



TO: City Council
 Alex Meyerhoff, Interim City Manager

FROM: James Dean, Utility Services Division Manager
 Steve Groom, Finance Director

DATE: July 21, 2020

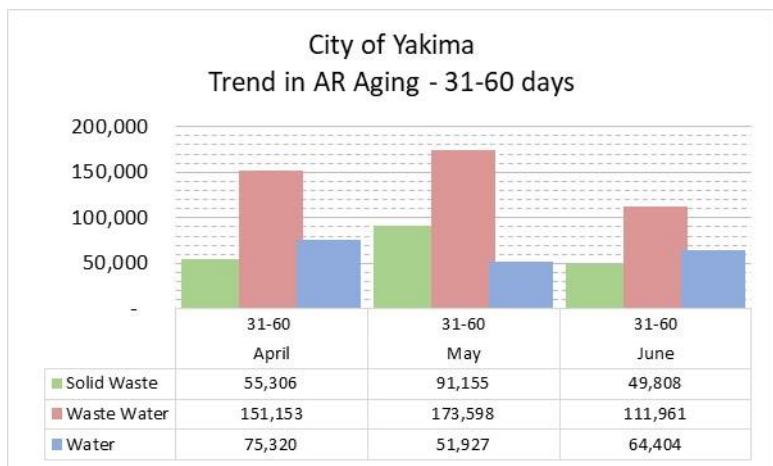
RE: Update on Utility Account Balances.

This is to provide feedback on the economic impact of the COVID-19 emergency on the City's Utility Services Billing, since the emergency declaration in March and subsequent Governor's Stay-At-Home Order.

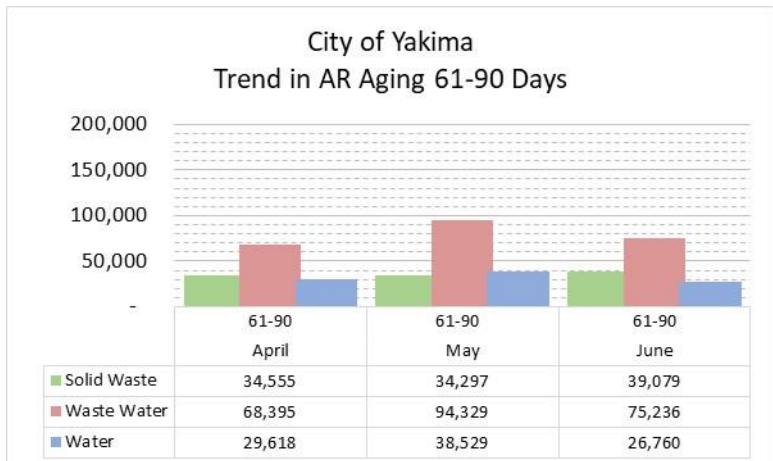
The concern expressed is whether increasing balances might indicate a citywide inability to pay utility bills due to the economic impact of the COVID-19 pandemic. Receivable balances, in total, decreased in June and the number of payment arrangements also decreased.

Utility Services bills for Water, Waste Water, Solid Waste & Irrigation on a 60 day rotating cycle. Approximately 10,000 of our customers are served by Nob Hill Water Association and are only billed for Waste Water and or Solid Waste services. The division also prepares invoices for the Storm Water utility which are billed initially through Yakima County as part of the property taxes.

As the graph at right shows, the trend in receivables for balances from April to May increased in the 31-60 day aging report with the exception of the Water utility which experienced a decrease of \$23,393. In June the outstanding receivables balance for all three services decreased below the balances for April.



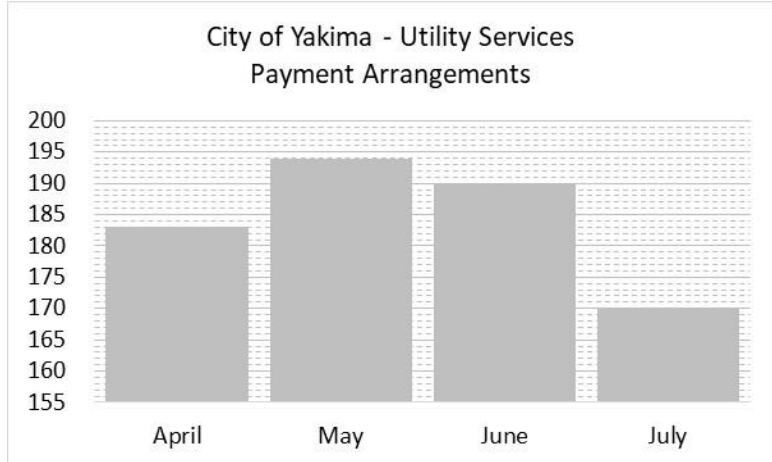
Receivable balances in May in the 61-90 day category, with the exception of Solid Waste, increased compared to the balances in April. In June, the balances in Solid Waste increased slightly above both April and May. June Waste Water balances fell below May, but were up from April, and June Water balances were below balances for both April & May.



The trend in Pay Arrangements is shown at right.

Pay Arrangements are established for customers who will be unable to bills within the seven day grace period given past the due date of the bill. Pay arrangements are a snap shot in time and can vary depending on the day the report is generated.

While there was an initial increase in the month of May over April the two subsequent months show a decline in the number of customers requesting pay arrangements.



In talking to customers, we're hearing that those who have a need are able to make arrangements. While the Pandemic is affecting them, the suspension of shut offs and making payment arrangements seems to fit their financial situation.

As always, please forward customer inquiries to Utility Services Division. Customers are encouraged to call (509) 575-6080.