



## STAFF REPORT

**MEETING DATE:** August 9, 2023

**PRESENTER:** Josefina Alvarez, Finance Director

**SUBJECT:** Update on Utility Account Delinquencies and Possible Direction to Staff (JA)

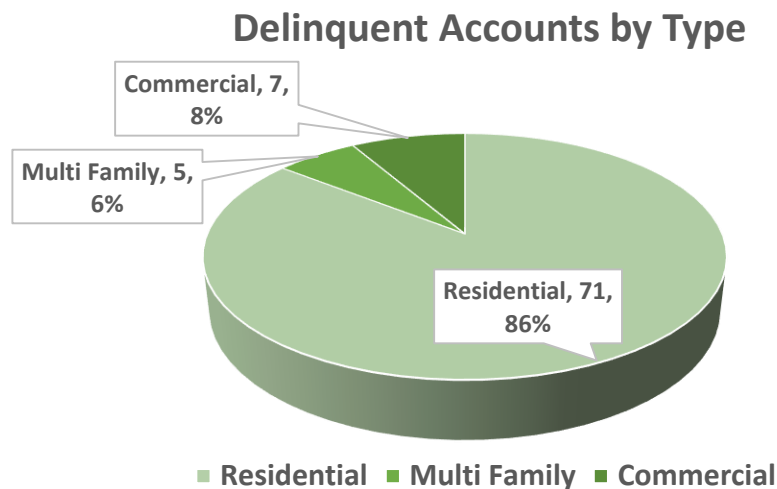
**RECOMMENDATION:** Council receive report on utility account delinquencies and provide direction to staff if any.

### EXECUTIVE SUMMARY:

Staff presented to Council on February 22, 2023 an update on utility account delinquencies with a total of 322 delinquent accounts with 60 days or more past due (per SB 998 guidelines) with a total past due of \$366,041.29. The majority of these accounts were residential with 304 accounts, followed by multifamily with eight accounts, commercial with eight accounts and outside City limits with two accounts.

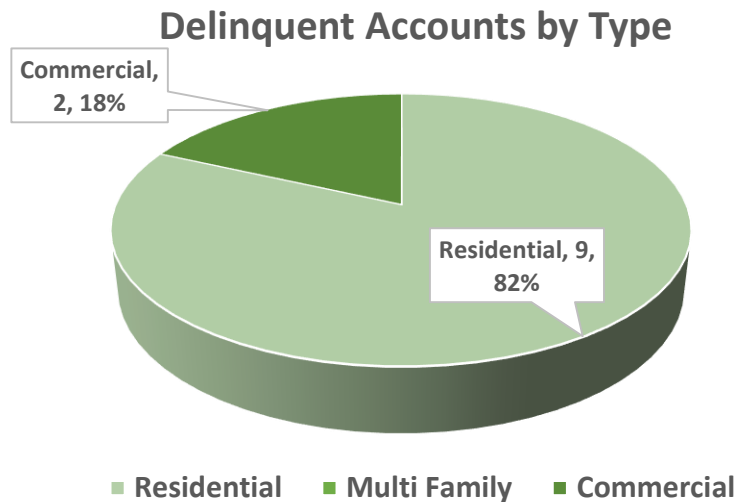
Per Council approval, staff mailed out a notice in the April utility bill to all utility accounts, a detailed notice to all past due customers in May and a door hanger was hung at each address that was 60 days or more past due per City Policy in June. LIHWAP (Low Income Household Water Assistance Program) notices were also included with each of these notices. The City has received 44 LIHWAP payments with a total of \$39,609.00. A representative from Fresno EOC will be in house at Kerman City Hall to assist any Kerman residents on August 11 and August 14 to apply for the LIHWAP.

The City went out and shut off delinquent accounts on Tuesday July 18, 2023. There were 83 utility accounts on the disconnection list. Out of the 83 accounts, 71 were residential accounts, seven were commercial accounts and five were multi-family accounts.



When services were disconnected, customers were required to pay their past due balance or pay the \$50.00 service charge and set up a payment arrangement if they were unable to pay their past due balance.

On Tuesday July 25, 2023, the City sent out a verification list of utility accounts that had not made a payment or arranged a payment plan. The total number of utility accounts that had not met the criteria was 11, with 9 residential accounts and 2 commercial accounts.



Finance staff (Vanessa Linares, Veronica Sandoval, Ariana Mendoza Gabriela Mendoza and Jacqueline Lopez) has been diligently working these past few months and has done an amazing job. It is astonishing that our utility delinquencies are down to only 9 accounts as of Friday, July 28, 2023. There have been a total of 212 payment arrangements and staff continues to help our residents to set up a payment arrangement that fits their budget. The payment arrangements are on average for about 36 months.

**FISCAL IMPACT:**

Increase in Enterprise Fund revenues.

**ATTACHMENTS:**

None