

Utility Billing



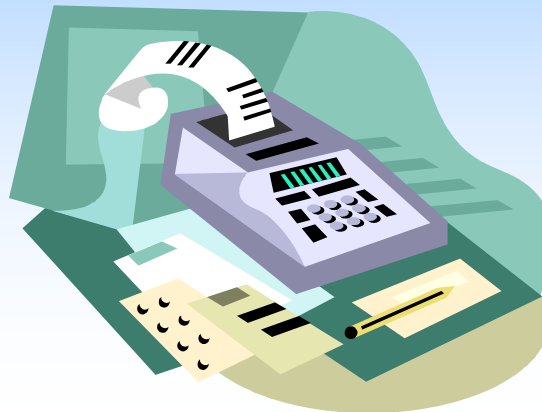
Service Level Report FY09
with historical data

Mission – Utility Billing

To provide billing and collection services for the Water Department, Water Pollution Control Department, and Sanitation Department

To perform the accurate reading of all water meters

To ensure the Customer service needs of the City Utility customers are met



Measures of Inputs

People

	FY05	FY06	FY07	FY08	FY09	FY10	FY05-FY09 Change
Utility Billing							
Full Time	9	9	9	10	10	10	1

Money

	FY 2005 ACTUAL	FY 2006 ACTUAL	FY 2007 ACTUAL	FY 2008 ACTUAL	FY 2009 ACTUAL	FY 2010 BUDGET
UTILITY BILLING						
Labor	494,025	509,564	520,391	583,224	593,454	625,781
Operating	372,746	401,089	406,779	443,862	456,170	516,549
Capital	20,374	18,859	16,450	19,150	22,095	
Total	887,145	929,512	943,620	1,046,236	1,071,719	1,142,330
CPI	199.2	201.8	208.9	216.6	216.2	
Real FY05 \$	887,145	917,536	899,649	962,309	987,554	
% Change in Real FY05 \$, FY05-FY09					11.32%	

FY09 program revenue: \$212,072
(service fees)

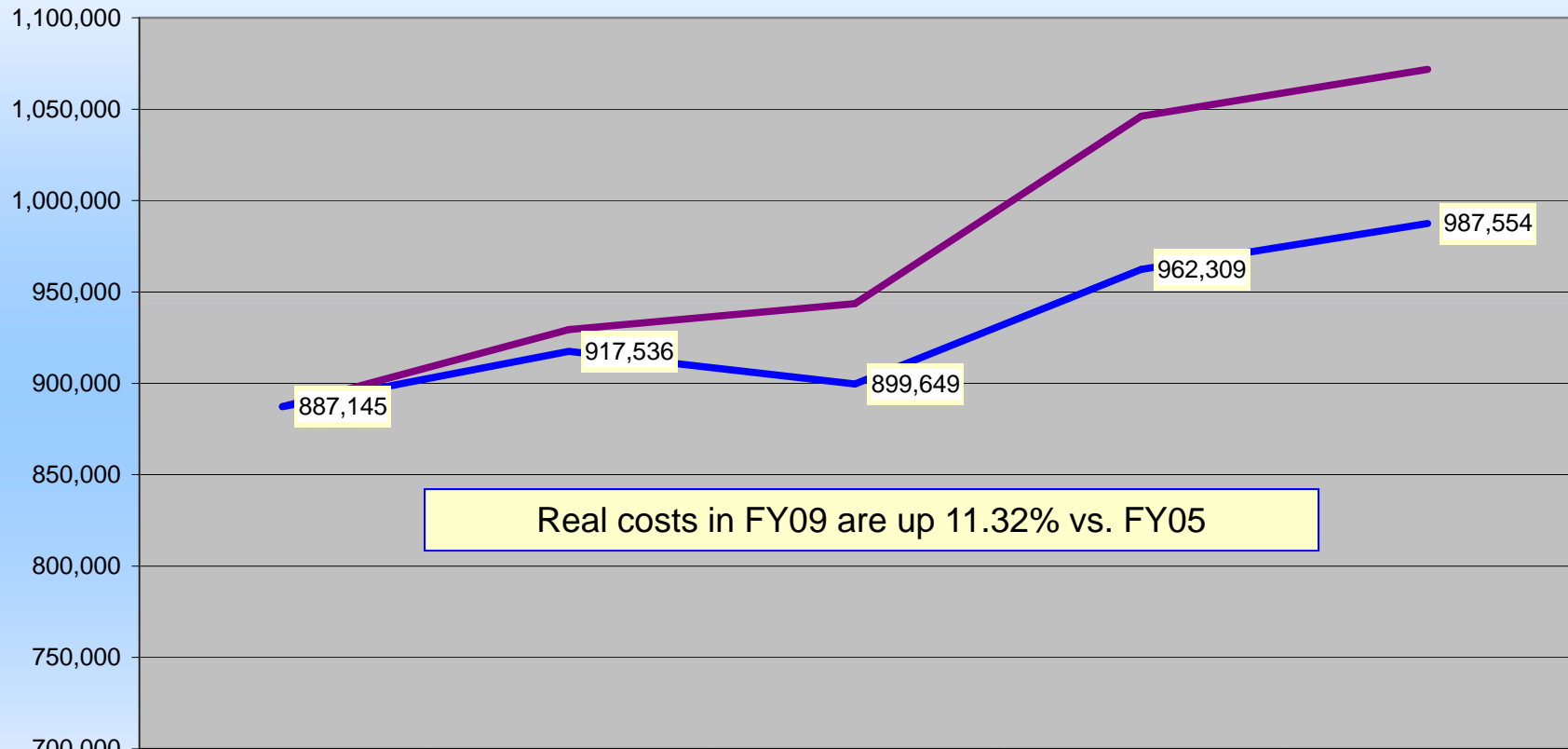
FY09 net cost to utilities: \$859,647

Inherited Capital

Office space, 6 vehicles, meter reading equipment

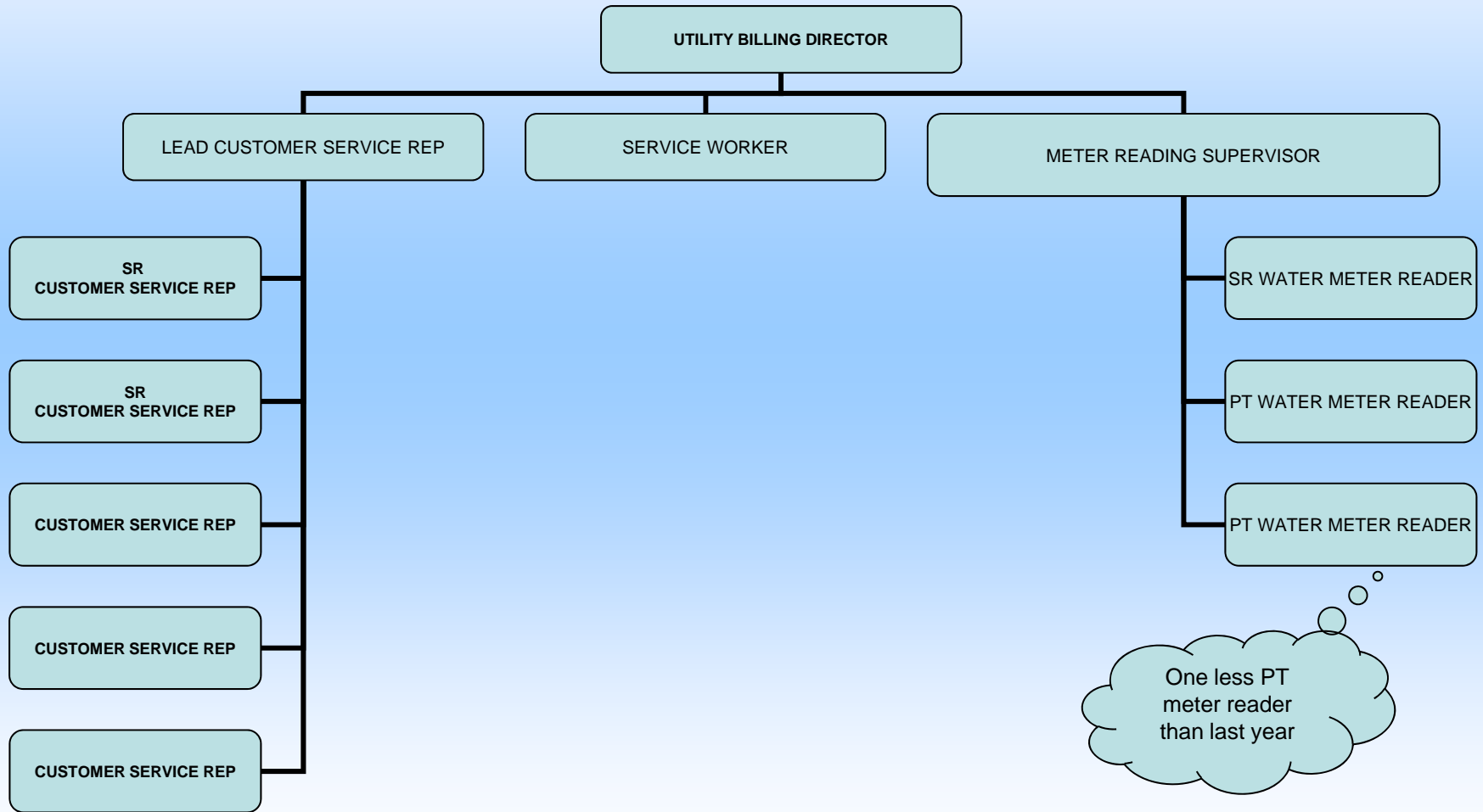
Analysis of Inputs

Utility Billing Fund Nominal & Real FY05-FY09



	ACTUAL FY 2005	ACTUAL FY 2006	ACTUAL FY 2007	ACTUAL FY 2008	ACTUAL FY 2009
— Total	887,145	929,512	943,620	1,046,236	1,071,719
— CPI	199.2	201.8	208.9	216.6	216.2
— Real FY05 \$	887,145	917,536	899,649	962,309	987,554

UTILITY BILLING DEPARTMENT



More on Inputs – Utility Billing

- Office space at City Hall (Includes 2-station payment window)
- Five (5) off-site payment drop boxes
- Two (2) on-site payment drop boxes & a box inside City Hall
- A PC-based water meter reading system including four (4) hand-held data collectors and miscellaneous multi-vendor meter reading wands
- Billing software and related hardware which interfaces with the City's Financial system software
- Six incoming customer service phone lines

Department Vehicles: The Utility Billing Department runs a fleet of six (6) pickup trucks as needed by a Meter Reading Supervisor, a Utility Billing Service Worker, one full time Meter Reader, and two (2) part-time meter readers who read meters 8 hours a day for 9 months of the year (March through November).

Measures of Outputs – Utility Billing

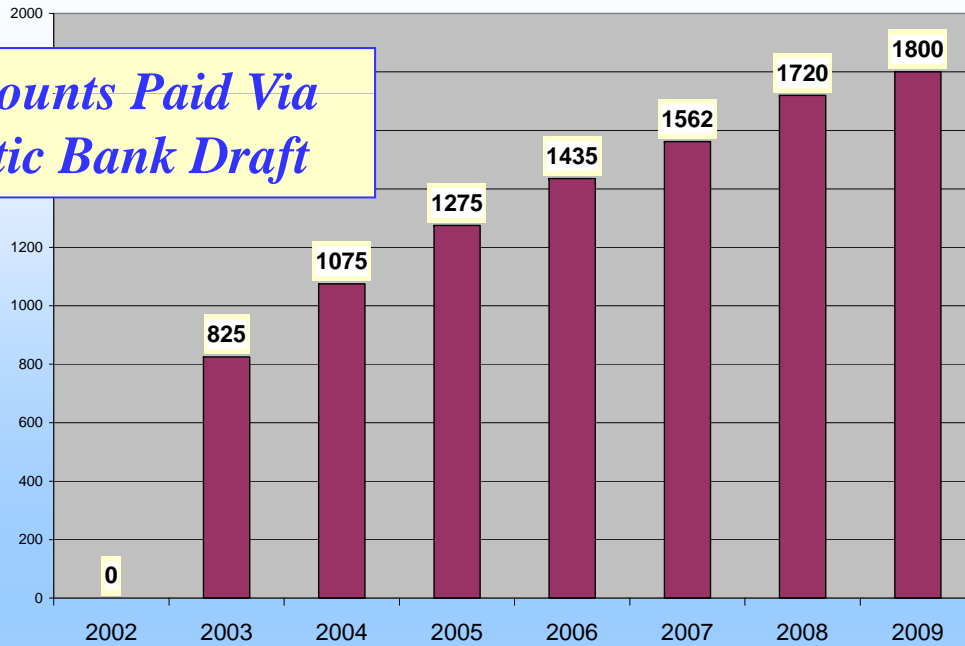
- **48** regular billing statements generated annually (4 billing cycles per month)
- **1200** Late Notice Reminders processed and mailed monthly (14,400/year)
- Over **17,000** water meters are read monthly
- **\$20 Million** in utility receivables are billed annually
- Approximately **286** summer lines (irrigation lines) turned on each spring, and off again each fall
- Average **115** phone calls per day; 27,600/yr., or 1 every 4.7 minutes
- Average **13** voice messages received and addressed per day
- Approximately **3700** drop box payments collected and processed monthly
- **175** water services turned off monthly for non-payment
- **165** payment arrangements made to accommodate special needs of our customers monthly
- **1700** new customers created in 2009 (includes recycle only accounts)
- **215** customer combines accomplished
- Less than **20** cancel rebillings performed in 2009

Measures of Efficiency – Utility Billing

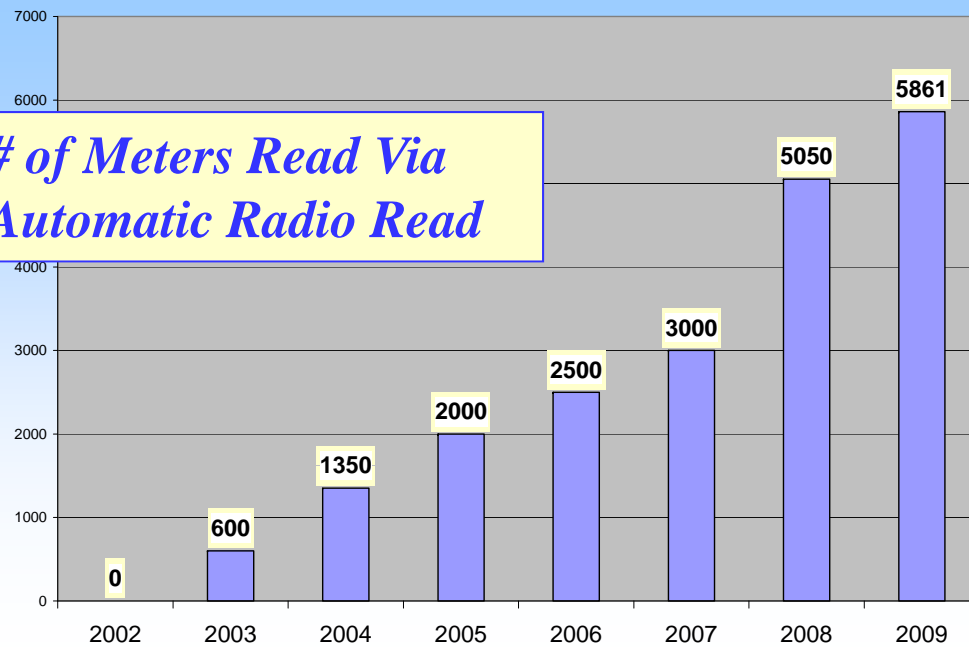
- Our 3 Meter Readers each read an average of 5700 meters per month.
- Our 4 cycle billing representatives each review approximately 4250 accounts for accuracy each month (includes review of all meter readings)
- We read approximately 9000 more water meters now than 15 years ago. We continue to add more radio-reads; enabled us to eliminate one PT position in 2009
- Our billing software is CASS Certified (USPS) to enable our monthly billings to mail at the most reduced postage rate
- Implemented electronic receipt of most “billpay” payments; 2,200 per month converted to electronic receipt vs. manual paper check
- Requests for service, payment arrangements and account information can be performed by fax and e-mail (thus reducing office visits)
- Credit card payments now taken at all workstations vs. just 2

Utility Billing Automation

of Accounts Paid Via Automatic Bank Draft

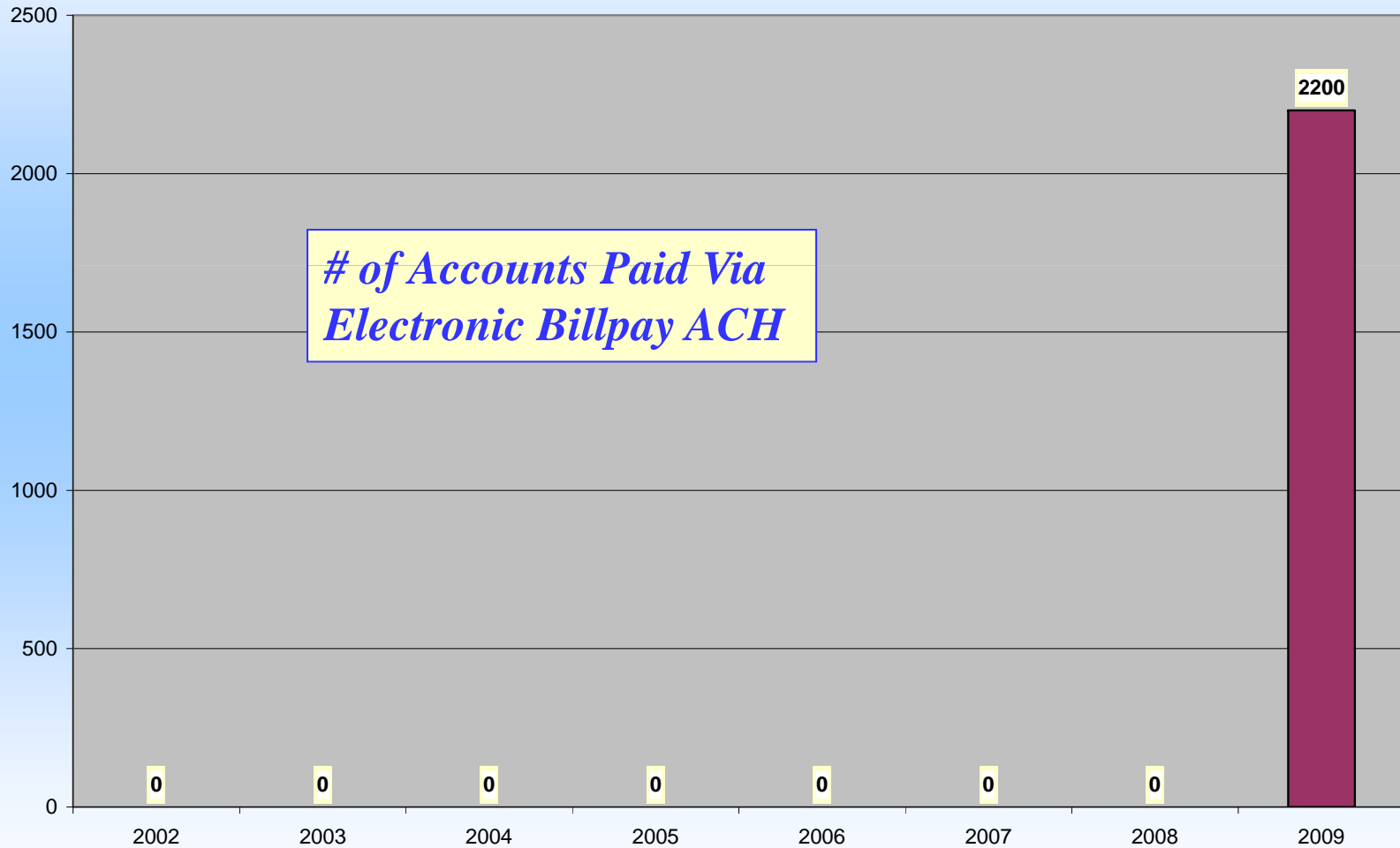


of Meters Read Via Automatic Radio Read



Utility Billing Automation

Electronic Billpay Accounts



Measures of Efficiency – Utility Billing

Water Fixed Line Charge

(including meter replacement and billing costs)

Pocatello

\$7.55

United Water (Boise)

\$16.21

Ogden, UT

\$9.84

(\$3 to pay with credit card
or electronic check)

Customer Billing Charge

Pocatello

\$1.34

(per garbage acct)

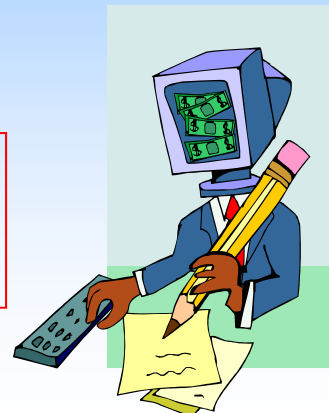
Intermountain Gas

\$6.50

Idaho Power

\$4.00

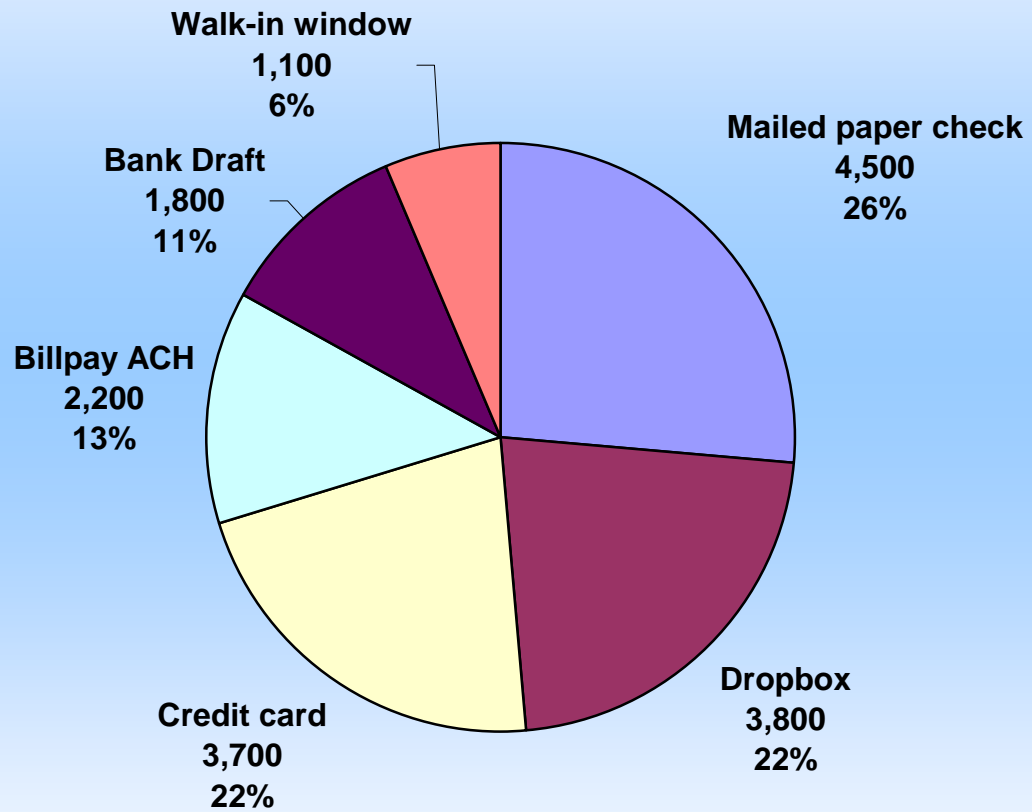
*Billing and meter overhead about 1/2
as much as others*



Points of Interest – Utility Billing

- The City provides a 30% reduction in utility costs for customers who qualify for the Circuit Breaker exemption (approximately 726 accounts)
- Over 11% of accounts now paid through Bank Drafting and close to 13% through new electronic billpay feature
- Approximately 1% of customers have exercised the credit card or “on-line” payment option, getting about 15 PIN requests per week
- Pocatello’s Water Meter Readers start at \$11.41/hour compare to:
 - Twin Falls = \$9.89/hour
 - Idaho Falls = \$13.52/hour
 - Nampa = \$11.97/hour

Utility Billing Payment Methods
(how 17,100 payments are made each month)



Outcomes: Effectiveness & Results



- Same day service for turn-on / turn-off
- Low percentage of billing turned over for collection
- Modern payment options (bank draft, credit cards)
- The City now offers e-notifications and e-billing (paperless)
- Strive for 30 day meter read cycles (avoids high/low billing variance)
- Special services include
 - Temporary vacancies
 - Turn-on/turn-off for snowbirds and summer lines
 - Budget billing
 - Leak detection and adjustment
 - 30% circuit breaker reduction (726 customers)

Explanatory Factors

Utility Billing

- Winter weather prevents most manual residential water meter reading Dec-Mar (we are reading more by radio each year, however)
- Radio-read meters are read year-round
- Other factors are about average

Issues & Concerns

Utility Billing

- **Staff Retention**

- PT meter reader converted to FT in 2007 for service work, meter maintenance and year-round reading coverage. Utility Billing continues to have difficulty in retaining part-time meter readers.
- Utility Billing also continues to realize higher than average customer service staff turn over.

- **Accuracy of meters and meter readings**

- progress achieved in the continued transition to radio reading has noticeably helped deal with unpredictable staffing and has increased the accuracy of readings and billings
- most “difficult to read” meters have been changed out or converted to radio read (concern largely resolved)