

City of Columbia

701 East Broadway, Columbia, Missouri 65201



Agenda Item Number: REP 103-14
Department Source: City Manager
To: City Council
From: City Manager & Staff
Council Meeting Date: October 20, 2014
Re: Report-Utility Payment Assistance Programs

Documents Included With This Agenda Item

Council memo

Supporting documentation includes: None

Executive Summary

Due to economic hardship, a portion of City of Columbia utility customers have difficulty paying for utility services. This report focuses on currently available City of Columbia programs, and other local programs, that offer financial aid to target populations in need of utility payment assistance.

Discussion

Both the CASH Program (City Code Section 27-25) and the HELP Program (City Code Section 27-26) are administered by the City's Department of Public Health and Human Services. These programs are designed to assist eligible families with children under the age of 18, disabled adults, and seniors (age 60 and older) to pay their water and electric bills.

Applicants must complete an application for the Utility Assistance Program and submit it to the Department of Public Health and Human Services. To be eligible, the applicant's household income must be at or below 150% of the federal poverty level, and the utility account must be in the eligible applicant's name.

If the application is approved, the applicant is notified and entered into a pool of eligible participants for a period of 12 months from the date the application was accepted. A lottery style drawing is done on the first business day of the month to choose who will receive funds that month. This random selection process allows for more participants to benefit from the assistance. Since the implementation of the lottery system, every qualified applicant has been able to receive utility assistance at one point throughout the year. Each month, an average of 20 to 30 applicants receive the maximum annual amount of \$100.00 through a credit to their account. Participants are removed from the pool after receiving the funds, but can re-apply on January 2nd of the new calendar year. Due to applicant needs and a budget surplus, the maximum annual amount an applicant can receive will rise to \$275 in January, 2015.

The Cash and Help programs are funded by an annual contribution of \$4,045 from the City's General

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Fund for the "Water and Light Indigent Program", which is spent first at the beginning of the fiscal year, and through donations from other City of Columbia utility customers. The Department of Public Health and Human Services also administers, by agreement, the Boone Electric CASH/HELP programs. They also receive \$7,000 annually from Boone County's general fund to assist customers that live in the county but are not a City of Columbia utility or a Boone Electric customer.

Each November the City teams up with Boone Electric to advertise and send out pledge requests for customers to donate to the programs. If a customer signs up to participate as a program donor on a monthly basis, the pledge shows up on the monthly utility bill and remains there until the customer requests to be removed from the program.

The balance of the CASH program and the HELP program as of August 31, 2014 is \$45,755.43 and \$50,519.27, respectively. The average monthly receipts for the preceding twelve months for the CASH and HELP programs were \$2,987.87 and \$2,721.53, while the average monthly expenditures were \$1,751.31 and \$1,252.20, respectively.

In addition to financial assistance, CASH and HELP program participants are referred to the City's free energy audit program. Energy audits help participants identify low cost energy efficiency savings opportunities, communicate efficiency needs with landlords and understand how inefficiency impacts monthly costs. The City also offers payment agreements to all customers that need them on a monthly basis. However, when a customer fails to uphold their end of the agreement they are not able to receive another agreement for a 12 month period.

The primary utility assistance in Boone County is Central Missouri Community Action (CMCA). CMCA receives federal Low-Income Home Energy Assistance Program (LIHEAP) funds via the state's Department of Social Services. This program has two components, Energy Assistance (EA) and the Energy Crisis Intervention Program (ECIP). To qualify, applicants must be at or below 125% of the federal poverty guidelines, US citizen or alien admitted for permanent residence, be the individual responsible for the utility account, and be subject to disconnect. Their offices are located at 800 N. Providence, Suite #103 in Columbia. CMCA also offers a Weatherization program to individuals with incomes at or below 200% of the federal poverty level, which allows for improvements to reduce utility usage.

Fiscal Impact

Short-Term Impact:

Long-Term Impact:

Vision, Strategic & Comprehensive Plan Impact

Vision Impact: Community Character

Strategic Plan Impact: Economic Development

Comprehensive Plan Impact: Land Use & Growth Management

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Suggested Council Action

This report is only informational.

Legislative History

At the September 2nd council meeting, Ms. Hoppe requested a report on the City's programs to assist low-income utility customers.

Leah Christian

Department Approved

Mitch Wells

City Manager Approved