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## **A/R Collection Plan and Water Shutoff Program**

**June 22, 2016**

### **Current Situation**

- Shutoffs have not been performed in over 6 months for various reasons, including manpower and the recent billing system conversion.
- Historical method of performing Shutoffs was costly and ineffective. Posting process was performed but operational workload constraints impacted the number of accounts that could actually be shutoff.
- Legacy billing system did not maintain customer phone numbers or email addresses so effective communication with delinquent customers was not available.
- Customer Service personnel have begun to maintain useful customer contact data in the MuniLink Billing System.



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## Current Situation - Cont.

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- Shutoffs often lead to additional issues
  - Employee safety
  - Inaccessible curb boxes
  - Broken customer-owned equipment.



## Short-term Plan

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1. Inform the customer base that we are implementing a more aggressive plan to shutoff service for non-payment of outstanding balances. Traditional Media, Social Media, Website, etc.
2. Letters will be sent to all customers with past due balances. The intention is that this mailing will result in payments being made without having to go through the costly and inefficient posting, shutting off and turning back on process.



## Short-term Plan - Cont.

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3. Large volume customers with large outstanding A/R balances will be contacted directly by Finance Department personnel.
4. Evaluate magnitude of potential shutoffs – currently there are approximately 2,000 customers that owe in excess of \$500.
5. Estimate capacity of internal resources to perform shutoffs; currently we estimate that 1 service technician can perform approximately 20 shutoffs per day.



## Short-term Plan - Cont.

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6. Within 2 weeks of the Past Due Letters and/or direct customer contact, we will commence the posting and shutoff process. This will be based on magnitude of the outstanding A/R balance.



## Long-term Initiatives

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- DECREASE OUTSTANDING A/R.
- Increase employee safety and decrease Personnel costs related to shutoffs.
- Evaluate new technology, e.g. remote shutoff meters to increase efficiency in shutting off service.
- Large scale effort to update and maintain accurate customer contact information. Possible incentive for updating customer profile.



## Questions/Comments

