Disconnects and New Technology. Make it work for you- Case study of how one utility made the leap into the future.

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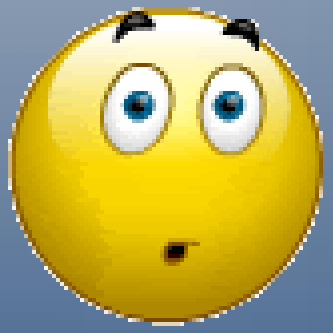
and Ronda Farmer

Agenda……

- Say what?
- The situation
- Learn from peers
- Action plan
- Make it work for you
- Notify

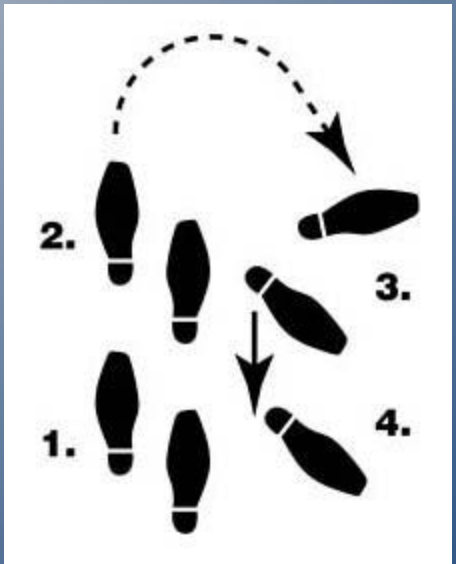
Top Ten Disconnect Excuses from LWD

1. My grandson was getting his circumcision.
2. I just got out of jail.
3. My check book was stolen.
4. The bank ran out of money so I could not cash my check.
5. I sent you a check yesterday.
6. My BF/GF/W/H/babies momma just left me and took all the money.
7. I just got out of the hospital / I just had surgery.
8. I just got back from vacation.
9. Your guy didn't come to the door to get the money.
10. I never got the bill.



Cross road….

- Aging AS/400
- Cost
- User / customer friendly
- Wanted more options
- Keep our core mission while moving forward



Survey…..

- Polls
- Phone calls
- Compile
- Measure up
- Share

"The best way to get a good idea is to get lots of ideas" - Linus Pauling

Take a closer look……

- What are your companies policies
- What regulations do you operate under: IDAPA, IAC, OAR, PUC, WAC, RCW
- Are you following these rules
- Boundaries live within them not outside

What we found……

- Small number of non-paying customers
- Sending out too many notices
- Inability to pay
- Spending to many resources on the accounts that cost the District the most.

"It's easier for companies to come up with new ideas then to let go of old ones." *- Peter Drucker*

What we decided to do…..

- RFP- Request for proposal
- ACH
- Credit Cards
- Web site
- Change disconnect policy
- Shorten length of time / no balance carry over
- IVR
- Lock box

ACH- national automated clearing house association

- Utility takes money automatically
- Set and forget
- Low maintenance/ cost
- Alternative to credit cards
- Secure transfer

Credit Cards

- Convenience to the customer
- Guarantee of payment
- Ability to pay on time
- More credibility

Web Site

- Add account look up
- Credit cards
- Quick check
- e-bills
- Service requests
- Contact us

Change disconnect policy

- Research
- Survey other utilities
- Action plan
- Notify Notify Notify
- Pink paper

"Making the simple complicated is common place, making the complicated simple awesomely simple – that's creativity" - Charles Mingus

Rates

Lakewood Water District reads every meter in the District once every 2 months. Accounts are then billed within 10 days of that meter reading .

Payments are due 25 days from the billing date on the statement.

Rates:

0—800 cubic feet $18.55 base fee

900—2000 cubic feet $.95 per 100

Plus base fee

2000 and over cubic feet $1.30 per 100

Plus base fee

(100 cubic feet equals 748 gallons)

Example of meter register

Payment Options:

Payments can be made several ways:

- Mail
- Pay by phone
- In person at our office
- Drop box in our parking lot and walk up
- Visa / MasterCard
- Automatic withdrawal (ACH)
- On line through our web site www.lakewood-water-dist.org

Payment Policy

Payment is due 25 days from the billing date on the statement.

Payments are late on the 26th day.

One delinquent notice will be mailed out including a cut off date. Past due accounts that reach their cut off date will be charged a $10 Administrative Delinquent Fee.*If a service order is generated to disconnect service, a $40 Dispatch Fee will be charged.

* This rate is for single family accounts only. Multi-unit accounts will be charged a fee per unit.

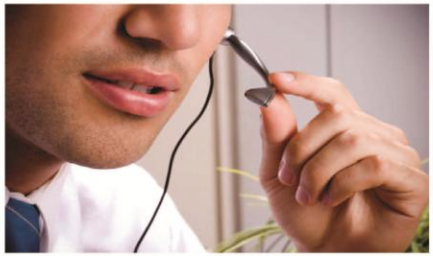
Deposits:

Deposits are required for tenant accounts only.

The deposit amount is $50.

Deposit is refunded when the account is closed.

*We can also attach an owner's account to their tenants account. In the event the



Lakewood Water District

Payment Remittance Address
PO Box 99729
Lakewood WA 98496-0729

Phone: 253-588-4423
Fax: 253-588-7150
www.lakewood-water-dist.org

Know where your water shut off valve is?

In the event of an emergency or if you need to do home repairs you should know where the water shut off valve is to your home. Older homes may not have had one installed when they were first built so it is a good idea to have one installed. The water meter valve is the property of Lakewood Water District. If you do not have your own shut off valve, Lakewood Water District is available to turn your water off at the District owned meter 24hr a day. There is no cost M-F 8 AM—4:30 PM, and $20 after hours. This fee covers the round trip to turn your water off then back on when you are ready.

Every drop counts. Leaks cost time and money.

Visit our web site

Our web site is full of useful information, including current events, forms, useful links, and online bill payments. Visit www.lakewood-water-dist.org today. If you have additional questions please call our office at 253-588-4423.

Lakewood Water District
PO Box 99729
11900 Gravelly Lake Dr SW
Lakewood WA 98496
PH: 253-588-4423 FX: 253-588-7150
www.lakewood-water-dist.org

LAKEWOOD WATER DISTRICT

Our Mission Statement is:

Lakewood Water District will provide its customers with water service that meets or exceeds all water quality standards, maintaining policies and practices that benefit the health and welfare of the community.

Billing and Payment Policy

Effective September 1, 2008

Lakewood Water District
PO Box 99729
11900 Gravelly Lake Dr SW
Lakewood WA 98496
PH: 253-588-4423 FX: 253-588-7150
www.lakewood-water-dist.org

Lakewood Water District
Billing and Delinquent Account Policy and Procedures

I. This policy is adopted and established by Resolution No. B-1387.

II. **All accounts are billed approximately every 60 days.** Invoices are due upon receipt and no later than 25 days. The District may allow a customer to set up a payment plan, on a case-by-case basis, per the District's Payment Plan Policy. Invoices not paid within 25 days are delinquent and shall be collected as provided herein.

III. **At 33 days,** if Lakewood Water District has not received payment, a final "pink" disconnect notice will be mailed to the customer. This notice will include the following information.
   A.) A Final Pay-by Date that is no less than 45 days from the original billing date.
   B.) Notice will state that if payment has not been received in our office by the Final Pay-by Date, an Administrative Delinquent Fee of $10 per unit will be added to their account.
   C.) Notice will state that if an account has not been paid in full by the 45-day Final Pay-by Date, their account will be subject to disconnection with no further notice.
   D.) If an account is eligible for disconnection, the account will be charged a $40 Dispatch Fee when the District generates a Disconnection for Non-payment service order.
   E.) No payments on any account will be collected from service personnel in the field.

IV. **At 45 days,** if an account balance has not been paid or has a balance that is not less than the minimum amount billed, the account will be charged a $10 Administrative Delinquent Fee per unit. This fee will not exceed 50 units, or $500. The Administrative Delinquent Fee must be paid as well as the past-due balance to avoid disconnection.

V. **Multi-unit accounts <u>ONLY</u>** will receive door hangers at every door at approximately 45 days, informing tenants that if payment has not been received in our office within 48 hours, the account will be subject to disconnection and charged a $40 dispatch fee should the District have to create a Disconnection for Non-payment service order.

VI. **At approximately 55 days,** if payment has not been received in our office, the District will generate a Disconnection for Non-payment service order, and the account will be charged a $40 Dispatch Fee at that time. The account's meter will then be turned off and locked for non-payment. The service technician will not collect any payment from the customer. The customer must pay their past-due billing, the $10 per unit Administrative Delinquent Fee, and the Dispatch Fee of $40 before the water is reconnected.

VII. **At approximately 60 days,** if the account has not been paid in full and service restored, the District will then close the account.

VIII. Any account that has been closed due to non-payment and has been certified as delinquent by the General Manager will be sent to the District's collection agent and/or have a lien filed with the Pierce County Assessor's office and/or sent to the District's attorney for legal action.

IX. All water meters are the property of Lakewood Water District. If anyone other than District personnel is found to have either tampered or damaged District property, they will do so at their own risk and will assume all expense associated with replacement or repairs of said property.

Adopted 7/17/08

COMMISSIONERS
L. R. Ghilarducci, Jr.
W. W. Philip
J.S. Korsmo, Jr.

GENERAL MANAGER:
Randall M. Black

April 28, 2011

Final Pay-By Date

#Error #Error

Premise #:

Consumer #:

For Service at

Dear Customer:

We have not received payment on your account as of the date of this letter. Your account is now past due in the amount shown below:

Past Due Amount

Payment must be received in our office on or before the final pay-by date shown above. If a payment is placed in the District's night deposit box or office deposit slot, it must be placed there before 8:00 a.m. on the final pay-by date.

Disconnect Policy: If past due charges are not paid by the final pay-by date, a $10 administrative delinquent fee is charged to the account. If an account remains unpaid, water service will be discontinued, and there will be an additional $40 dispatch fee. All past-due charges, including fees, must be paid before water service is reconnected. Multi-unit accounts will be charged a $10 per unit administrative delinquent fee.

If you have sent payment for the above account, please contact the District office at 253-588-4423. Our office hours are Monday–Friday 8:30 a.m. to 5:00 p.m.

For your convenience, payments can be made with Visa or MasterCard over the phone, or by visiting our website at www.lakewood-water-dist.org.

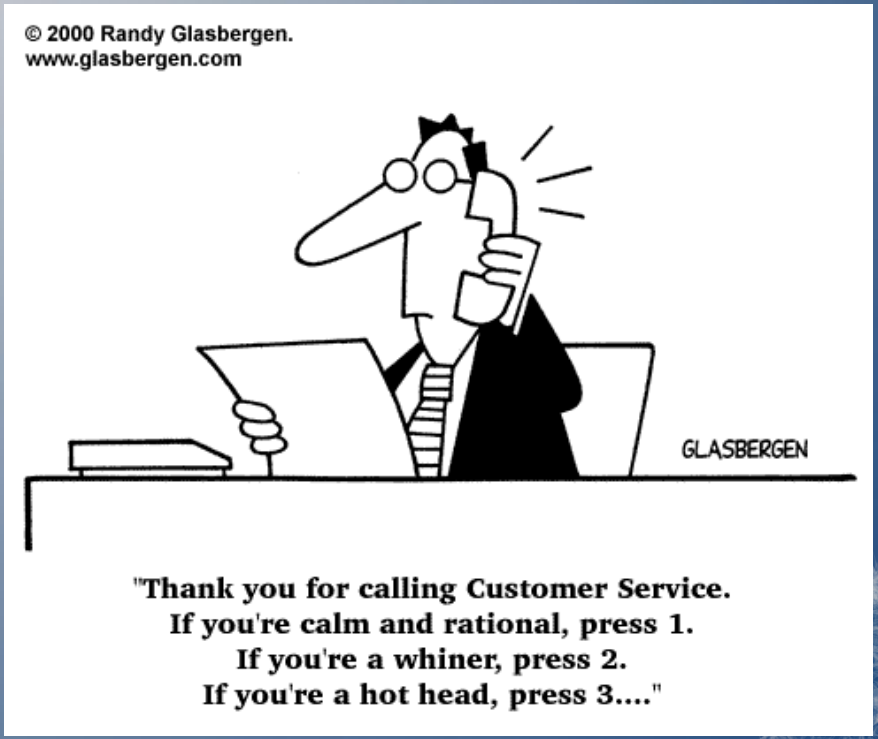
Please be advised, if payment is made by check with Non-Sufficient Funds, it will result in disconnection of water service. In addition, your account will be charged a $25 NSF Fee and a $40 dispatch fee.

Thank you for your cooperation in clearing this account.

11900 Gravelly Lake Drive SW (P.O. Box 99729) • Lakewood, WA 98496
Phone (253) 588-4423 • Fax: (253) 588-7150

IVR – Interactive voice response

- Tracking of communication with your customers
- Reporting services
- Free up your CSR's time
- Take payments
- Call out late customers
- Special notifications



Lock box……

- Online banking checks
- Can be used for all your check payments
- Single transfer to your bank

Summary…..

- Cost savings
- Reliable revenue flow
- Informed
- Empowered

Getting money faster makes the accountant happy

Discussion

Questions?

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Ronda Farmer
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253-588-4423

Because …"When patterns are broken new worlds emerge" - Anonymous