

ORDINANCE NO. 047, 2021
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES IN THE LIGHT AND POWER FUND
FOR ELECTRIC UTILITIES CUSTOMER PAYMENT ASSISTANCE

WHEREAS, in December 2020, Platte River Power Authority (PRPA), the municipal electric power generation and transmission authority of which the cities of Fort Collins, Loveland and Longmont, and the Town of Estes Park are members, issued an unanticipated “one-time cash distribution” to the City (the “PRPA funds”), pursuant to PRPA Board Resolution 15-20; and

WHEREAS, the PRPA funds, in the amount of \$468,941, were deposited in the Light & Power enterprise fund, to be used, pursuant to Art. XII, §6 of the City Charter, for electric utility operations, maintenance, repair, replacement or betterment or for another specific utility purpose determined by Council to benefit the electric utility’s ratepayers; and

WHEREAS, since March 2020, conditions associated with the Coronavirus/COVID-19 pandemic resulted in significant increases in City utility customer bill delinquencies resulting in significant past-due balances of a magnitude not normally experienced by the Electric utility, only a portion of which was mitigated by the Utilities Payment Assistance Program (PAF), pursuant to City Code §26-722, and federal relief funds in 2020, including the CARES Act, and

WHEREAS, despite \$900,000 of financial assistance Utilities applied to assist customers who struggled to pay utility bills in 2020, large utility account balances persist and availability of PAF and federal stimulus funds is uncertain, which led Utilities staff to evaluate other financial resources to help customers who incurred past due balances in the past ten months and seek to reduce outstanding amounts due to the utility to avoid adverse impacts on all utility ratepayers in the form of increased rates; and

WHEREAS, Utilities staff research concluded that using the PRPA funds in addition to the City’s ongoing commitment to establish utility customers payment plans will meaningfully direct assistance to the most impacted Utilities customers. leverage PAF resource opportunities and recover significant outstanding amounts due to the electric utility thereby benefitting all ratepayers; and

WHEREAS, Utilities staff has recommended appropriating the PRPA funds to be administered through the application process used for CARES Act distribution in 2020, including tracking dispersals and customer impact, to ensure the PRPA funds bolster payment plan options for customers experiencing economic hardship due to COVID-19; and

WHEREAS, the City Manager has recommended the appropriation described herein and has determined this appropriation is available and previously unappropriated from the Light & Power Fund and will not cause the total amount appropriated in the Fund to exceed the current estimate of actual and anticipated revenues to be received in that Fund during this fiscal year; and

WHEREAS, Article V, §9 of the City Charter permits the City Council, upon the recommendation of the City Manager, to appropriate by ordinance at any time during the fiscal

year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated; and

WHEREAS, the proposed appropriation and expenditure benefit the public's health, safety and welfare and serve utility rate payers by providing focused funding to enable customers to continue receiving reliable, high-quality electric and telecommunications, water, wastewater, and stormwater services, increase collections and reduce billing operation expenses for utility rate payers consistent with the purposes of Article XII, §6 of the City Charter.

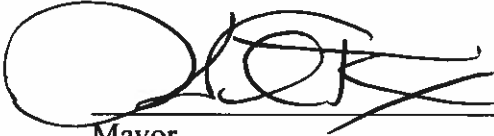
NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated from prior year reserves in the Light & Power Fund the sum of FOUR HUNDRED SIXTY-EIGHT THOUSAND NINE HUNDRED FORTY-ONE DOLLARS (\$468,941) for expenditure from the Light & Power Fund for payment assistance to electric and telecommunication services customers.

Section 3. That the City Council hereby finds that this use of the PRPA funds will serve the specific utility purposes of reducing the unusually high levels un-paid amounts due to the utility driven by the COVID19 pandemic, avoiding adverse impacts on all utility ratepayers in the form of increased rates, and enabling utility customers to continue receiving reliable, high-quality electric services, which Council determines will benefit the electric utility's ratepayers as required by Article XII, §6 of the City Charter.

Introduced, considered favorably on first reading, and ordered published this 16th day of March, A.D. 2021, and to be presented for final passage on the 20th day of April, A.D. 2021.



Mayor

ATTEST:



City Clerk



Passed and adopted on final reading on the 20th day of April, A.D. 2021.



Mayor

ATTEST:



City Clerk

