212 Chenega Ave.

Valdez, AK 99686



# City of Valdez

## Agenda Statement

File #: RES 19-0007 Version: 1

Type:ResolutionStatus:PassedFile created:1/29/2019In control:City CouncilOn agenda:2/5/2019Final action:2/5/2019

Title: #19-07 - Authorizing City Administration to Defer Payments Due from Individual Federal Employees

for City Services and to Waive Related Interest Charges for the Duration of any Federal Government

"Shut-Down" Furlough Period in 2019

Sponsors: City Council

Indexes:

**Code sections:** 

Attachments: 1. Resolution Furloughed Federal Employees

Date	Ver.	Action By	Action	Result
2/5/2019	1	City Council	approved	Pass

### **ITEM TITLE:**

#19-07 - Authorizing City Administration to Defer Payments Due from Individual Federal Employees for City Services and to Waive Related Interest Charges for the Duration of any Federal Government "Shut-Down" Furlough Period in 2019.

**SUBMITTED BY:** Brian Carlson, Finance Director

#### **FISCAL NOTES:**

Expenditure Required: n/a Unencumbered Balance: n/a

Funding Source: n/a

#### **RECOMMENDATION:**

Approve Resolution

#### **SUMMARY STATEMENT:**

- This Resolution reflects consensus Council request to administration during the January 15<sup>th</sup> Council Meeting.
- Though the furlough is temporarily ended, Staff is forwarding this Resolution to Council in light
  of the possibility of another furlough period later in 2019.
- The proposed deferment and waiver applies to City Services such as utilities, Harbor slip leases, and Civic Center rentals. It does not apply to property taxes.
- To avoid interruption of regular, ongoing billing processes, staff requests the latitude to

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calculate and bill for payments due and related interest and penalties, and will retroactively defer/waive charges when presented with evidence of Federal employ.

- If/when this resolution takes effect, staff will advertise through traditional and social media outlets to ensure the program details are broadly disseminated.
- Because staff does not know in advance who qualifies for this proposed program, they have no data on the quantity and value of the deferrals and waivers.
- Citywide interest charges are 10.5% annually, pro-rated monthly, and therefore the following examples capture some of the proposed program's impact:
  - Utility fees are \$70 per quarter. Interest penalties on these late payments are \$0.61/month.
  - An average annual Harbor slip lease fee of \$1,000 will generate monthly interest fees of \$8.75.
  - A banquet-hall party at the Civic Center costing \$1,500 will generate monthly interest fees of \$13.

Attachments: Resolution Furloughed Federal Employees