



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, City Manager

DATE: November 13, 2020

RE: **General Government and Ketchikan Public Utilities Customer Account Aging Analysis – October 31, 2020**

Attached for City Council review is the General Government and Ketchikan Public Utilities Customer Account Aging Analysis for the period ended October 31, 2020. Finance Director Bob Newell will be attending the City Council meeting of November 19, 2020, in order to address any questions and/or concerns that Councilmembers may have.

MEMORANDUM
CITY OF KETCHIKAN, ALASKA
Finance Department
Office of the Finance Director

Bob Newell, Finance Director
Camille Nelson, Financial Analyst
Phone: (907) 228-5621
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TO: Karl R. Amylon, City Manager/KPU General Manager

FROM: Bob Newell, Finance Director

DATE: November 12, 2020

SUBJECT: Customer Account Aging Analysis – October 31, 2020

Attached to this memorandum is a Customer Account Aging Analysis for all of the City's major utilities and harbors customer accounts for 2020. The analysis includes December 31, 2019 as a benchmark to help the user compare a typical pre-COVID-19 aging analysis with the trending that is taking place during the COVID-19 pandemic. The table below summarizes the results of the aging analysis for the period ended October 31, 2020.

**Customer Account Aging Analysis
Summary**

	Current Month 10/31/2020	Prior Month 9/30/2020	Benchmark Month 12/31/2019
Total Accounts Receivable Balance	\$ 3,219,884	\$ 3,471,236	\$ 3,538,746
Account Balances Over 30 Days	\$ 582,911	\$ 597,063	\$ 467,109
Percentage of Account Balances Over 30 Days	18.1%	17.2%	13.2%
Total Customer Accounts	10,775	11,180	11,121
Customer Accounts Over 30 Days	2,174	1,889	1,740
Percentage of Customer Accounts Over 30 Days	20.2%	16.9%	15.6%

The percentage of accounts over 30 days increased to 20.2% at the end of October. The biggest increase occurred with the telecom accounts followed by a small uptick in utility accounts. The next customer account aging analysis report should help determine if this is an anomaly or the start of new trend for past due accounts. For additional information, please see the attached Customer Account Aging Analysis for the period beginning December 31, 2019 and ending October 31, 2020. The analysis will be updated monthly. The Customer Account Aging Analysis will be especially useful to users that want to have detailed utility and harbor specific information. With regards to the customer account information, please note that electric, water, wastewater and garbage services are billed to our customers on a single bill and are included the Utility Billing line item.

City of Ketchikan/Ketchikan Public Utilities
Customer Account Aging Analysis
For The Period Beginning December 31, 2019 and Ending October 31, 2020

	As of October 31, 2020			As of September 30, 2020			As of August 31, 2020			As of July 31, 2020		
	Total AR	Over 30 Days	% Over 30 Days	Total AR	Over 30 Days	% Over 30 Days	Total AR	Over 30 Days	% Over 30 Days	Total AR	Over 30 Days	% Over 30 Days
Electric	1,069,089	157,944	14.8%	1,065,558	174,455	16.4%	1,014,287	140,622	13.9%	1,137,180	152,697	13.4%
Water	266,165	36,766	13.8%	263,125	51,492	19.6%	244,549	29,865	12.2%	261,006	28,653	11.0%
Wastewater	227,098	34,979	15.4%	220,682	48,980	22.2%	207,719	28,632	13.8%	222,878	27,846	12.5%
Garbage	186,601	35,373	19.0%	189,038	49,129	26.0%	194,933	34,491	17.7%	184,078	32,252	17.5%
Telecom (1)	1,028,068	226,589	22.0%	940,419	184,758	19.6%	981,899	194,060	19.8%	999,923	210,212	21.0%
Landfill (2)	229,569	28,484	12.4%	235,393	31,703	13.5%	250,389	25,457	10.2%	241,010	27,783	11.5%
Harbors (3)	213,293	62,776	29.4%	557,021	56,547	10.2%	120,288	49,768	41.4%	112,788	41,774	37.0%
Total	3,219,884	582,911	18.1%	3,471,235	597,063	17.2%	3,014,064	502,896	16.7%	3,158,863	521,217	16.5%

(1) Telecom is billed in the last week of each month through the Commsoft Billing System.

(2) Landfill is not billed by cycle. It is billed through the Misc Billing in NW on the last day of every month.

(3) Harbor charges are billed through a billing system outside of New World.

Report Customer Counts

	As of October 31, 2020			As of September 30, 2020			As of August 31, 2020			As of July 31, 2020		
	Report Total *	Over 30 Days	% Over 30 Days	Report Total *	Over 30 Days	% Over 30 Days	Report Total *	Over 30 Days	% Over 30 Days	Report Total *	Over 30 Days	% Over 30 Days
Utility Billing	6,098	795	13.0%	6,022	723	12.0%	6,158	777	12.6%	6,568	753	11.5%
Telecom	4,027	1,207	30.0%	4,024	967	24.0%	4,003	1,199	30.0%	4,007	823	20.5%
Landfill	176	46	26.1%	185	61	33.0%	178	41	23.0%	169	45	26.6%
Harbors	474	126	26.6%	949	138	14.5%	406	130	32.0%	426	102	23.9%
Total	10,775	2,174	20.2%	11,180	1,889	16.9%	10,745	2,147	20.0%	11,170	1,723	15.4%

* Report Totals only include accounts which have balances due. They do not include paid in full accounts.

City of Ketchikan/Ketchikan Public Utilities
Customer Account Aging Analysis
For The Period Beginning December 31, 2019 and Ending October 31, 2020

	As of June 30, 2020			As of May 31, 2020			As of April 30, 2020			As of March 31, 2020		
	Total AR	Over 30 Days	% Over 30 Days	Total AR	Over 30 Days	% Over 30 Days	Total AR	Over 30 Days	% Over 30 Days	Total AR	Over 30 Days	% Over 30 Days
Electric	1,176,895	172,069	14.6%	1,516,557	288,601	19.0%	1,670,655	216,318	12.9%	1,842,639	225,717	12.2%
Water	284,187	36,310	12.8%	313,805	51,013	16.3%	297,598	38,113	12.8%	304,050	30,941	10.2%
Wastewater	241,786	34,405	14.2%	266,201	47,877	18.0%	250,592	36,605	14.6%	255,744	29,225	11.4%
Garbage	210,507	37,883	18.0%	198,396	41,605	21.0%	193,225	41,089	21.3%	200,448	34,002	17.0%
Telecom (1)	1,029,518	218,839	21.3%	1,057,072	269,342	25.5%	1,018,028	224,744	22.1%	1,068,237	197,005	18.4%
Landfill (2)	227,667	27,883	12.2%	256,484	28,169	11.0%	222,533	28,338	12.7%	218,600	24,789	11.3%
Harbors (3)	96,765	49,890	51.6%	109,805	66,982	61.0%	176,235	35,659	20.2%	57,492	32,382	56.3%
Total	3,267,326	577,279	17.7%	3,718,319	793,588	21.3%	3,828,868	620,866	16.2%	3,947,209	574,061	14.5%

(1) Telecom is billed in the last week of each month through the Commsoft Billing System.

(2) Landfill is not billed by cycle. It is billed through the Misc Billing in NW on the last day of every month.

(3) Harbor charges are billed through a billing system outside of New World.

Report Customer Counts

	As of June 30, 2020			As of May 31, 2020			As of April 30, 2020			As of March 31, 2020		
	Report Total *	Over 30 Days	% Over 30 Days	Report Total *	Over 30 Days	% Over 30 Days	Report Total *	Over 30 Days	% Over 30 Days	Report Total *	Over 30 Days	% Over 30 Days
Utility Billing	6,664	800	12.0%	6,701	1,028	15.3%	6,852	958	14.0%	6,956	915	13.2%
Telecom	3,977	945	23.8%	3,978	1,106	27.8%	3,963	1,000	25.2%	3,999	929	23.2%
Landfill	175	50	28.6%	165	51	30.9%	168	58	34.5%	171	54	31.6%
Harbors	386	93	24.1%	316	133	42.1%	362	93	25.7%	227	96	42.3%
Total	11,202	1,888	16.9%	11,160	2,318	20.8%	11,345	2,109	18.6%	11,353	1,994	17.6%

* Report Totals only include accounts which have balances due. They do not include paid in full accounts.

City of Ketchikan/Ketchikan Public Utilities
Customer Account Aging Analysis
For The Period Beginning December 31, 2019 and Ending October 31, 2020

	As of February 29, 2020			As of January 31, 2020			As of December 31, 2019		
	Total AR	Over 30 Days	% Over 30 Days	Total AR	Over 30 Days	% Over 30 Days	Total AR	Over 30 Days	% Over 30 Days
Electric	1,960,962	236,056	12.0%	1,820,671	161,507	8.9%	1,609,493	145,929	9.1%
Water	271,910	24,840	9.1%	269,666	20,555	7.6%	274,092	21,263	7.8%
Wastewater	232,401	22,640	9.7%	230,291	19,395	8.4%	232,774	20,558	8.8%
Garbage	188,868	26,128	13.8%	185,219	24,528	13.2%	187,875	26,706	14.2%
Telecom (1)	989,488	200,135	20.2%	980,670	196,742	20.1%	982,654	200,686	20.4%
Landfill (2)	191,840	23,573	12.3%	177,781	24,917	14.0%	196,107	27,518	14.0%
Harbors (3)	95,564	36,757	38.5%	85,612	25,957	30.3%	55,751	24,450	43.9%
Total	3,931,034	570,130	14.5%	3,749,911	473,602	12.6%	3,538,746	467,109	13.2%

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(3) Harbor charges are billed through a billing system outside of New World.

Report Customer Counts

	As of February 29, 2020			As of January 31, 2020			As of December 31, 2019		
	Report Total *	Over 30 Days	% Over 30 Days	Report Total *	Over 30 Days	% Over 30 Days	Report Total *	Over 30 Days	% Over 30 Days
Utility Billing	6,639	661	10.0%	6,561	646	9.8%	6,713	781	11.6%
Telecom	3,989	765	19.2%	3,976	741	18.6%	3,987	818	20.5%
Landfill	176	47	26.7%	154	50	32.5%	161	52	32.3%
Harbors	218	95	43.6%	216	90	41.7%	260	89	34.2%
Total	11,022	1,568	14.2%	10,907	1,527	14.0%	11,121	1,740	15.6%

* Report Totals only include accounts which have balances due. They do not include paid in full accounts.