

# **Periodic Review of Service Charges**

Audit, Finance and Legislative Committee

November 24, 2008



# Examples of Service Charges

- Turn On Service
- Disconnection
- Meter Testing
- Special Visit at Customer Request
- Temporary Service Installation & Removal
- Electronic Remote Read Meter Installation

# History of Service Charge Revisions

- Service Charges
  - Delinquent Cut-off Charges FY 07
  - Same Day and Holiday and Weekend Service, FY 08
- W/WW Connection Charges
  - 1996, Annually FY 2004-2009
- Inspection Fees
  - Annually FY 2007-2009
- Tapping Charges
  - FY 1984 & 2009

# Cost-of-Service Study

Detailed analysis of components of each service type

- Labor
- Specialized Skills Required to Perform Task
- Vehicle & Equipment
- Number of Trips to Complete Task
- Any other Applicable Data

# Ongoing Process

- Developed Team to Perform Study and Monitor Charges Annually
- Bring Service Charges to Cost Basis and Present to City Commission for Implementation March 1, 2009
- Apply Escalation Factor Annually, Unless Need for Larger Rate Increase Identified During Budget Process
- Continue to Monitor Annually with Full Study as Appropriate

# Recommendation

- Audit, Finance and Legislative Committee:
  - Submit Report to City Commission
  - Remove Item from Referral List