

## **Water Utility Re-Organization Proposal: Consolidation of Utility Billing Function to Department of Public Works-Water Division**

With the recent or upcoming retirement of several key employees that have been essential to the city's monthly Water/Sewer Utility Billing process, the Finance and Public Works Departments have taken this opportunity to evaluate the current process and organizational structure. Based on that analysis, the Finance and Public Works Department recommend reorganization, the particulars of which are described within this document.

### **Current Organizational Structure**

Under the current organizational chart (see attached), the Utility Billing process is dependent on a monthly meter reading process, which is under the direction of the Water System Superintendent at the Department of Public Works (DPW). There is also customer service staff at DPW that report to the Water System Superintendent, and ultimately to the Director of Public Works/City Engineer, while there are other customer service staff in the Finance Department that report to an Accountant and ultimately to the Finance Director/Comptroller.

Staffs at both DPW and the Finance Department are currently involved in the process of issuing Utility Bills to customers in a timely and accurate manner each month. Having some of those staff members in one building and reporting to one Department Head, and other staff members in a different building and reporting to a different Department Head makes coordinating that monthly billing process more difficult, less efficient, and potentially error-prone.

### **Proposed Organizational Structure**

The proposed organizational chart (also attached) would place all staff involved in the monthly utility billing process at the Department of Public Works, Water Division. It would also establish a newly created "Customer Service Supervisor" position, in the Department of Public Works-Water Division. This individual would be responsible for coordinating the entire billing process from meter installations and meter reading, customer service appointments, maintenance of customer accounts, calculation of bills, bill delivery including email and other potential electronic options, and delinquency processing. This individual would also be responsible for coordinating and cross-training staff to handle all customer service interactions (service questions, billing questions, complaint resolution, etc.). This individual would also serve as the system administrator for the utility billing software and meter reading software.

While this position would be newly created, the retirement of the Treasurer's Office Supervisor in December 2014 provides an opportunity to make this organizational change without adding staff to the overall city budget or the water utility budget. In other words, the Treasurer's Office Supervisor position would be repurposed, and this new Customer Service Supervisor position would be created. Currently an Accountant in the Finance Department spends a significant amount of time each day handling utility billing and customer service responsibilities. The Finance Department would assist in training and transitioning those duties to the new Customer Service Supervisor. It is anticipated that once those duties are transitioned to the Customer Service Supervisor that would allow the Accountant to assume most of the former Treasurer's Office Supervisor duties, along with existing staff in the Treasurer's Office. The Accountant would remain involved with the financial aspects of the Water Utility operation including budgeting, rate analysis, and annual PSC reporting. The purpose of the reorganization isn't to remove Finance from the process altogether, but to streamline staff and operations to better utilize higher functioning staff.

## **Summary of Proposed Changes**

If approved, the reorganization would result in the following changes:

1. Relocation of one current employee from the Finance Department to the Public Works Department, Water Division (Account Clerk II-Utility)
2. Repurposing of the Treasurer's Office Supervisor Position from the Finance Department
3. Creation of the Customer Service Supervisor position at the Department of Public Works, Water Division.
4. Training and Transition of billing supervision duties from Accountant to Customer Service Supervisor

## **Issues to be Resolved**

As with any change, there are challenges to overcome. We have identified the following challenges that will need to be resolved to implement the reorganization.

1. Physical space at DPW Water Division office.  
The current physical arrangement could accommodate relocation of the billing clerk from the Finance Department, but there may need to be more significant remodeling done to accommodate office space for the Customer Service Supervisor at the Department of Public Works.
2. Hours of Operation.  
Currently the DPW Water Division office is open from 7:00 am to 3:30 pm. Will these hours be sufficient to service customers or would they need to be extended to 4:00 or 5:00? Customers would need to be notified of new hours of operation and in the short term the Finance Department could handle basic customer service questions until 5:00 pm, if needed during the transition phase.

## **Advantages of Reorganization**

It's important with any significant organizational change that the changes make sense. The proposed reorganization provides several benefits:

### ***1. Better customer service***

Currently customers can be transferred back and forth between customer service staff at the DPW-Water Division and the Finance Department depending on the nature of their questions. The reorganized Water Division would provide one point of contact for all customer needs, and all customer service staff would be cross-trained to handle all utility questions rather than being passed back and forth between two departments.

Additionally, many electronic options for delivering bills, scheduling appointments, and making payments exist today. Unfortunately the current organizational structure where the billing function is split between two departments has limited the utility's ability to take advantage of these options. Having a dedicated Customer Service Supervisor that can pursue and implement these options will make for a better customer service experience.

### ***2. More efficient billing process***

The current billing process contains a lot of duplication of effort. DPW Water Division staff review error reports after meter reading and Finance Department staff review them again to identify potential billing problems prior to billing. Reports should be reviewed once for both meter reading issues and billing issues. Consolidating staff to the same physical location and cross-training them would eliminate this duplication of effort.

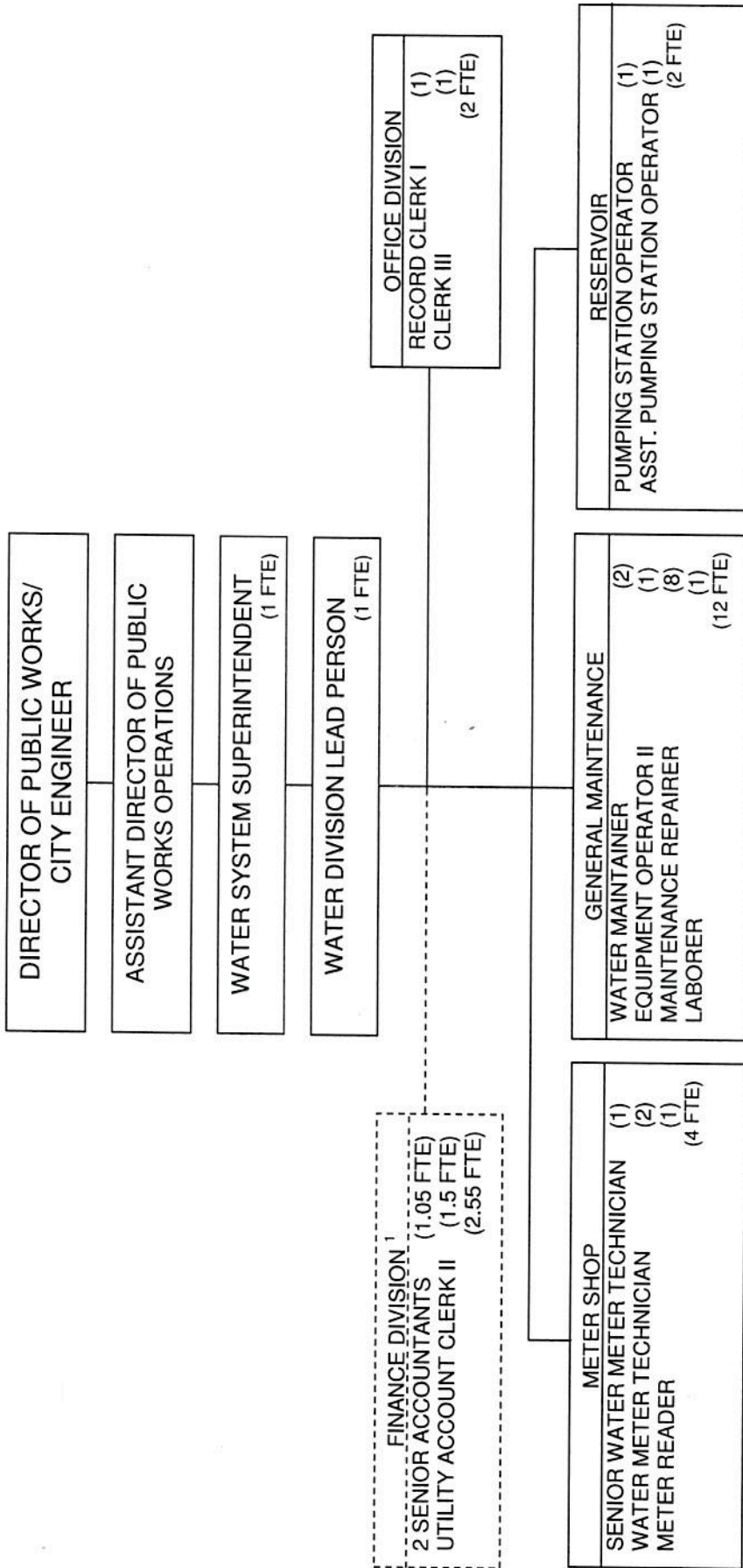
**3. *More accountability for the billing process***

The utility billing process brings in almost \$22 million in utility revenues for the Water, Sewer, Storm Water, and Solid Waste funds each year, so from a risk management standpoint it is important that it be done right. In addition, every property owner in the city interacts with the utility billing process, even if that interaction is simply receiving and paying their utility bill each quarter. In that regard, that utility bill is a reflection on the city.

Dedicating a supervisory level position to manage the billing process, cross train staff responsible for billing duties, and administer the billing system that is responsible for accurately generating those bills provides a more accountable structure to ensure that this critical city function is effectively managed. The current organizational structure has multiple people responsible for individual parts of the billing process, rather than one dedicated individual responsible for all of it. The proposed reorganization puts a better management structure in place for the long term and addresses the importance of this essential city function.

**ORGANIZATIONAL CHART  
PUBLIC WORKS / ENGINEERING  
WATER**

*"Current Org Chart"*



<sup>1</sup> These positions are in the Public Works Water Division Budget but are under the direction of the Finance Division.

NOTE: Other personnel working in support of the Water Utility (A&F, Treasurer, PW, IT) are also funded by the Water Utility, but are not included on this chart. Further, some of the positions reflected above on this chart also perform work funded by other Utility Budgets (Sanitary, Storm, etc.).

TOTAL POSITIONS: 26 (0 City FTE)

**PROPOSED RE-ORGANIZATION OF WATER UTILITY**

