



- **Provide update on the City's Utility Payment Assistance Program**
- **Receive Council direction on proposed changes to the Utility Payment Assistance Program**



# Utility Payment Assistance Recap

- **Expanded Program to include four agencies in 2025**
  - Business & Community Lenders of Texas (BCL)
  - Community Action Inc., of Central Texas
  - Communities in Schools of Central Texas (CIS)
  - Salvation Army
- **Funding Streams**
  - City Funds from SMTX Utilities
  - Donation Funds
    - Donations received after April 2025 became available shared customers



# Utility Payment Assistance Recap

- **Contract Updates and Program Enhancements**
  - Implemented quarterly meetings with partnering agencies
  - Increased the administrative fee paid to partnering agencies from 8% to 10%
  - Increased the number of times customers could receive payment assistance from two (2) to four (4) times per fiscal year
  - Included Reconnection and New Connection fees in assistance
  - External providers agreements for Pedernales Cooperative Electric, Bluebonnet Cooperative Electric and CenterPoint Energy
- **Increased outreach and promotion of program**



# Utility Billing Customer Service and Resource Navigation

- **Utility Billing clerks are available to assist with extensions**
  - Requests must be made no later than 1 day prior to date of disconnection
  - Extensions are scheduled 2 weeks from date of disconnection
- **Utility Billing clerks also provide customers with agency information**
  - Community Action of Central Texas
  - Business and Lenders of Texas
  - Communities in Schools
  - Salvation Army of San Marcos
  - Blanco River Regional Recovery Team (BR3T)
  - Southside Community Center
  - St. Vincent de Paul
  - Transfer to and/or connect customer with Community Support & Resource Navigation for additional information on resources

[sanmarcostx.gov](http://sanmarcostx.gov)



# Utility Disconnection Process

- **Non-pay Disconnections are temporarily suspended during extreme weather conditions**
  - **Extreme Heat Conditions**
    - High temperatures are forecasted to reach 100°F or higher for two(2) consecutive days during the disconnection period
    - A heat advisory is issued by the National Weather Service
  - **Extreme Cold Conditions**
    - Cold temperatures are expected to remain at 32°F or below for at least 24 hours during the disconnection period
- **Non-pay Disconnections are not performed on the following days:**
  - Fridays
  - On the day before a city-observed holiday
  - Weekends



# Utility Disconnections

<b>Disconnect Summary</b>	<b>FY24</b>	<b>FY25*</b>	<b>FY26 <i>To Date</i></b>
Total Residential Accounts Affected	3,438	4,237	2,615
Accts Disconnected with Utility Assistance (UA)	134	255	163
Percentage Disconnected Accts with UA	3.90%	6.02%	6.23%
<b>Utility Assistance Summary</b>	<b>FY24</b>	<b>FY25*</b>	<b>FY26 <i>To Date</i></b>
Accounts Receiving Assistance	107	335	302
UA Accts Subject to at least 1 Disconnect	20	133	92
Percentage UA accts Disconnected	18.7%	39.7%	30.5%

\* Pledges across all four agencies began in May 2025.



# Utility Payment Assistance Program

## FY2025-Current Snapshot

	FY 2025		FY 2026	
	<i>Budgeted</i>	<i>Actuals</i>	<i>Budgeted</i>	<i>Actuals*</i>
<b>City Funds</b>	\$103,500	\$106,632	\$106,344	\$90,689
<b>Donations</b>	\$45,000	\$28,368	\$16,632	\$16,032
<b>Donations for External Providers</b>	-	-	\$3,400	\$1,173
<b>Admin Fee</b> Up to 10% of pledges	\$16,501	\$13,368	13,368	\$10,744
<b>Total</b>	<b>\$165,001</b>	<b>\$148,368</b>	<b>\$127,744</b>	<b>\$118,639</b>



# Utility Payment Assistance Program

## FY2025-Current Snapshot

	<b>FY 2025</b> <i>Actuals</i>	<b>FY 2026</b> <i>As of April 30, 2026</i>
Number of Households	335	302

	<b>Low Income</b> <i>Up to 250% federal poverty line</i>	<b>Elderly</b> <i>60 years of age or older</i>	<b>Disabled</b>	<b>Veteran</b>	<b>Young Children</b> <i>5 years of age or younger</i>
<b>FY 2025</b>	96%	21%	18%	0.5%	20%
<b>FY 2026</b> <i>As of April 30, 2026</i>	96%	30%	19%	1%	19%

Individual households may be accounted for in more than one category.



# Program Feedback

- **Communities in Schools is unable to pledge payment assistance for students enrolled at two schools**
  - DeZavala Elementary School
  - Travis Elementary School
- **Agencies have received appreciation from clients**
- **Concerns on funding capacity based on spend-down rates**
- **Customers were invited to participate in a survey and focus groups (n=40)**
  - 60% reported it was easy to apply for utility payment assistance
  - 70% did not have recommendations for changes
    - Feedback that was received was on the application, communication, cost of living, and funding capacity



# Staff Recommendations for Changes in FY27

- **Staff will continue to monitor usage trends and has the following recommendations to prevent early fund depletion**
- **Assistance Limits**
  - Each bill = 1 instance of assistance
- **Eligibility**
  - Emphasis placed on hardship and/or emergency
  - Allow CIS to submit pledges for payment assistance for external providers for SMCISD students at DeZavala and Travis Elementary schools
- **Fund Allocations**
  - Quarterly funding caps



# Council Direction

- **Does Council approve staff recommendations for FY2027 contract and program updates and changes?**