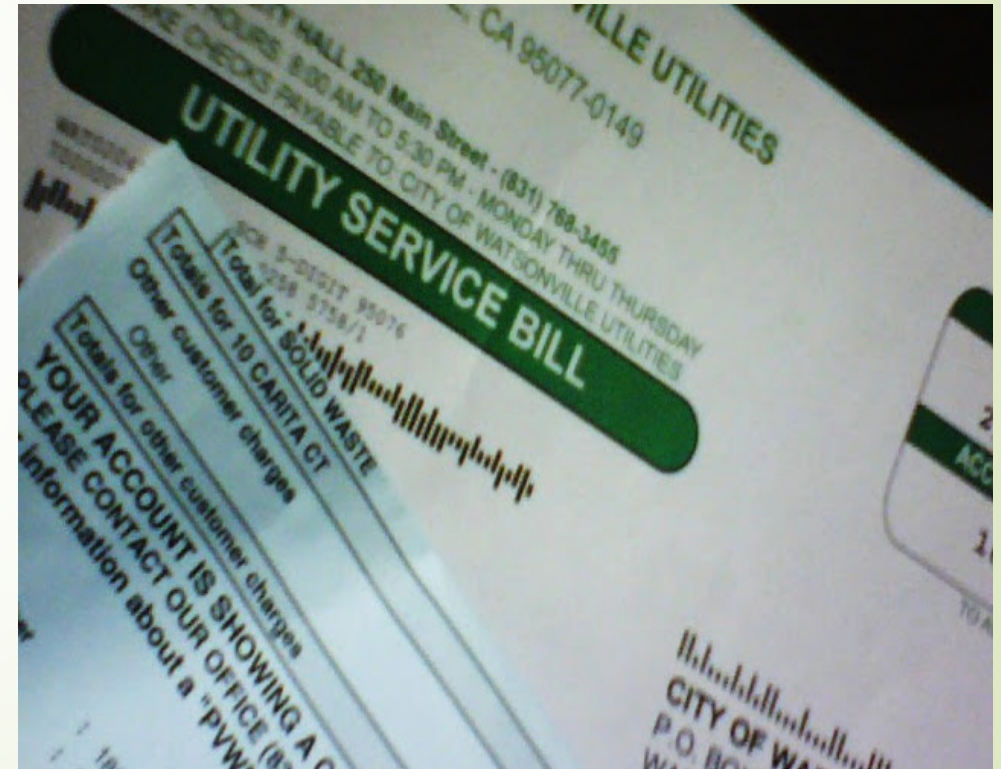



Utility Billing Budget Presentation FY 2020





FY18 Service Summary Utility Billing Department

- ▶ **Mission:**
- ▶ **Perform accurate reading of all water meters and provide timely and accurate billing and collection services for Water, Water Pollution Control, and Sanitation departments. Ensure the customer service needs of the City Utility customers are met.**

FY18 Output Summary

➤ Billing Specialists

- 2,669 New Accounts FY18

- Reviewed, maintained, and accurately billed over 18,000 accounts each month.

 - Equates to 4,500 accounts maintained each month for each employee (4)

➤ Meter Reading

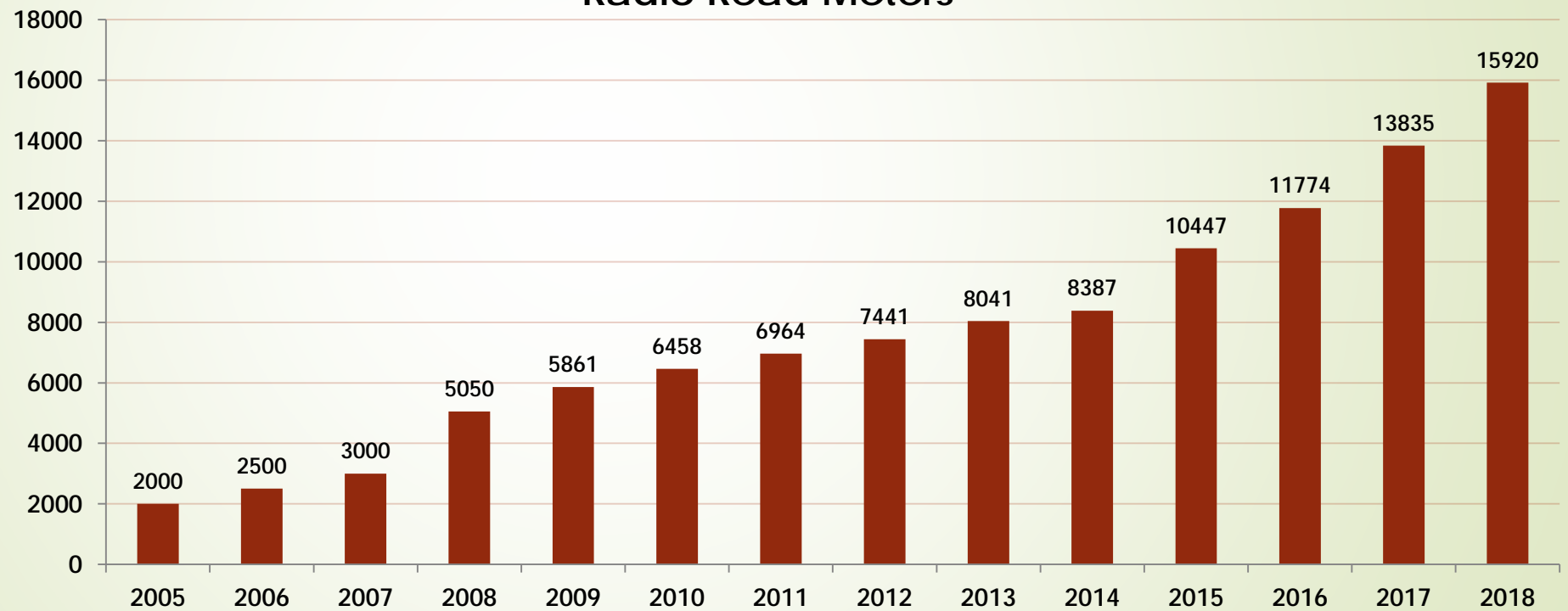
- Around 217,000 meters read annually with less than a half percent of reading errors.

- 2,085 Electronic Radio Transmitters (ERT's) installed

 - 4TH year of 5 year plan for 2,000 ERT's a year to become 100% radio read. 2,262 ERT'S REMAIN TO COMPLETE PROJECT IN NEXT YEAR.

BENCHMARK OF PROGRESS CHART

Radio Read Meters





Measures of Effectiveness, **Key Accomplishments:**

- ▶ **Billing Specialists**
 - ▶ Receipted over \$28.8 million in revenue with 99.999% accuracy.
 - ▶ 57% manually processed with cash, checks, and credit cards.
 - ▶ 43% electronically processed with bank-draft, on-line bill pay, and lockbox.
 - ▶ Per the American Water Works Association, the City is in the bottom quartile for cost of managing a single account and in the top quartile for billing accuracy compared to other cities.
- ▶ **Meter Reading**
 - ▶ Around 217,000 meters read within 30 days of last read avoiding high/low billing variances.
 - ▶ Installed 2,085 new ERT's as part of 5 yr. plan; continue to replace/maintain current ERT's.

Issues and Concerns:

- ▶ **The first ERT's installed began the upgrade process to our reading system. From 2004 to 2009, the ERT available were 50W's and 60W's. These ERT'S have reached their battery life and are failing at a high rate.**
 - ▶ **As part of ongoing maintenance, these ERT's need to be replaced with the 100W's we are currently using that have a 20 year warranty.**
 - ▶ **This replacement cost was included in the rate study to have completed in the next two years.**
 - ▶ **Currently there are 5,765 ERT's to replace. The cost to the Water Dept.'s budget would be \$230,600.00 each year at current pricing.**
- ▶ **By the end of 2019, we will be 100% radio read. While this is exciting, it brings concerns, as we are no longer opening the vaults each month that enabled us to check for leaks.**

Issues and Concerns Continued:

- ▶ With 57% manual processing in the office, there is software available that provides needed tools to help reduce the manual processing with no increase in costs further providing:
- ▶ Interactive Voice Response (IVR) – 24/7 phone access to hear balance, due dates, last payment info, and to make payments.
- ▶ Other Payment Options include Mobile App, pay by text, pay by email, all with *ability to pre-set a future date* or pay right then.
- ▶ Would receive a set outbound notification that could replace or significantly reduce current auto-call system saving money.
- ▶ Multiple payments can be made at one time. We currently have to enter each payment separately.
- ▶ All receipts for payments are emailed to the customer. We know longer need to mail receipts manually.

Budget Comparison FY19 to FY20 - Personnel

Utility Billing	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference	
Personnel (wages, all types)	\$535,191	\$551,969	\$16,778	3.13%	
Benefits, Medical	\$163,754	\$168,786	\$5,032	3.07%	
Benefits, Other	\$143,817	\$150,451	\$6,634	4.61%	\$28,444

Utility Billing	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference
Labor / Operating Split				
Labor (wages + all benefits)	\$842,762	\$871,206	\$28,444	3.38%
% of budget to labor	58.81%	59.82%		
Remainder (operating & capital)	\$590,264	\$585,264	-\$5,000	-0.85%
Employees	Budgeted FY19	Budgeted FY20	Difference	% change
Full Time	12	12	0	0.00%

Budget Comparison FY19 to FY20 - Operating

Utility Billing	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference	
Supplies	\$164,721	\$138,721	-\$26,000	-15.78%	
Professional Services	\$38,666	\$38,666	\$0	0.00%	
Repair Services	\$55,344	\$55,344	\$0	0.00%	
Utilities	\$0	\$0	\$0		
Property Services	\$0	\$0	\$0		
Purchased Services	\$143,336	\$169,336	\$26,000	18.14%	
Loans	\$0	\$0	\$0		
Capital Outlay	\$0	\$0	\$0		
Debt Service	\$0	\$0	\$0		\$0

Budget Comparison FY19 to FY20 - Revenues

Utility Billing	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference
Charges for Service	\$164,500	\$106,000	-\$58,500	-35.56%
Interfund Revenues	\$1,082,477	\$1,082,477	\$0	0.00%
Miscellaneous	\$230	\$230	\$0	
Other Financing Sources	\$5,738	\$5,738	\$0	
Total	\$1,252,945	\$1,194,445	-\$58,500	-4.67%

Budget Authority Increase Request :

➤ 1st Request: ITRON Meter Reading Hardware Upgrade:

All our current reading equipment by the end of 2020 will not be maintained for software or repairs if needed.

Replacement Equipment Request:

➤ 2 – Mc3Lite Mobile Radio & Tablet	\$35,750.00
➤ 2- IMR Radio & Tablet	\$13,000.00
➤ 2-IMR Radios	<u>\$ 4,000.00</u>
TOTAL EQUIPMENT	\$52,750.00
Installation & Training	<u>\$ 2,250.00</u>

TOTAL FY2020 \$55,000.00

Reduction in Annual Maintenance Fee first 3 years – approx. \$14,700

➤ 2nd Request: Service Fees increased by 144% over 5 yrs.

- - \$24,500 needed to match 2019 tracking amount.



City Council Guidance requested on:

- ▶ Additional authority requested for FY 2020
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