



15 September 2022
 To: Mayor and City Council members
 Two open questions from presentation #3 answered herein. Clay

To: Clay Pearson, City Manager
 Trent Epperson, Deputy City Manager
 Ron Fraser, Assistant City Manager

From: Eric Roche, Budget Officer

CC: Senior Staff

Date: September 8, 2022

Re: Follow-up to Budget Presentation #3, Memo 2 additional material

Executive Summary

The third presentation of the proposed budget occurred on 8/29/22 in the City Council Chambers. A recording of that meeting is available [here](#), and a copy of the presentation can be found [here](#).

This memo contains additional responses to questions or requests for more information made by City Council during Budget presentation #3. Responses are organized by Fund and Department.

Question #1 – Why is Pearland Staff-to-Account ratio different than peers in the 2020 Raftelis study?

In the [2020 Raftelis](#) comparison of "Customer Accounts per all Meter-to-Cash FTE's", Pearland can be updated to reflect the current total number of accounts as 39,600. The Utility Billing team is currently comprised of authorized staffing to 21 FTEs.

Today, Utility Billing staff service 39,600 accounts, or 1,893 accounts per employee. This is an increase from the original Raftelis Report which showed staff servicing 1,430 accounts per employee.

Other cities examined in the study averaged 2,290 accounts per staff (not counting Pearland in this calculation). With the updated Pearland figure of 1,893 accounts per employee, Pearland's staff-to-account ratio would still place on the high end. Eliminating two positions would place us at 2,084 accounts per employee, a more favorable location among our peers.

Listed below, cities from the 2020 Raftelis report illustrate the number of offices for their city's population, along with updated account figures per all meter-to-cash FTE's.

City	Population *2020 Census	City Offices Allowing In- person payment	Customer Accts per ALL meter- to-cash FTEs *From 2020 Raftelis' report	# of Accounts	# of Meter-to- Cash FTEs	Updated Accounts per ALL meter-to- cash FTEs
Franklin, TN	80,675	1	1,128			No Response
Olathe, KS *PW techs	139,216	1	1,750	47,750	30	1,592
McKinney, TX	191,197	1	1,959	68,000	36	1,889

City	Population *2020 Census	City Offices Allowing In- person payment	Customer Accts per ALL meter- to-cash FTEs *From 2020 Raftelis' report	# of Accounts	# of Meter-to- Cash FTEs	Updated Accounts per ALL meter-to- cash FTEs
Pearland, TX (2022)	132,744	2	1,430	39,751	21	1,893
Cedar Park, TX	77,181	1	1,656	22,772	11	2,070
Benchmark City Average						2,074
Frisco, TX	188,387	1	1,696	66,000	31	2,129
Town of Cary, NC	169,177	1	4,252	67,724	31	2,185
League City, TX	105,410	1	1,854	36,494	16	2,281
Sugar Land, TX	118,563	1	2,590	39,000	17	2,294
Central Arkansas Water	450,000	1	3,727	137,535	59	2,331

Worth noting: Pearland is the only city staffing two separate in-person counter locations at present.

If the priority is to reduce costs, a simple measure that Staff can explore is closing the Public Safety Building (PSB) location and consolidating the Staff at the Annex by placing kiosks at both the PSB and possibly at the West Pearland Library on Shadow Creek Parkway.

The cost of kiosks is approximately \$75,000 each. From August 2021 to Aug 2022, the Annex saw 14,959 in-person and phone payments handled at this location. PSB saw 12,939 in-person and phone payments handled at this location. During that same time period, there were 174,247 electronic payments. **In-person and phone payments are only 13.8% of all payments accepted.**

Not staffing the PSB will allow the current staff to interchange from the cashier window to the back office to process phone calls and emails more efficiently at one location. Should staff consider closing the PSB counter we could reduce positions through attrition. Having two locations to staff requires multiple positions to cover for absences, sick days, etc.

In addition, recruitment has been difficult as it is with other City operations, with a smaller pool of applicants and more options for other employment at higher pay rates.

With the current concerns of high call volume equating to longer wait queues, and the delay of the AMI project, Staff continues to strive to provide positive, timely customer service. Currently, Utility Billing is short 1 CSR II and 3 CSR Is and continues to operate two locations, taking payments, responding to customer concerns, and processing new and terminated service requests, answering over 2,500 phone calls and over 1,100 emails monthly with 3 CSR Is (plus one in training/just hired 8/29), 1 CSR II and 1 Customer Service Supervisor.

One staff member processes EPW and Finance monthly reports regarding solid waste accounts, MUD fees, and consumption reports for state reporting. Staff member also processes over 5,000 delinquent robocalls and notices, along with collaborating the shut offs and reconnections of non-pay accounts with the Customer Service and Meter Technician Teams. In addition, this Staff member is the contact for Frontier Waste Solutions issues and payment arrangements for the Customer Service Team.

Until this month, Customer Service Staff was also balancing other departments' daily receipts, a process entailing an extra 1 to 2 hours of work away from phones, emails and foot traffic. As of September 1st of this year, each department is responsible for balancing their daily receipts with Finance, not Utility Billing.

To that end, the Billing team has been assisting with phone calls, and assuming the tasks of new service and termination service processes from customer service. Recently, the billing team is short one team member, along with one meter technician, both promoted within the City to other divisions.

In addition to standard duties performed, any meter not read by AMI/AMR is read manually and *not* estimated like many other localities do. We have a high usage audit preemptive process which includes meter techs validating meter reads and managing our top 100 residential users via auto email, notifying them that their next bill is going to be high. **Staff cannot speak to the level of customer service or enhanced high usage auditing provided by the other cities.**

All in all, the Utility Billing function, complete with staff/personnel costs, represents 3% of the entire Enterprise Operating Fund. Debt Service for Capital Improvement Projects make up the majority of the Enterprise Fund. While leadership is always keen to ensure we are adequately managing our resources, attempting to balance the Enterprise Fund with fewer of some of the City's lowest-paid employees will not significantly impact rates.

Question #2: What was the estimated revenue for the original fees proposed by Fire Marshal's office? What is the proposed revenue with the three fees moving forward?

FY23 estimated revenue for the original proposed Fire Marshall Fees was projected to be \$61,750 based on the estimated number of inspections and the proposed fee. With the scaling back of the proposed fees to the three currently proposed one-time fees, FY23 revenue is currently estimated at \$1,625. These revenue amounts are not currently reflected in the FY23 budget.