



**MANAGER'S BRIEFING SESSION
HIGH POINT MUNICIPAL BUILDING
MAY 16, 2016 – 4:00 P.M.
3RD FLOOR LOBBY CONFERENCE ROOM**

MEETING MINUTES

Present:

Mayor William S. Bencini, Jr.; Mayor Pro Tem Golden (Ward 1); and; Latimer Alexander (At-Large); Council Member Jason Ewing (Ward 6) (Joined meeting at 4:16 p.m.); Cynthia Davis (At-Large); Christopher Williams (Ward 2); Alyce Hill (Ward 3); Council Members James Davis (Ward 5) and Jay Wagner (Ward 4)

Staff Present:

Greg Demko, City Manager; Randy McCaslin, Deputy City Manager; Randy Hemann, Assistant City Manager; JoAnne Carlyle, City Attorney; Eric Olmedo, Budget and Performance Manager; Jeff Moore, Director of Financial Services; Sandra Driggers, Customer Service Representative and Collection Supervisor; Loren Hill, Economic Development Director; Maria Smith, Deputy City Clerk; and Lisa Vierling, City Clerk

News Media:

Pat Kimbrough, High Point Enterprise

Customer Service Procedures

Greg Demko, City Manager called the meeting to order at 4:00 p.m. and announced the closed session will follow at 4:30 p.m.

Randy McCaslin, Deputy City Manager, introduced Sandra Driggers, Customer Service Representative and Collection Supervisor. Mr. McCaslin discussed the letter that was in the newspaper to the editor from Eva Woodlief regarding her utility bill.

Mr. McCaslin read Ms. Woodlief's statement as it was printed in the newspaper. He explained it was not due to human error; it was an electronic error and advised that the city uses a machine that reads the bills as well as the checks. He proceeded to describe how the machine read the numbers incorrectly and credited it to the wrong account. Mr. McCaslin stated that he did get staff to pull the audio from the conversations with the Customer Service Department and at no point did any of the City of High Point customer service representatives get out of line; in fact,

the four times that the customer called were model customer service calls. Staff apologized to Ms. Woodlief during the initial call and let her know that in order for the city to resolve the issue, they needed some documentation from her bank. The second call was from her bank where they informed staff that they would be faxing over the cancelled check; and the third call was from City of High Point back to Ms. Woodlief in a message that was left to her advising her that the city discovered the mistake. At that time, staff again apologized and asked Ms. Woodlief to return the call so they could provide her with the details. The fourth and final call was when Ms. Woodlief called the city back to confirm that there would be no late fees as a result of the mistake and that her account was up-to-date. Mr. McCaslin pointed out that Ms. Woodlief's statement that was printed in the paper was incorrect.

Council Member C. Davis wanted to know how long the audios are kept and Ms. Driggers confirmed that they are kept for three months. Mr. McCaslin noted this incident happened within the last 30 days.

Review of the City's Equal Payment Plan

Mr. McCaslin proceeded to discuss the procedures for the Equal Payment Plan. He shared some of the history behind the transition from the old software program to the new software (Cayenta) and pointed out it has not been an easy transition. The city transitioned from the old software to Cayenta in 2013. Approximately 1,300 of the city's 42,000 customers participate in the Equal Payment Plan (EPP). In making the transition, staff was concerned about the larger number of customers and getting those bugs worked out of the new system rather than catching up and handling the EPP. Once the City found out there was a problem and the software did not automatically update the EPP each year like it should have, it took a year for Cayenta to get a software fix. Mr. McCaslin commented in year 2015 the City started to make those adjustments to these accounts.

Mr. McCaslin shared a sample of an old bill on the TV screen and pointed out the location of the previous, the payment, amount of this billing cycle and Equal Payment Plan. He called attention to the line on the bill showing the true balance for the utility amount and noted this is where it should have been adjusted. Every monthly bill has this information on it. Council Member Hill wanted to know if that was accumulative since the last adjustment and Mr. McCaslin confirmed that it was. He explained there are 16 billing cycles in a month and corrected those customers in the first six were up-to-date which reflected the new budget billing amount and this is what generated a phone call. Staff then set up a payment schedule to take care of the back balance and to take care of their normal bill.

Mr. McCaslin pointed out that customers said they only look at the amount that is due, so this prompted the city to identify the cumulative balance in red so it would stand out and this was done over a year ago. He advised that staff is working with these customers.

Mr. Demko asked if the extension policy was to spread the amount over the same number of months that it accumulated. Mr. McCaslin explained staff starts out at one year, then to two years and in the case of Josh Apel, who has also contacted Council, he is on a three-year plan. Mr. McCaslin informed Council that Mr. Apel is requesting that Council write off his amount. It

was noted that the city is not charging any interest, late fees, cut-off fees, etc...., but the city is trying to recoup the amount of utilities used in the system.

Mr. McCaslin reiterated that there are 1,300 accounts in the EPP; and 500 of those 1,300 either owe \$100 or less or the city owes them money with the rest being in between. Council Member Hill asked how long the customers went before it was realized there was an issue. Mr. McCaslin replied it was approximately two years and noted that some customers actually contacted the city to work out the difference.

Council Member C. Davis suggested putting this figure in a box so it would be more noticeable; Mr. McCaslin reiterated that the decision to put it in red was made so it would stand out. Council Member C. Davis also suggested putting the amount due and make the miscellaneous box the EPP payment amount so that it is clearer. Council Member Wagner suggested increasing the font. Ms. Driggers responded that she does not believe that option would be available. Mayor Pro Tem Golden shared that some of the customers are upset because they felt even though it was due to a computer error, staff should have had some oversight and caught it. Mr. McCaslin pointed out in that case, staff would have had to go through and manually handle all these adjustments because the system was not programmed until last year to do this. He then shared that 42,000 monthly bills are sent out and of that 42,000, the city has to send out 20,000 monthly reminder notices that they did not pay the bill on time. Out of those, 1,900 are usually cut off as a result.

Mr. Demko asked if the customers are required to sign any kind of document that they recognize there is a settlement when signing up for the EPP. Ms. Driggers commented that the customer does not have to sign anything. Mr. McCaslin gave Duke Energy as a reference. He mentioned how they do an 11-month year where they take 12 months and divide it by 11 and then use the last month as the settle up month. You either get a credit or you pay at that point, but the city has never done it that way although they would like to once all 16 billing cycles are up-to-speed.

Council Member Alexander inquired how this would post in the billing. Mr. McCaslin replied that payments received are applied to the oldest bill first. He shared an example of how the billing cycle works:

- *Customer receives their bill and has 21 days to pay it*
- *If the bill has not been paid, a reminder notice is generated*
- *A couple of days before the final due date, the customer will get next month's bill, which will show no payment was made on the last bill*
- *If the bill is not paid the day after receipt, the customer's utilities will be cut off*

He noted that basically a customer has about 60 days to pay the bill before cut offs start.

Council Member C. Davis noted how the previous balance is shown, then you can see payment on the last bill and then budget billing. She suggested that the "true balance" could technically go in the previous balance box and then the last bill payment would show the amount the customer owes and needs to pay.

Council Member Williams referred to Council Member C. Davis' response and if they just put the amount up in the box and if it could have an asterisk where the miscellaneous and then have an explanation where the red is now. Council Member C. Davis commented that at least the amount would be in a box and people are more apt to see what's in the box. Mr. McCaslin stated staff would follow up to see what could be done to put the figures in those boxes at Council's request.

As a policy maker, Council Member Alexander stated he would like to say thank you for working with the citizens and helping them get back to a good spot and being gracious in allowing them time to do that.

Mr. Demko noted another piece of this is typically Customer Service gets hit with a lot of different types of personalities and stories and they do work hard in listening. He pointed out in listening to the audios of the Customer Service calls, the Customer Service employees were very gracious and still being accused of not being so nice and demanding gets tough. Mr. McCaslin agreed and reiterated they showed nothing but text book customer service.

Council Member C. Davis asked how long the city has been offering the EPP. Ms. Driggers stated that she has been with the City for 17 years and the program has been in place since then. Council Member C. Davis remarked that for 17 years, most people knew what they owed with the exception of the last two years due to Cayenta not doing what it should have been doing. She pointed out there is still a problem with Cayenta not recognizing certain holidays and these have to be keyed in. As a policy maker, she felt if the city provides a program, it should work efficiently for the consumer to eliminate these types of scenarios and they should know what they owe. She felt it was up to Council to make sure that a customer does not have a situation where they are in a bind to pay for a service that they are using and are willing to pay because the EPP should reflect every six months that adjustment from usage so that they do not have that issue. She noted for some people a three-year working relationship may never be feasible if they are in a lower income bracket because they cannot ascertain that amount depending on how little they have coming in.

Mr. Demko suggested if they have these issues, then perhaps some people should not qualify for budget billing or remove the budget billing.

Mayor Pro Tem Golden asked how the city handles the accounts where the city owes the customer. Mr. McCaslin explained that the city gives them an option of either cashing out or adjusting the bill to use up that balance. Council Member C. Davis wanted to know where the customer would see the credit on their bill. Ms. Driggers confirmed it would be at the same place and it would be the true balance on the utility account minus \$1,000.

There being no further discussion, the meeting adjourned at 4:24 p.m. upon motion duly made and seconded.

Respectfully Submitted,

Maria A. Smith
Deputy City Clerk

DRAFT