

Accounts Receivable & Delinquencies

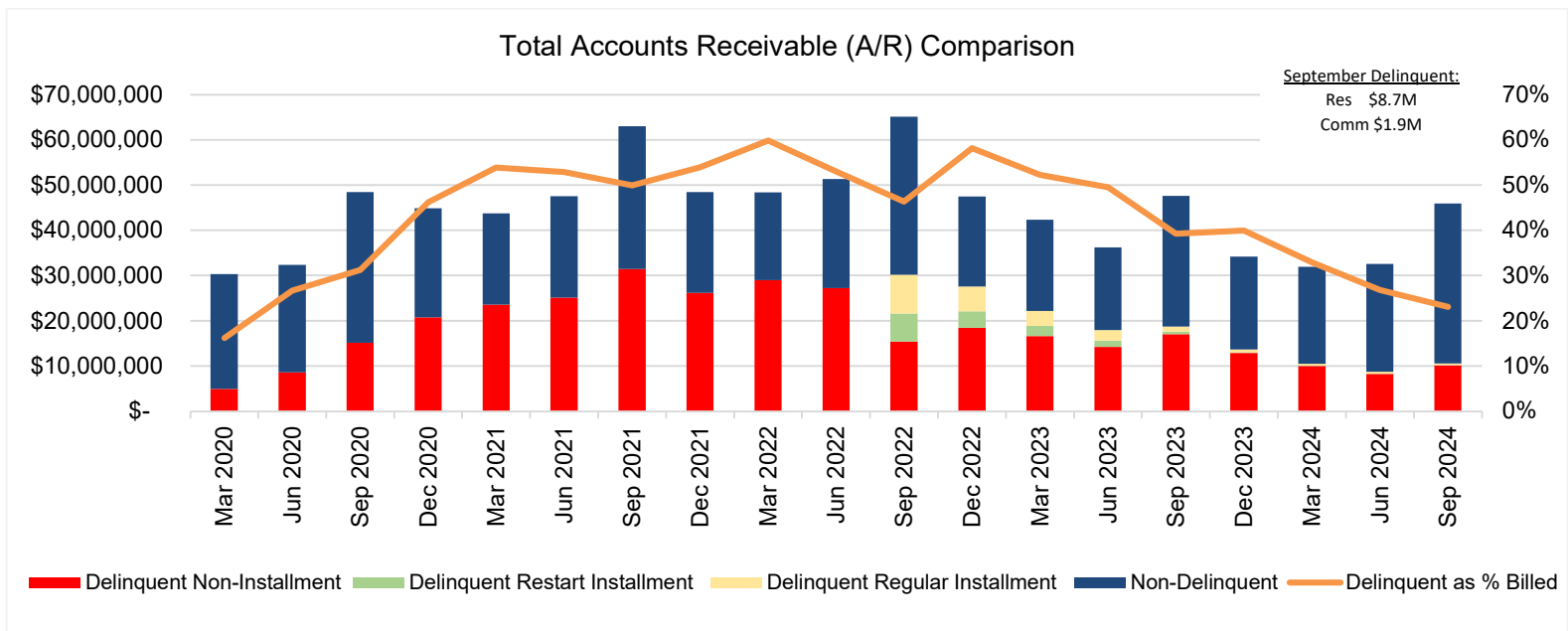
As of September 30, 2024

Accounts Receivable

Since the COVID-19 Local Emergency Declaration, the City has experienced significant increases in utility customer accounts receivable. This includes increases in delinquent account balances and the number of utility accounts that had become delinquent. These balances have steadily reduced since September 2022.

The chart below includes account information through September 30, 2024. Accounts receivable for all services including electric, water, sewer, and refuse have increased by 51% or \$15.6 million from \$30.3 million in March 2020 to \$45.9 million on September 30, 2024. During the same period, delinquent accounts receivable has increased 115% or \$5.7 million from \$4.9 million in March 2020 to \$10.6 million on September 30, 2024.

The City received and applied \$15.3 million to customer accounts from state funding offering financial assistance for past-due electric, water and wastewater customer debts incurred from March 4, 2020 to June 15, 2021. In December 2021, the City applied credits to customer accounts for the California Arrearages Payment Program for electric utility arrearages in the amount of \$11.1 million and the California Water and Wastewater Arrearages Payment Program for drinking water utility arrearages in the amount of \$1.9 million. In May 2022, the City applied credits to customer accounts for the California Water and Wastewater Arrearages Payment Program for wastewater utility arrearages in the amount of \$2.3 million. In January 2023, the City applied \$18.6 million in credits to electric customers accounts as part of the General Fund Transfer Settlement.



- Notes: 1. Delinquent Account Balance includes active & inactive accounts.
 2. Updated through September 30, 2024 for electric, water, sewer, and refuse.

Collections

As of September 30, 2024, inactive accounts receivable totals were \$3.2 million for all services. Residential was \$2.3 million or 73% of the total and commercial was \$0.9 million or 27%. In September 2024, there were not any customer accounts sent to the collections agency for unpaid and delinquent utility bills due to system upgrades.