



Rodney Conley
Data Management Analyst

MEMORANDUM

TO: Kevin Murphy, City Manager
FROM: Rodney Conley, LowellSTAT Director
DATE: September 17, 2014
SUBJECT: LowellSTAT Report on Treasurer's Department

Mr. Manager,

Per your request, I have spent the past month conducting an operational analysis of the Treasurer's Department. This was a more in-depth analysis than even our traditional LowellSTAT process. I conducted interviews with Treasurer's Department staff as well as other City employees. I also analyzed current and historical data and conducted comparative research on other communities. Overall, I found several positives as well as several areas for improvement in the Treasurer's Department. I have attached the PowerPoint presentation from our LowellSTAT meeting last week which walks through some of these positives and opportunities.

The first two slides examine some of the revenue accounts that the Treasurer plays a role in as well as year-to-date expenditures for the department. It should be noted that the Motor Vehicle Excise numbers span several years. For Example, the FY12 Excise revenue includes payments collected in FY12-FY14. The other categories are single-year. Our Tax Liens Redeemed numbers are on pace to easily meet or surpass our projections. Our successful auction in July has helped us to already take in 35% of our projected total for the year. On the expenditure side, all accounts are being spent at appropriate levels. There is potential for surplus in the Salary & Wages Permanent and Professional Services accounts but it is still very early in the fiscal year.

The next slides focus on Online Payments and Performance Indicators. The data shows a slow but steady increase in the number of people paying their bills online. The City should look for every opportunity to encourage this as it benefits both the taxpayer and the City. The Performance Indicators show the effectiveness of the City's collection efforts as well as a small sample of the volume of service the Treasurer's Department provides.

The slides on Customer Service show a department working diligently but without robust training in Customer Service or a method to gauge performance in that area. I have provided recommendations that would help to further educate the staff and the public on the level of service that is to be expected when interacting with the Treasurer's Department. The key is to begin measuring performance through public feedback on a larger scale than the anecdotal evidence on which we must currently rely.

The final slide examines the City's Demand Fees. The Treasurer is limited in their capacity to wave or reduce the fee. Beginning this Excise season, the City should increase efforts to notify the public to both expect their bill and contact us if they do not receive them. If demands are still an issue, the City may wish to explore avenues to reduce the fee as a whole. This would require input from the Department of Revenue.

Please let me know if you have any questions, comments, or concerns.

City Manager Kevin Murphy
LowellSTAT Analyst: Rodney Conley

LOWELL **STAT**



Treasurer's Department: September 9, 2014



LowellSTAT – Treasurer’s Department September 9, 2014

TREASURER’S DEPARTMENT-RELATED REVENUE

LINE ITEM	FY12	FY13	FY14	FY15 BUDGET	FY15 YTD	%
Tax Liens Redeemed	\$ 1,798,425	\$ 1,710,462	\$ 2,221,816	\$ 2,500,000	\$ 895,464	35.82%
MV Excise	\$ 6,655,417	\$ 6,900,083	\$ 6,295,489	\$ 7,067,294		
PP Penalty & Interest	\$ 45,243	\$ 14,287	\$ 18,321	\$ 14,000	\$ 5,174	36.96%
RE Penalty & Interest	\$ 322,390	\$ 287,964	\$ 308,492	\$ 275,000	\$ 31,615	11.50%
MV Penalty & Interest	\$ 742,132	\$ 1,252,492	\$ 821,983	\$ 800,000	\$ 117,867	14.73%
Tax Lien Penalty & Interest	\$ 408,835	\$ 436,521	\$ 334,566	\$ 400,000	\$ 57,161	14.29%
Lien Certificates	\$ 112,601	\$ 124,949	\$ 99,990	\$ 130,000	\$ 15,709	12.08%
Treasurer's Misc	\$ 392,383	\$ 197,471	\$ 120,020	\$ 300,000	\$ 10,787	3.60%

***YTD PERCENTAGE: 17.87%**

Note: Motor Vehicle Excise Taxes are collected over multiple years for each FY's bills.



LowellSTAT – Treasurer’s Department September 9, 2014

TREASURER’S DEPARTMENT EXPENDITURES

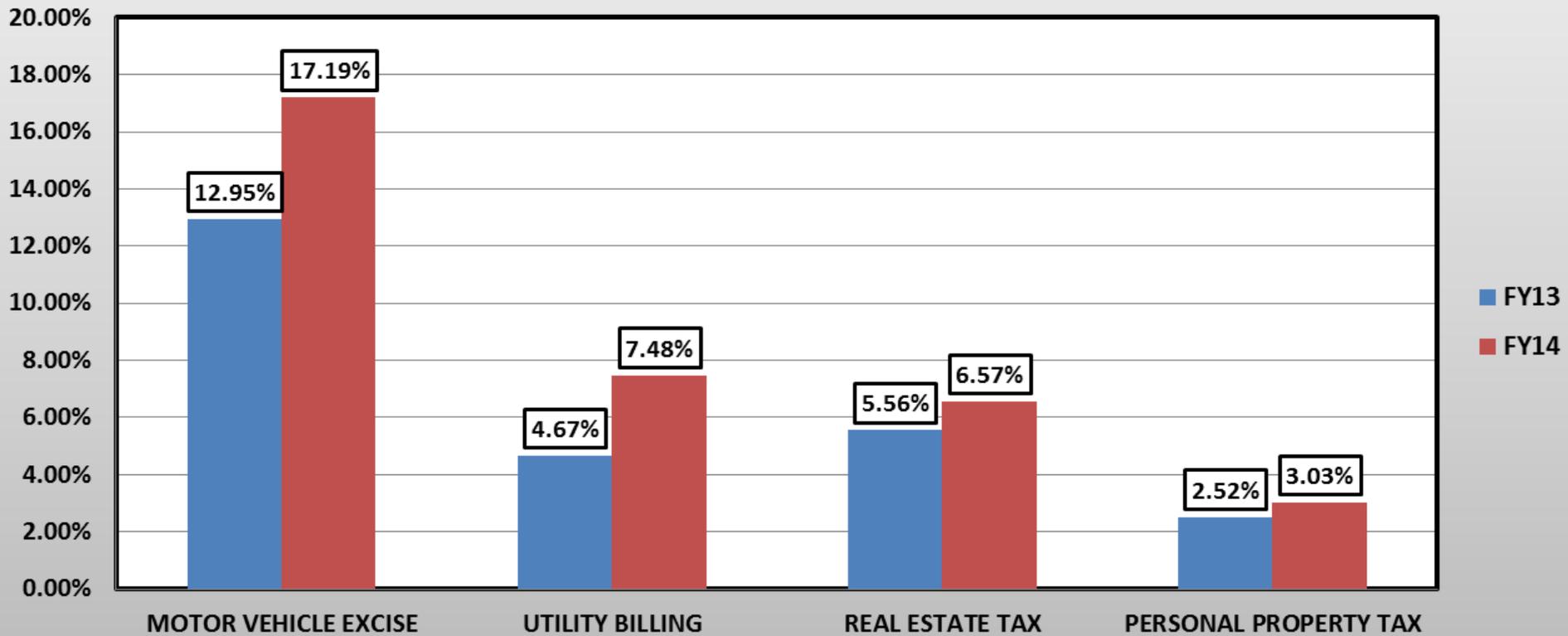
LINE ITEM	FY12	FY13	FY14	FY15 BUDGET	FY15 YTD	%
S & W-Perm.	\$ 480,563	\$ 476,091	\$ 517,642	\$ 523,707	\$ 81,858	15.63%
Repair & Maint. Equipment	\$ 1,408	\$ 1,411	\$ 1,295	\$ 3,000	\$ 1,360	45.33%
Professional Services	\$ 109,076	\$ 38,551	\$ 33,234	\$ 70,000	\$ 4,870	6.96%
Bond Counsel - Banking Services	\$ 49,560	\$ 47,831	\$ 34,958	\$ 35,000	\$ 1,853	5.29%
Printing & Binding	\$ 107	\$ 650	\$ 258	\$ 1,000	\$ -	0.00%
Postage	\$ 176,395	\$ 208,787	\$ 188,494	\$ 240,000	\$ 26,819	11.17%
Equipment Leasing	\$ 5,526	\$ 4,144	\$ 5,493	\$ 7,500	\$ -	0.00%
Office Supplies	\$ 5,470	\$ 4,944	\$ 5,417	\$ 6,000	\$ 674	11.23%
Dues & Subscriptions	\$ 480	\$ 480	\$ 480	\$ 600	\$ 420	70.00%
Transportation Reimbursement	\$ 1,855	\$ 3,552	\$ 5,875	\$ 4,800	\$ 1,100	22.92%
Office Furniture & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Ins. Premiums - Bonds	\$ 2,508	\$ 3,827	\$ 3,827	\$ 4,000	\$ 3,827	95.68%

***YTD PERCENTAGE: 17.87%**



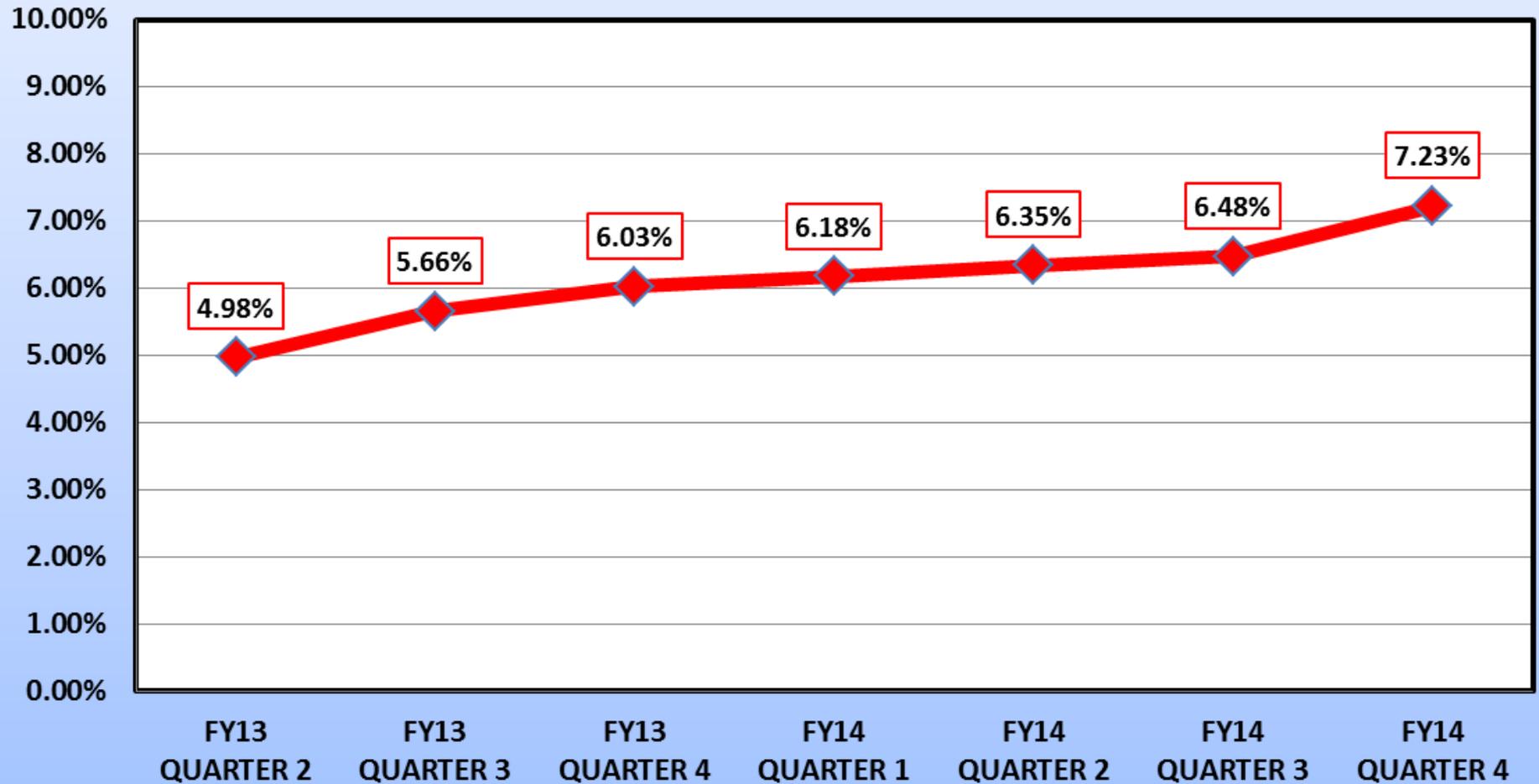
LowellSTAT – Treasurer’s Department September 9, 2014

PERCENTAGE OF BILLS PAID ONLINE





REAL ESTATE BILLS PAID ONLINE BY FISCAL QUARTER





REAL ESTATE COLLECTION PERCENTAGE

FY12

97.14%

FY13

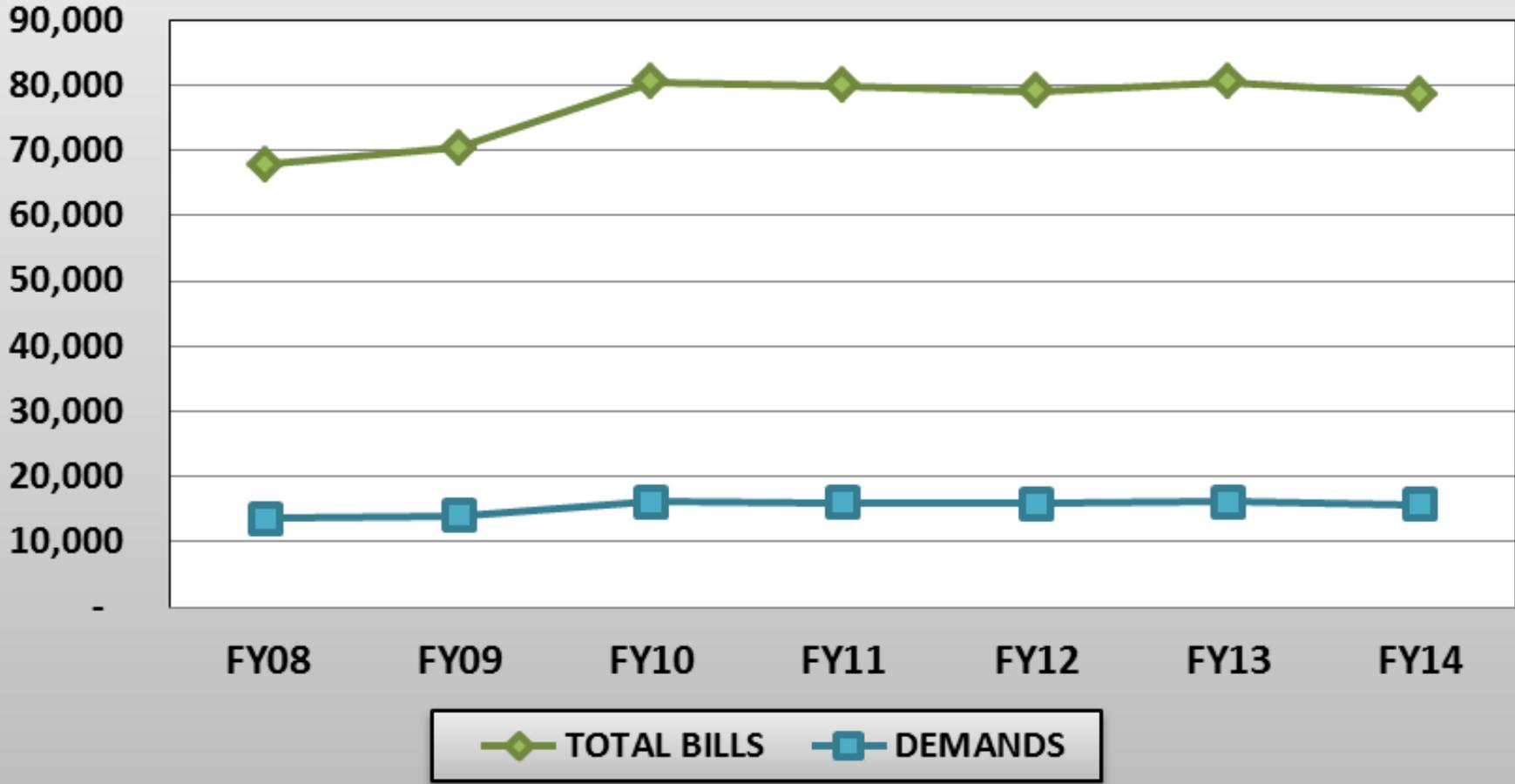
98.51%

FY14

98.76%



EXCISE COMMITMENTS





CUSTOMER SERVICE

In addition to collecting tax payments, Treasurer’s Department staff assist citizens in-person, online, and over the phone in the following ways:

- Assisting individuals who have received parking tickets (Facilitating the submission of a substantial amount of appeals daily, explaining local parking ordinances to people who do not understand why they received a ticket, etc.)
- Identifying and educating taxpayers when abatement/refund opportunities exist. Coaching taxpayers with specific data and questions to ask to make the abatement process go smoothly
- Spending one-on-one time with taxpayers who have questions on how to use the online bill payment and presentment features of the website
- Furnishing payment and billing information to the taxpayer in the form of payment histories, billing inquiries, etc.



CUSTOMER SERVICE

RECOMMENDATIONS FOR IMPROVING CUSTOMER SERVICE IN THE TREASURER’S DEPARTMENT

1. Create customer satisfaction surveys for citizens as well as professionals doing business with the Treasurer’s Department.
2. Create a customer service policy and training guide.
3. Establish a Citizen’s Bill of Rights.



DEMAND FEES

THE CITY’S \$30 DEMAND FEE IS A MAJOR SOURCE OF DISCONTENT AMONG CITIZENS VISITING THE TREASURER’S DEPARTMENT

The demand fee is applied to several delinquent accounts but the one where it invokes the most unrest is when it is applied to delinquent Motor Vehicle Excise Tax bills. There have been several citizen complaints and Council Motions generated from the increased fee. Unfortunately, the Treasurer’s Office is limited in what relief it can provide. For a fee surpassing \$15 (including interest), the Treasurer has no authority to waive the fee. This is outlined in guidelines provided by the Department of Revenue.

RECOMMENDATIONS

- 1. The City, through the Treasurer’s Department, should provide greater notification prior to Excise Tax season.**
- 2. Reexamine the demand fee and the City’s options for altering the amount.**