

**MEMORANDUM**

DATE: May 5, 2025

TO: Public Utilities Board Members

FROM: Jessica Williams, Chief Financial Officer
Azura Kerr, Senior Business Information Analyst

SUBJECT: Lee Riback, Public Utilities Board Inquiry

In response to your inquiry regarding Credit Systems Internal, Inc. sent on April 25, 2025, the City's Finance Department has prepared the following information.

For the past 21 years, the City of Denton's Utilities Customer Service, Finance, and Fire Departments have contracted with Credit Systems Internal, Inc. to assist with collecting unpaid invoices. The contract is paid out based on a percentage of the amount collected by the agency, and deducted from the total collected. If the agency does not collect, they do not receive payment. Current percentages range between 18% and 23% of total collections, depending on when the account was sent to collections and the contract term. Over the last three years, Customer Service has collected \$440,583.93 from these services, and Fire has collected an additional \$152,723.86.

Customer Service					Fire			
	Paid to Agency	Net Collected	Paid to City	Average Percentage Paid	Paid to Agency	Net Collected	Paid to City	Average Percentage Paid
2021	\$29,171.90	\$180,699.89	\$151,527.99	16.14%	\$53,114.99	\$116,900.42	\$63,785.43	45.44%
2022	26,107.82	174,720.27	148,612.45	14.94%	42,502.01	67,546.11	25,044.10	62.92%
2023	25,682.08	166,125.57	140,443.49	15.46%	52,840.86	116,735.19	63,894.33	45.27%
Total	\$80,961.80	\$521,545.73	\$440,583.93	15.52%	\$148,457.86	\$301,181.72	\$152,723.86	49.29%

OUR CORE VALUES

Inclusion • Collaboration • Quality Service • Strategic Focus • Fiscal Responsibility