

Issue Brief

Water Meter Ownership and Management

Integrated technology for asset management and billing can help overcome commonplace organizational divides.

What is it?

Many municipalities face a common operational challenge when it comes to effective water utility management: The department of public works owns and operates thousands of water meters, but a separate department of billing or collections is responsible for accurate and timely billing and revenue recognition. This organizational divide, often accompanied by a corresponding technology divide, can lead to inefficiency that is exposed at the most inopportune time: when customers have complaints or questions about service quality or billing.

Why is it important?

For a water utility, the water meter is the sole source of revenue. Accurate meter operation, reading and billing is essential; for sites using large volumes of water, even small errors in measurement can add up to significant financial losses. Water meters are critical assets that need to be properly sized, installed, and maintained, and can be damaged over time by the buildup of inorganic matter such as magnesium, calcium and iron. Beyond ensuring the proper operation of thousands of meters, water utilities must conduct accurate meter reading through either automated or manual means. The seemingly simple act of consuming and paying for a vital resource such as water — something most consumers take for granted — is a complicated business involving multiple individuals and departments.

According to research firm UtiliPoint International, the vast majority of North American water utilities are municipal utilities (85 percent municipal, 10 percent cooperative and 5 percent investor-owned). In many municipalities, public works departments are responsible for maintaining a wide range of infrastructure, including streets, sidewalks, sewer, water, parks, trash and recycling, vehicles and more; water meters are just one component of a complex system they maintain. Likewise, the department of billing and collections is typically responsible for the collecting of a wide range of fees, including real estate taxes, personal property taxes, other excise taxes, utility fees, and more.

Oftentimes this bifurcation of effort leads to duplication of customer data across multiple systems, data integrity issues, and the need for public works and billing employees to engage in repeated, back-and-forth dialogue to diagnose and



fix customer issues. For example, if a customer has a water quality issue and calls the phone number listed on the water bill, he or she might be connected to a billing specialist who has little or no visibility into water meter maintenance or operations. A meter technician might need to be dispatched through the public works department, but since the billing department does not own this function, the customer might be transferred to another operator and need to explain their issue all over again. In the worst case scenario, if the customer has both water quality/delivery and billing issues, he or she might need to engage in two different troubleshooting discourses to fix what seems to be a single, integrated problem: a water issue.

In this widespread scenario where neither public works nor billing is solely focused on water meter issues, yet each department plays a vital role in the collection of revenue based on this asset, the organizational gap can be reduced by an integrated software solution that unifies the related data and makes coordination, troubleshooting and customer service easier for both departments.

Why now?

There are many reasons why water meter management and billing are in the spotlight:

- Local governments are under pressure to maximize revenues while reducing costs. In light of shrinking

federal and state subsidies, they are being forced to more closely examine their own revenue streams and the efficiency with which they operate those revenue streams.

- Many counties, cities and towns are facing public pressure to audit their operations across the board, and in many cases make difficult organizational and staffing decisions. In this fiscal and political environment, clear ownership and management of water utility assets reduces wasted time and lost revenue.
- Many counties, cities and towns, in light of aging technology infrastructure and pressure to meet consumer demand, are in the midst of evaluating and/or upgrading their customer service operations including their Customer Information Systems (CIS).
- Advances in technology present new opportunities for more efficient service provision.
- As the municipal and utility workforce ages, and more workers become eligible for retirement, the next generation of leaders often brings greater technology savvy to bear on government operations.
- The public, driven by an increase in awareness and concern over global warming and overall energy and resource utilization, is more closely scrutinizing utility operations.

- Eliminate technology workflow issues
- Improve customer service: From the customer's viewpoint, the contact in the county, city or town will have visibility into the complete issue, regardless of where in the organization the inquiry was initiated.
- Improve cash flow and revenue generation: Solving customer problems faster enables municipalities to reduce their average receivable time.

Conclusion

Once the domain of only the largest municipalities, enterprise customer information systems have now evolved to the point where they are affordable and accessible for smaller counties, cities and towns. While larger jurisdictions typically reap larger quantitative gains by streamlining their operations, municipalities of all sizes have the common mission to provide services to their constituents in an effective manner that makes the most efficient use of precious tax dollars.

Because citizens look at their city or municipality as a single government agency, many locations are moving toward using technology to make citizen contact seamless. These forward-thinking agencies of all sizes are finding an additional benefit; by aligning technology to serve citizens better, they are also lowering their costs.

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Benefits

There are many benefits to using an enterprise software solution that integrates asset management and billing functionality. While technology alone cannot solve organizational problems, giving public works and billing departments access to the same Customer Information System (CIS) with specific modules designed to serve each department's specialized functions, offers many benefits:

- Improve data integrity: Unification of customer records creates "one version of the truth."
- Save on unnecessary overtime: Municipal employees no longer need to enter and maintain non-matching customer records in multiple databases.
- Reduce costs: Replacing multiple legacy systems with a single integrated system often yields a lower total cost of ownership.

What are the keys to a successful municipal and state agency IT plan to improve citizen service while reducing costs? First, a detailed plan with goals to break down information silos and consolidate operations, align technology with internal processes, and create strong staff support and commitment to meeting the goals. A successful deployment of an enterprise approach will help you provide a more positive service experience with your citizens through better customer records, while reducing costs with improved work flows and system consolidation, and improving cash flow and revenue generation.

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