



CITY OF WASILLA

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INFORMATION MEMORANDUM NO. 92-10

FROM: Finance Director

DATE: April 13, 1992

SUBJECT: Ordinance Serial No. 92-14 and 92-15
Utility Payment Dates


With the Mayor's permission, the Finance Department would like to share a few thoughts relative to these proposed changes in utility payment deadlines.

Our Position

The Finance Department believes that the current City deadline of the 15th is well within industry standards for utilities and private sector businesses and does not need changed. We are not aware of any groundswell of support or requests for a change to the payment deadline from utility customers. At the only public hearing held on this issue no utility customers spoke in favor of these proposals. Where is the demonstrated need for this change?

The change will have the following effects:

1. A one time cash flow loss of 5 days.
2. Will compress performance of required payments - billing - delinquent accounting procedures and shorten by 5 days staff time (1 person) to accomplish. If there are any problems i.e. late meter readings or mechanical malfunction bills may be 5 days later getting done and therefore defeating the whole purpose of having a longer time frame from receipt of the bill to time to pay the bill.
3. All of the forms including bills will have to be changed.


Erling P. Nelson, CMC
Finance Director

EPN/mdh

Utility Billing Schedule

Based on a good month with no interruptions, equipment/program failure and no delays in meter readings.

Schedule with due date of the 15th

- 1st - 15th Apply current payments to accounts
- 16th - 18th Calculate Penalties
- 16th - 20th Send Delinquent Notices
- 20th - 24th Prepare bills - Mail bills last week of month

Schedule with due date of the 20th

- 1st - 20th Apply current payments to accounts
- 21st - 23rd Calculate Penalties
- 21st - 25th Send Delinquent Notices
- 25th - 29th Prepare bills - Mail bills first week of month