



## LODI CITY COUNCIL

Carnegie Forum  
305 West Pine Street, Lodi

## "SHIRTSLEEVE" SESSION

Date: November 17, 2015

Time: 7:00 a.m.

For information regarding this Agenda please contact:

**Jennifer M. Ferraiolo**

**City Clerk**

**Telephone: (209) 333-6702**

### Informal Informational Meeting

**A. Roll Call by City Clerk**

**B. Topic(s)**

B-1 Receive Information Regarding Utility Late Fees and Collections Timeline (CM)

**C. Comments by Public on Non-Agenda Items**

**D. Adjournment**

Pursuant to Section 54954.2(a) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day.

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Jennifer M. Ferraiolo  
City Clerk

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# CITY OF LODI COUNCIL COMMUNICATION

**AGENDA TITLE:** Receive Information Regarding Utility Late Fees and Collections Timeline  
**MEETING DATE:** November 17, 2015  
**PREPARED BY:** Deputy City Manager

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**RECOMMENDED ACTION:** Receive information regarding utility late fees and collections timeline.

**BACKGROUND INFORMATION:** At the request of Council and in response to concerns raised by citizens, staff is providing additional information regarding utility late fees and the collections timeline. Staff will present historical information related to these items along with information from surrounding communities with respect to these items. Staff is requesting that Council receive this information and advise staff of any ordinance or resolution changes that are desired.

**FISCAL IMPACT:** Late charge revenue totaled about \$1.2 million for fiscal year 2014/15 and has been near this level since adjustments were made to the billing timeline ordinance and late charge resolution in 2012.

**FUNDING AVAILABLE:** Not applicable

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Jordan Ayers  
Deputy City Manager

JA/ja

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**APPROVED:** \_\_\_\_\_  
Stephen Schwabauer, City Manager

# Late Charges and Collections Timeline

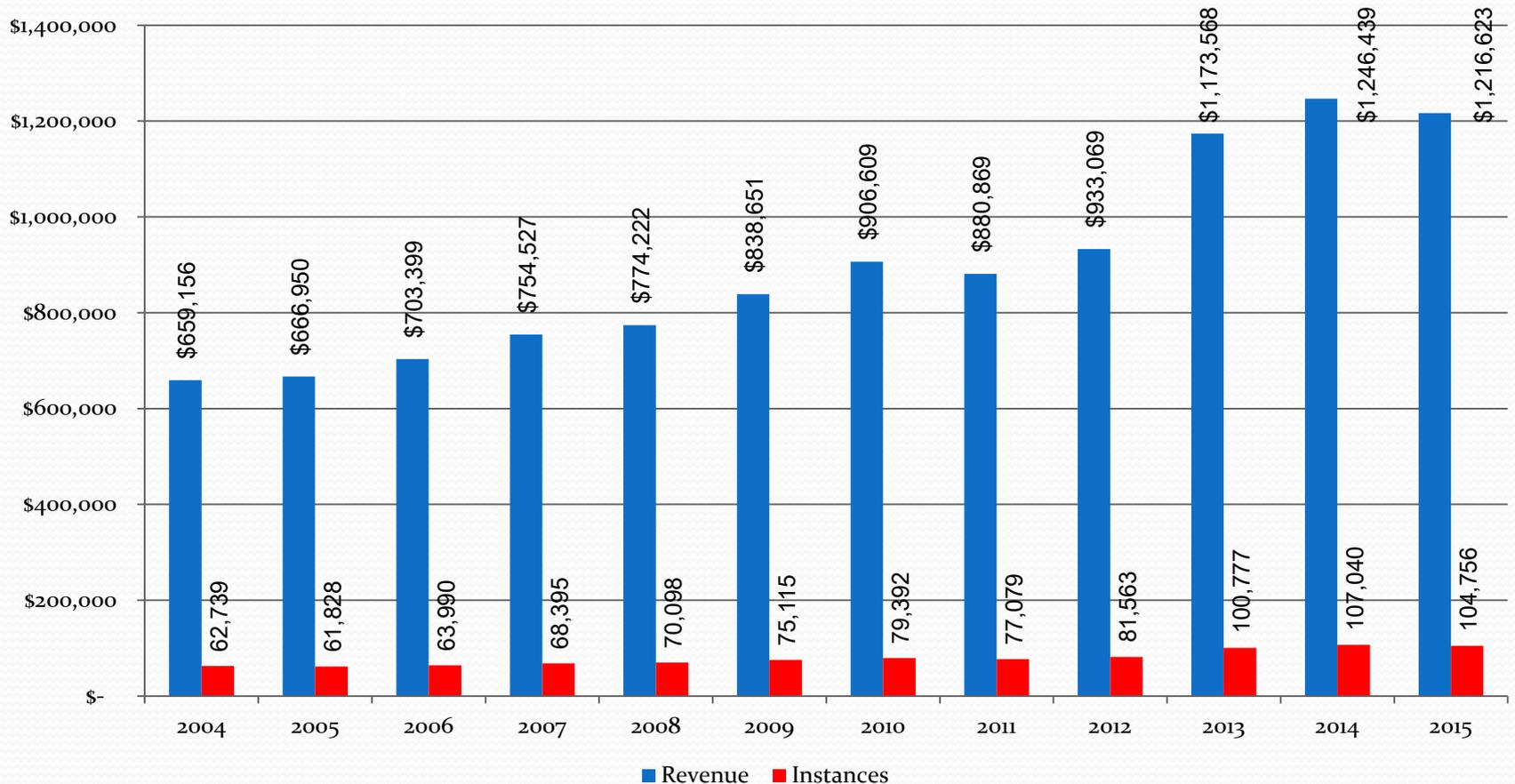
City Council Shirtsleeve

November 17, 2015

# Late Charge History

- 1997
  - \$5 30 days past due
  - \$10 60 days past due
  - \$25 90 days past due & every 30 days thereafter
- 2003
  - \$10 30 days past due
  - \$15 60 days past due
  - \$25 90 days past due & every 30 days thereafter
- 2012
  - \$10 27 days after bill issuance
  - \$15 37 days after bill issuance
  - \$25 47 days after bill issuance & every month thereafter
- Approved by Council by Resolution

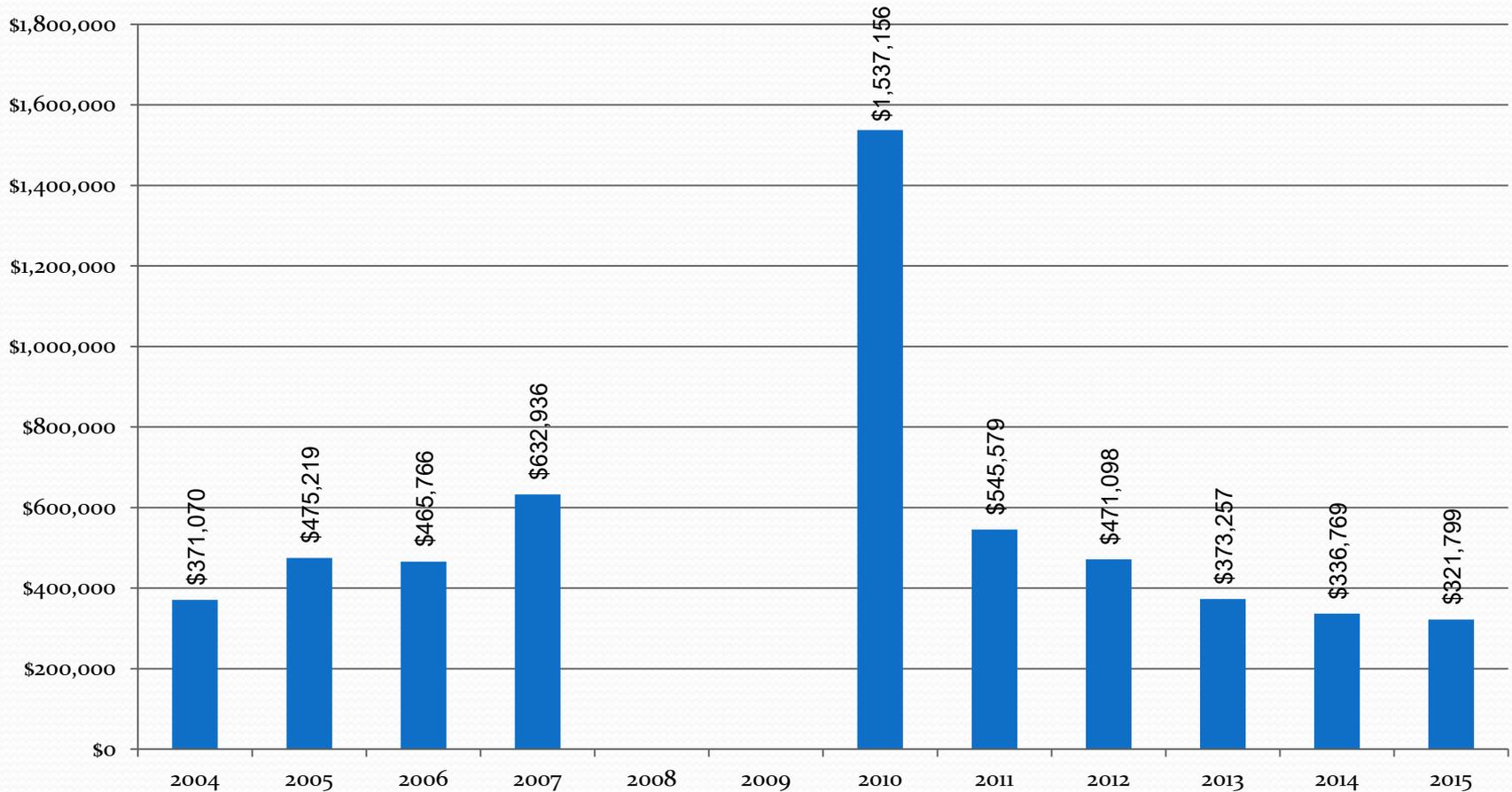
# Late Charge Revenue



# Late Charge Composition

- 2014/15
  - 104,756 instances
    - \$10 fee - 64,191 instances
      - 91.45% Residential / 8.55% Commercial/Industrial
    - \$15 fee - 40,016 instances
      - 92.03% Residential / 7.97% Commercial/Industrial
    - \$25 fee - 549 instances
      - 88.99% Residential / 11.11% Commercial/Industrial
  - 8,565 instances on accounts with low income discount
    - 8.18%

# Bad Debt Write Off

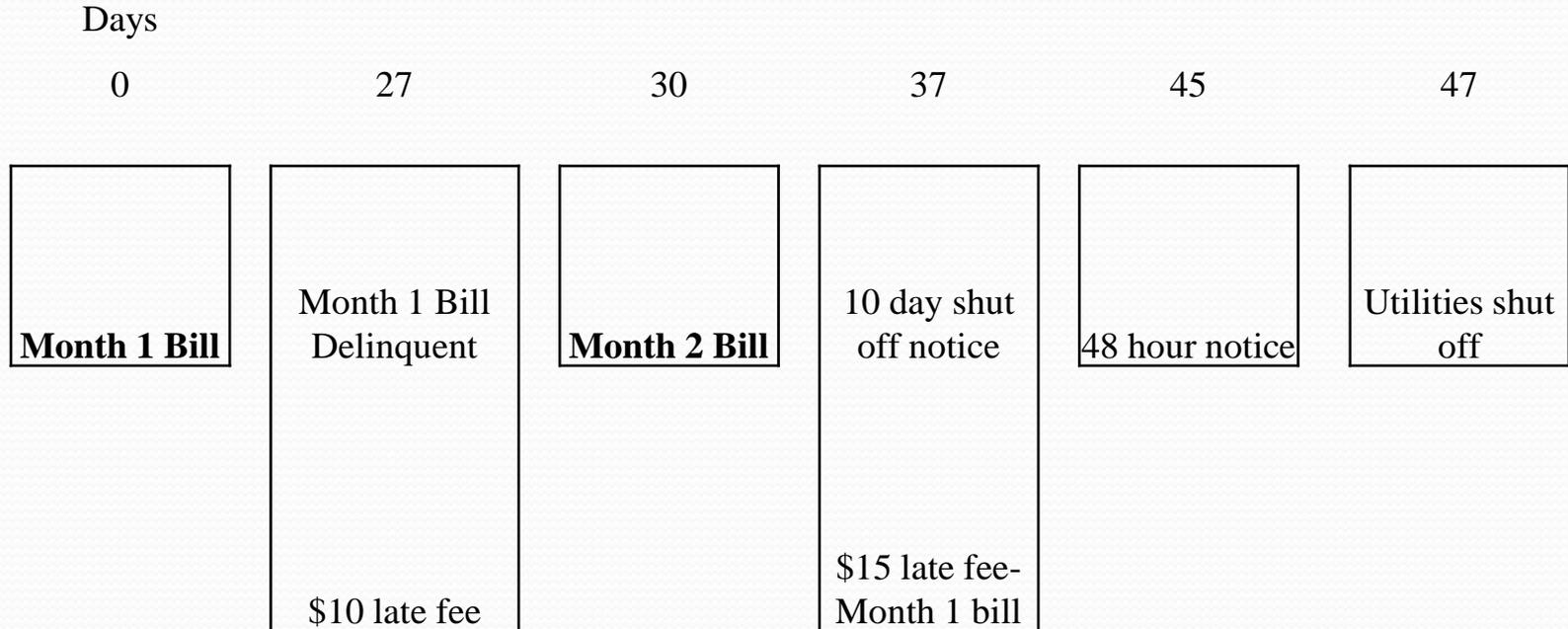


# Shut Off Timeline

- Before 2009---77 days
- 2009—Administratively changed to 55 days
  - Reality was 70 days
- 2012---47 days
  - Based upon ordinance change

# Current Timeline

(Effective March 2012)



# What Others Do-Late Fees

- Lodi---\$10/\$15/\$25
- Biggs---10% of current charges; \$10 minimum
- Palo Alto---2% of unpaid balance
- Redding---\$16/\$20 Residential; 3%/\$20 Commercial
- Roseville---5% of late balance
- Ukiah---\$5/\$5/\$25
- SMUD---1.5% of amount due
- Santa Clara---\$10/\$26
- PGE---none

# What Others Do-Shut Off Timeline

- Biggs---Day 35
- Roseville---Day 36
- PG&E---Day 40
- Redding---Day 45
- Lodi---Day 46
- Santa Clara---Day 49
- Palo Alto---Day 50
- SMUD---Day 52
- Ukiah---Day 56



Questions?