



CITY OF  
**UNION GAP**  
 1883

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**Budget Note**  
**Penalty Fee Proposal**

A budget retreat was held in March of 2023. Council was informed that there is expected to be a deficit in the 2024 Budget. One method of reducing the deficit is for City Council to approve an ordinance authorizing penalty fees.

**Who is paying:** *Utility customers who are delinquent on their utility bill.*

**Estimated cost to customer:** \$10 would be charged when a customer is late paying their utility bill.

**Estimated New 2024 Annual Revenue for City of Union Gap:** \$30,000

| Comparative Late/Penalty Fees for Utilities |  |
|---|--|
| <b>Union Gap</b>                            | None   |
| <b>Selah</b>                                | \$10.00  |
| <b>Wapato</b>                               | \$10.00  |
| <b>Zillah</b>                               | \$15.00  |
| <b>Granger</b>                              | \$10.00  |
| <b>Toppenish</b>                            | \$10.00  |
| <b>Sunnyside</b>                            | \$10.50  |
| <b>Mabton</b>                               | \$10.00  |
| <b>Grandview</b>                            | <i>\$20.00 Utility bill delinquent on the twenty-first day of the month bill. A 10% fee is added to the account. Door hanger to delinquent balance a \$5.00 fee is added to the account.</i> |
| <b>Prosser</b>                              | <i>\$15.00. 10% late fee after the 25<sup>th</sup> of each month with a past due and up to a fee of \$100.00</i>   |
| <b>Average late/penalty fee:</b>            | <b>\$12.28</b>   |
| <b>Recommended late/penalty fee:</b>        | <b>\$10.00</b>   |