subject to disconnection. If disconnected they can be reconnected by paying current charges, fee and penalties associated with their current charges only and the payment plan amount. Customers will be permitted to not pay the payment plan amount and maintain service once during a 12 month period.

We also need establish the amount a customer would be eligible to receive, estimate the number of customers that will be eligible for assistance and budget an amount for the program. The average residential bill subject to disconnection at January 31st is \$555.21. If we set that as the eligible amount and use the estimate of 737 customers we would need to appropriate \$409,112 for the program. If we use the 128 customer estimate we would need to appropriate \$71,067. In addition some funding to WWCM may be needed.