

Assessment of Delinquent Charges

Public Hearing and Resolution Adoption

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Certification Process

What is certification? Certification is an annual process where delinquent balances for specific charges are sent to the county and added to the corresponding property's taxes as a special assessment payable the next year.

What accounts are eligible to be certified? Utility accounts and other delinquent accounts for city services provided to a property. These other invoices include mowing service, tree removal, tree pruning, snow removal, false alarms and citations

Why does the city certify accounts? The city utilizes certifications as an alternative to shutting off water services for unpaid utility accounts. Additionally, it is a means to collect on unpaid invoices for services provided.

What is the impact to the City? Collection of charges is necessary to reimburse the city for expenses incurred. Without collecting these charges, the cost would be shifted to other taxpayers.

Budget and Policy Consideration

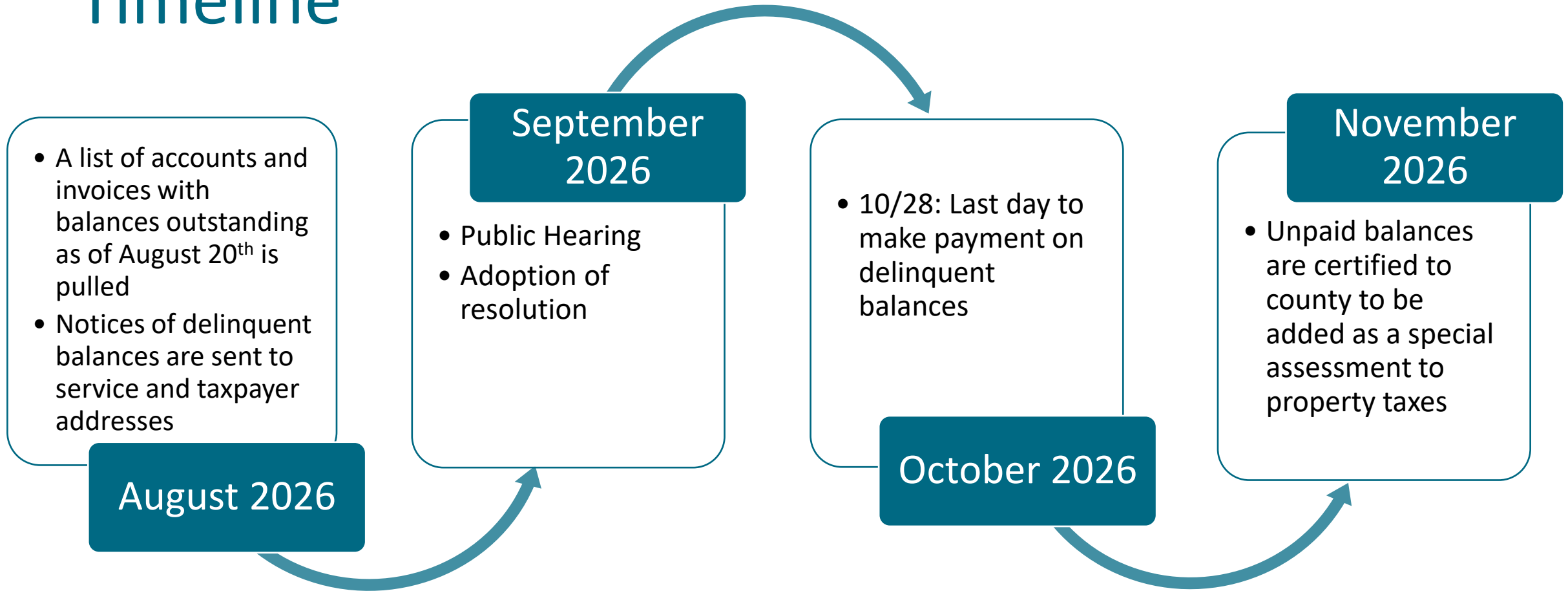
Budget consideration: The city has already incurred costs in providing services and collection of these delinquent charges is vital to the financial stability of the city's utility systems. Without collection these costs would have to be absorbed by the city resulting in higher utility rates and possible levy increases, which would affect all residents.

Policy consideration: Is council supportive of collecting on outstanding fees and charges through the special assessment process?

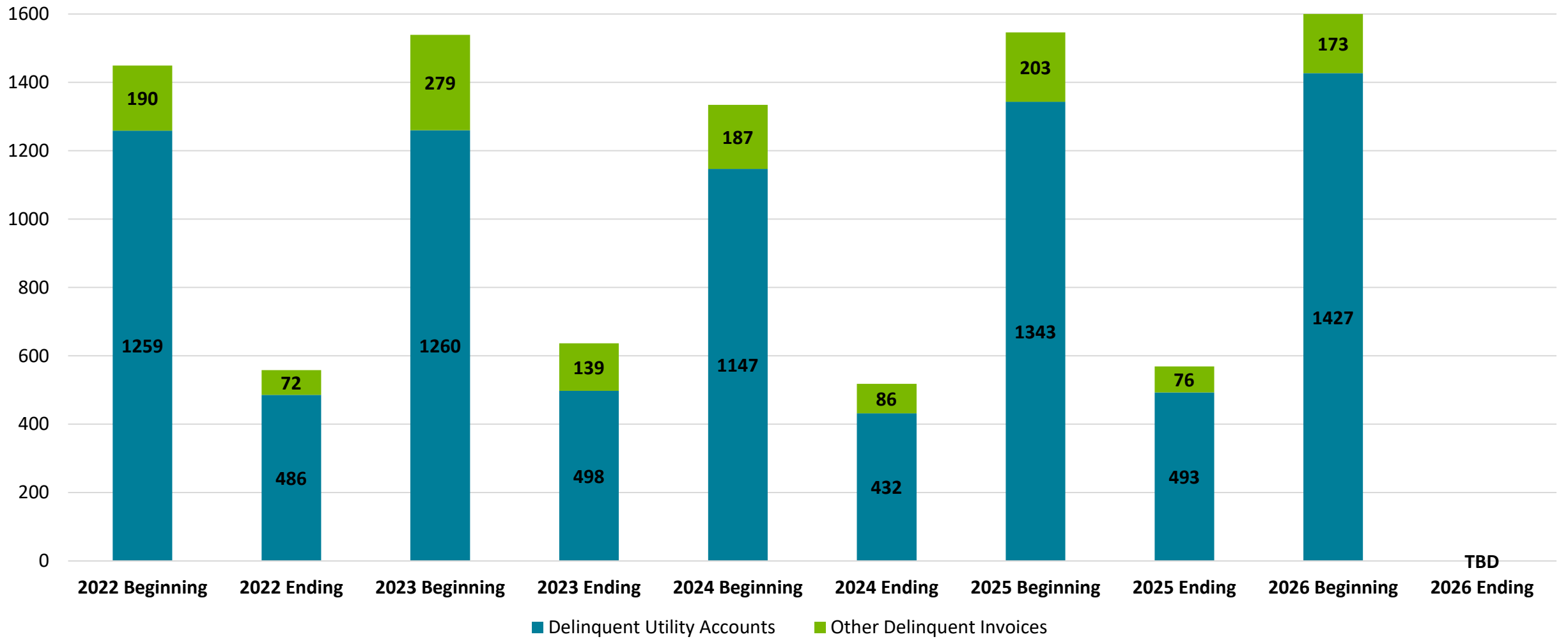
Benefits of Certification Process

- Provides the city with an alternative means to collect on delinquent utility accounts and avoid having to cut off services.
- Allows residents to spread out large expenses such as tree removals over several years to ease the financial burden.
- Helps maintain city's financial stability by collecting on past due balances for expenses already incurred by the city while providing services to properties.

Timeline



Number of Delinquent Accounts by Type 2022 – 2026



Next steps

- Finance staff will continue to work with residents to answer questions and collect payment for delinquent balances.
- October 28, 2026, all accounts that have been paid are removed and final list of delinquent accounts is sent to the county.
- Certified amounts will be added to the property's taxes payable in 2027.

Recommended Action

- Mayor to:
 - open public hearing,
 - take public testimony, and
 - close public hearing.
- Motion to adopt resolution to assess delinquent water, sewer, storm water, refuse, abatement of tree removals, tree pruning, false alarms, mowing, and citations against the benefiting property.