# PHILADELPHIA WATER DEPARTMENT STATEMENT NO. 5

# BEFORE THE PHILADELPHIA WATER, SEWER AND STORM WATER RATE BOARD

In the Matter of the Philadelphia Water Department's Proposed Change in Water, Wastewater and Stormwater Rates and Related Charges

Fiscal Years 2021 - 2022

#### **Direct Testimony**

 $\mathbf{of}$ 

Michelle L. Bethel-Miller and RaVonne A. Muhammad

on behalf of

The Philadelphia Water Department

Dated: February 2020

#### TABLE OF CONTENTS

I.	INTRODUCTION AND PURPOSE OF TESTIMONY	3
II.	OVERVIEW OF THE WATER REVENUE BUREAU (WRB)	5
III.	CUSTOMER ASSISTANCE PROGRAMS	6
IV.	SHUT-OFF NOTICES	15
V.	CONCLUSION	15

1	

# 

## 

## 

#### 

### 

#### 

#### 

#### 

#### 

#### 

#### 

#### 

# 

## 

T		ODITOR	TORT ARTE	DIIDDOCE	OF TECTIMONIA
I.	INIK	KODUCI	ION AND	PURPOSE	<b>OF TESTIMONY</b>

# Q1. PLEASE STATE YOUR NAMES, TITLES AND BUSINESS ADDRESS FOR THE

A1. My name is Michelle L. Bethel-Miller and I serve as the Deputy Revenue Commissioner in charge of the Water Revenue Bureau ("WRB"). Also testifying with me is RaVonne A. Muhammad, who serves as Assistant to the Director of Finance, Water Revenue Assistance Division. Our business address is at the Municipal Services Building, 1401 John F. Kennedy Boulevard, Second Floor, Philadelphia, Pennsylvania.

# Q2. BY WHOM ARE YOU EMPLOYED AND WHAT ARE YOUR RESPECTIVE

#### **JOB RESPONSIBILITIES?**

A2. We are employed by the City of Philadelphia Department of Revenue and, in our respective capacities, oversee the operations of WRB, including billing, accounting, collection activities as well as the administration of customer service and customer assistance functions for the Philadelphia Water Department ("PWD").

# Q3. PLEASE DESCRIBE YOUR RESPECTIVE EDUCATIONAL BACKGROUND

#### AND EXPERIENCE.

#### A3. Mrs. Bethel-Miller

RECORD.

I hold a Bachelor's Degree in Accounting from Kutztown University with a Master's Degree in Business Administration (Human Resource Management) from the University of Phoenix. Prior to my tenure with the City, I was employed by the Commonwealth of Pennsylvania Department of Revenue where I held management positions of increasing

#### PHILADELPHIA WATER DEPARTMENT

Direct Testimony of Michelle L. Bethel Miller and RaVonne A. Muhammad

responsibility over a period of 14 years. My resume of experience is attached as Schedule 2 MB-1.

3

4

5

6

7

8

9

1

#### Mrs. Muhammad

I studied Sport and Recreation Management at Temple University. Beginning in December 1994, I held positions of increasing responsibility in the City's Recreation Department. In February 2009, I joined the Water Revenue Bureau as a Collection Customer Representative in the Water Revenue Account Analysis Unit and after a series of promotions, I was appointed to my current position. My resume of experience is attached as Schedule RM-1.

11

12

13

14

15

16

17

18

19

10

#### WHAT IS THE PURPOSE OF YOUR TESTIMONY? **Q4.**

A4. The purpose of our testimony is to: (i) describe WRB and its role related to billing, accounting and collection activities for water and wastewater services; (ii) discuss customer assistance programs administered by WRB, including payment agreements and special rates available to eligible customers under the Tiered Assistance Program ("TAP") and Senior Citizen Discount; (iii) and provide an overview on changes made to customer communications including, the shut-off notices, electronic billing ("e-billing"), and other practices since the last general rate proceeding.

20

21

22

23

24

25

II.

OVERVIEW OF THE WATER REVENUE BUREAU (WRB)

# Q5. PLEASE DESCRIBE THE WATER REVENUE BUREAU AND THE SPECIFIC SERVICES IT PROVIDES TO THE WATER DEPARTMENT.

A5. WRB is part of the Department of Revenue. Under Section 6-201 of the Philadelphia Home Rule Charter, the Department of Revenue performs all functions relating to billing and collections on customer accounts for PWD through WRB. The wages and salaries of approximately 200 employees in WRB are funded by the Water Department.

# Q6. PLEASE DESCRIBE WRB'S ACTIVITIES RELATED TO CUSTOMER APPLICATIONS AND CUSTOMER ASSISTANCE PROGRAMS.

A6. WRB administers the Customer Intake Centers which provides customer service related to applications for service, change of billing address, meter reading inquiries, billing inquiries, billing disputes and payment arrangements. In FY 2019, the number of customers visiting WRB intake offices was approximately 78,000. In addition, WRB administers payment agreement and the income-based customer assistance programs, including TAP and the Senior Citizen Discount.

TAP was launched on July 1, 2017 and assists low-income households at or below 150% of the Federal Poverty Level ("FPL") and those with a special hardship (e.g., losing a job). Under this program, monthly water, sewer, and stormwater bills are tied to household income. Payments range from 2% to 4% of monthly household income.

The Senior Citizen Discount program is available to customers 65 or older with household incomes not exceeding \$32,300 per year. Customers in this program receive a

3

4 5

6

A7.

7

8

9 10

11

12

13

14

15

16

17

18

20

19

21

22

23

24

25

Q7.	HOW HAVE THE BILLING AND COLLECTION ACTIVITIES BEEN

IMPROVED SINCE THE LAST GENERAL RATE PROCEEDING?

sewer and stormwater services.

In mid-October 2019, WRB launched a new e-billing website for water customers. Through this website, customers can set up personalized, automatic payments with a checking or savings account, enroll in paperless billing, make one-time payments with free eCheck, or make one-time payments with a credit or debit card (fees apply). Customers can also review and print up to 13 months of billing history and get email or text-message reminders about their bills and payments. In addition, the site includes links to report a water emergency or get assistance when a customer cannot pay their water bill.

25% discount on the standard service, usage and stormwater charges for water, sanitary

The fees associated with credit and debit card payments have also been reduced. Previously residential customers paid \$3.95 per transaction but now pay \$2.95. Commercial customers previously paid \$25.00 per transaction and now pay \$15.95.

#### III. **CUSTOMER ASSISTANCE PROGRAMS**

#### **Q8.** WHAT TYPES OF PAYMENT AGREEMENTS ARE OFFERED TO RESIDENTIAL CUSTOMERS WITH DELINQUENT BILLS?

A8. Residential customers with bill delinquencies may qualify for one or more of the various types of residential payment agreements, some of which are related to TAP.

Standard payment agreements are available to residential customers irrespective of income, and generally require an initial payment of 25% of the outstanding delinquency and payment of the remainder in monthly installments over 18 months. Customer Service Managers can extend the monthly installments to 60 months. WRB entered into approximately 26,422 standard payment agreements in calendar year 2018 and 20,747 standard payment agreements in calendar year 2019.

Extended payment agreements are available to customers with household incomes above 150% or below 250% of FPL but who do not qualify for TAP. These agreements may have payout terms longer than 18 months if the WRB determines that an extended payout term is necessary to keep the average monthly total bill for current service, usage and stormwater charges and payment of arrears at or below approximately 4% of the customer's monthly household income. WRB entered into approximately 1667 extended payment agreements in calendar year 2018 and 1447 extended payment agreements in calendar year 2019.

TAP payment agreements are available to customers enrolled in TAP who are delinquent on payment of their TAP bills. WRB entered into approximately 149 TAP payment agreements in calendar year 2018 and 928 TAP payment agreements in calendar year 2019.

WRB has also historically offered various other customer assistance programs for households that do not meet the above income eligibility guidelines. These alternatives are generally referred to as Water Revenue Assistance Programs ("WRAP"). Prior to July

1, 2017, WRAP agreements were offered to delinquent customers whose annual household income was 250% or less of FPL. WRAP provides several types of payment agreements depending on income levels and other eligibility requirements. WRB stopped accepting requests for new WRAP applications on July 1, 2017. Existing WRAP participants are eligible to remain in the program if they remain income eligible and timely recertify. There were approximately 343 active WRAP agreements as of December 1, 2018. WRB recertified 301 WRAP payment agreements in calendar year 2018 and 72 WRAP payment agreements in calendar year 2019.

# Q9. HOW MANY CUSTOMERS PARTICIPATE IN TAP AND THE SENIOR CITIZEN DISCOUNT PROGRAM?

A9. WRB enrolled 13,362 unique accounts in TAP in calendar year 2018. Of those, 12,139 were enrolled in TAP for the first time. In calendar year 2019, 13,094 unique accounts were enrolled in TAP. Of those, 4,199 were enrolled for the first time. At the end of calendar year 2018, there were 16,524 unique TAP participants and in calendar year 2019, there are 20,083 unique participants. In calendar year 2019, there were also an additional 19,697 customers receiving the Senior Citizen Discount.

# Q10. PLEASE BRIEFLY DESCRIBE INITIAL STEPS TAKEN BY WRB AND PWD TO LAUNCH TAP.

- A10. WRB and PWD jointly implemented TAP, which began accepting applications on July 1, 2017. As a part of the initial implementation, the following steps were undertaken related to program outreach, application dissemination, application review/approval and initiation of program enrollments.
  - Public outreach efforts were initiated in May 2017;

In June 2017, WRB dispatched a mass mailing to recent and current WRAP
customers describing TAP, the application process, and procedures to file
application by mail or apply online beginning July 1, 2017 (a TAP application
was also included in this mailing);

- Call center staff were made available to assist customers with application questions beginning July 1, 2017;
- WRB began reviewing TAP applications (using the Customer Assistance
   Management Program or "CAMP") beginning July 3, 2017;
- WRB first approved customers for TAP in late July 2017; and
- WRB initiated a two-user review beginning in October 2017 to facilitate consistency and transparency in the review process.

In addition to the above, the following steps were undertaken to ensure that low-income customers would be assigned to the most favorable available program.

- WRB has approved applications for other assistance programs, e.g., extended
  payment agreements for customers above 150% and below 250% of FPL (but not
  eligible for TAP) and Senior Citizen Discount for customers for whom that was
  the most favorable outcome; and
- WRB mailed re-certification reminder letters to customers in WRAP agreements (applicable to agreements expiring within 2 months).

A11.

4 5

6

7 8

9

10 11

12

13 14

15

16

17

18

19

20

21

22 23

24

25

## WHAT STEPS DID WRB AND PWD TAKE IN 2018 AND 2019 TO BUILD ON THE INITIAL COMMUNICATIONS CAMPAIGN?

In 2018, the WRB and PWD, working with the City's TAP Advisory Committee, focused on customer awareness and the identification of application challenges. Program advertising during 2018 utilized bill stuffers, social media, distribution of flyers and fact sheets to partner organizations and at public meetings, posters in English and Spanish distributed to partner organizations and WRB payment centers and targeting mailing to customers. The City's senior citizen population was an additional focus of customer outreach in 2018 and 2019. Additional information on customer outreach and support activities during 2018 is available in Section 3 of the Department of Revenue's third Annual Report to the Mayor on the Tiered Assistance Program, issued on March 4, 2019 and attached as Schedule MB-2.

In 2019, PWD directed its survey consultant to conduct a survey of TAP participants for the purpose of better understanding participant satisfaction levels and identifying locations for future marketing. The survey results were shared with the stakeholders at the quarterly meeting of PWD's Residential Customer Assistance and Service ("R-CAS") Committee on September 23, 2019. The survey report is attached to our testimony as Schedule MB-3.

Throughout 2018 and continuing to date, WRB continued to review all TAP direct customer communications to make the communications more clear, readable, and ensure they reflected the most updated FPL guidelines. Additionally, WRB and PWD worked with our conservation vendor to improve their workflow and communications to ensure more TAP participants can take advantage of free conservation measures.

A13.

#### Q12. ARE ANY NEW OUTREACH INITIATIVES PLANNED?

A12. WRB's next large outreach project will be targeted to customers who are on Owner-Occupied Payment Agreements ("OOPA") for real estate taxes under Philadelphia Code 19-1305. Since these customers' residency and income have already been determined, they are likely to qualify for TAP. Additionally, the application process would be streamlined since they would not be required to submit proof of residency and income if they received an OOPA within the last 12 months.

# Q13. PLEASE DESCRIBE HOW THE CURRENT CUSTOMER ASSISTANCE APPLICATION WAS DEVELOPED.

The Customer Assistance Application was one of the first documents developed in the creation of TAP. WRB and PWD worked through several iterations of applications and used PECO's CAP application and PGW's CRP application as guides. After the last general rate proceeding, the application was revised to clarify that applicants are not required to provide a telephone number, email address, or social security numbers for the applicant and household members. In addition, the Zero Income Documentation Form was revised to delete the boxes requesting the applicant to provide a telephone number and email address and to replace questions requesting a listing of assets by an applicant reporting zero income with questions requesting information on how the household meets its needs for food, housing and utility service.

Efforts to further simplify the application have been limited by the requirements in the TAP enabling ordinance (Section 19-1605 of the Philadelphia Code) and by the goal of allowing customers to complete a single application for all available customer assistance programs, including TAP, the Senior Citizen Discount, and recertification in WRAP for

1
2
3
4
5
6

customers currently enrolled in WRAP. Requirements of the TAP enabling ordinance that affect the nature and extent of information required from applicants include the following: (i) the requirement that TAP be available to customers who have demonstrated a special hardship but are not low-income customers; (ii) the need for WRB to determine if a customer would receive a more affordable bill under other available programs before enrolling a customer in TAP; and (iii) the provision that the eligibility criteria other than ownership be consistent with those under Philadelphia Code Section 19-1305. (See Philadelphia Code Sections 19-1605(3)(b), (c), (f), (g) and (i).)

# Q14. HAVE WRB AND PWD POSTED INFORMATION ABOUT TAP ON ITS WEBSITE?

A14. Yes. WRB and PWD have established a Customer Assistance Program website, https://cap.phila.gov/static/index.html.

This website provides a portal to a sample application, an application checklist, a fact sheet, and eligibility guidelines, which is available at:

https://www.phila.gov/documents/water-bill-customer-assistance-application-and-documents/.

# Q15. WHAT ADDITIONAL STEPS DID THE CITY UNDERTAKE TO ENSURE MEANINGFUL ACCESS TO INFORMATION ABOUT TAP AND OTHER PAYMENT AGREEMENTS TO LIMITED ENGLISH PROFICIENCY (LEP) PERSONS?

A15. Information about TAP has been produced and disseminated in both English and Spanish.

Translation services are also available for customers who request information or the

application in a language other than English or Spanish. The application itself is currently available in the top ten languages requested for translation in Philadelphia: Chinese (traditional and simplified), Vietnamese, Russian, Arabic, Cambodian (Mon-Khmer), Portuguese, and Italian in addition to English and Spanish.

# Q16. WHAT STEPS HAVE BEEN TAKEN SINCE THE 2018 GENERAL RATE PROCEEDING TO SHORTEN THE TIMELINE FOR REVIEWING APPLICATIONS?

A16. As the program continues to grow, so too does the staff's experience. As a result of a more experienced staff, every application is initially reviewed within 30 days of receipt. The staff also receive regular in-service training to reinforce refined standard operating procedures which decreases the amount of supervisory intervention during application review. There was previously a backlog to complete the review of the first wave of applications generated through our mass mailings, but that backlog has now been eliminated. Finally, necessary programming was completed to enhance CAMP to expedite OOPA comparisons which had been done manually in the past.

# Q17. WHAT ARE THE PENALTIES FOR MISSING A PAYMENT, MAKING A LATE PAYMENT OR PAYING LESS THAN THE REQUIRED AMOUNT ON A TAP BILL?

A17. Penalties are not assessed for missed, late, or partial payments while a Customer is enrolled in TAP. TAP Customers may become eligible for shutoff if the TAP Customer has missed at least two payments and has at least \$75 in TAP bill delinquencies (excluding pre-program arrears).

A18.

If a TAP Customer misses a payment or pays less than the required amount on a TAP bill, the TAP Customer's "Forgiveness Counter" will not progress. The "Forgiveness Counter" is a number stored in basis2 and reflected on the TAP Customer's bill that shows how many full monthly payments have been made. When the counter gets to 24, the TAP Customer has earned their penalty (and in the future, principal) forgiveness. If a TAP Customer makes a late, but full, payment, the "Forgiveness Counter" will progress.

Q18. WHAT EFFORTS HAVE WRB AND PWD TAKEN SINCE THE 2018 GENERAL RATE PROCEEDING TO EXPAND THE EARNED FORGIVENESS PROGRAM FOR TAP CUSTOMERS?

At the time of the last general rate proceeding, the earned forgiveness section of the TAP regulations promulgated by WRB and PWD allowed a TAP Customer who maintained continuous enrollment in TAP to earn forgiveness of penalty charges after making 24 consecutive TAP Bill payments and earn forgiveness of all arrears including principal after 15 years of continuous enrollment in TAP. On December 6, 2019, WRB and PWD proposed modifications to the earned forgiveness regulation. After a public hearing, WRB and PWD filed the final regulation with the Department of Records on February 10, 2020. The final regulation will allow customers enrollment in TAP who make 24 complete monthly payments of their TAP bills on or after September 1, 2020, to earn forgiveness of all pre-TAP arrears.

# 

A19.

#### IV. SHUT-OFF NOTICES

Q19. WHAT CHANGES HAVE BEEN MADE IN THE SHUT-OFF PROCEDURES SINCE THE LAST GENERAL RATE PROCEEDING?

In the 2018 general rate proceeding, the Public Advocate's witness on customer service issues criticized PWD for providing repeated notice of disconnections of service for nonpayment. At that time, PWD's regulations required that customers subject to shutoff due to delinquencies over at least two billing cycles receive at least two written notices prior to the date of the proposed shutoff of service. PWD's shutoff procedure, at that time, also prioritized shutoff locations based on the amount of the delinquencies. To provide a more timely and meaningful notice of shutoff, PWD revised its regulations in 2018 to reduce the required number of shutoff notices from two to one and revised its shutoff procedures to prioritize the accounts with the oldest debt rather than the accounts with the highest delinquencies. The revised regulations became effective on December 31, 2018.

#### V. CONCLUSION

#### Q20. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A20. Yes, it does.

#### MICHELLE L. BETHEL-MILLER

Municipal Services Building 1401 J.F. Kennedy Boulevard, 2<sup>nd</sup> Floor Philadelphia, PA 19102

#### **PROFILE**

Results oriented executive with extensive expertise in operational management, training development, including various investigative and technological skills. Track record includes:

- Broad-based knowledge and skills in management, human resources, financial and operational turnarounds, performance measurements and strategic planning
- Experience in developing and motivating employees, working with executive staff, elected officials, and key stakeholders

#### **EXPERIENCE**

# CITY OF PHILADELPHIA, DEPARTMENT OF REVENUE, Philadelphia PA July 2008 to Present

#### Deputy Revenue Commissioner, Water Revenue Bureau

Oversee the operating budget of \$9M. Responsible for 165 budgeted positions that consists of the Accounting, Administration, Collections, Customer Assistance, Customer Operations and Technical Operations Divisions. Responsible for the monthly generation and collection of Water/Sewer bills for over 500K customers. Responsible for financial reporting to the Water Department and the City Controller's Office on a monthly basis. Serves on the Revenue Commissioner's Executive Team which has been tasked with developing and implementing the strategic plan for the Revenue Department

Specific accomplishments include:

- Instrumental with implementation of water affordability program for low-income customers
- Instituted a collection phone campaign that resulted in 1.6M new Revenue Collections
- Oversaw Revenue Collections of \$523M; exceeded goal by 6M
- Reduced overtime spending

# COMMONWEALTH OF PA, DEPARTMENT OF REVENUE, Harrisburg PA October 2007 - June 2008

#### **Assistant Director, Bureau of Administrative Services**

Served as the Department liaison for the Internal Revenue Service responsible for ongoing data exchanges. Oversaw space feasibility studies to ensure efficient utilization of current and future Department expansion requirements. Directed the movement of documents, equipment, and furniture for the Department. Made decisions and recommendations to the Director regarding physical security, access badges and emergency actions required by the Department. Assisted in the day-to-day management of the bureau in the areas of duplication/publication, graphic arts, building leases and maintenance, procurement, warehousing, tax records management,

automotive, word processing, and secretarial services. Performed as Director during periods when the Director is absent.

# COMMONWEALTH OF PA, DEPARTMENT OF REVENUE July 2005-October 2007

#### Division Chief, Enforcement Division, Bureau of Compliance

Organized, directed and controlled the operations of the Enforcement Division, composed of 31 employees engaged in filing and satisfying of liens, the assessing and collection of bad checks, the collection and processing of wage garnishment cases, referral of delinquent tax accounts to outside collection agencies, referring, reviewing and monitoring of accounts eligible for collection by the Office of Attorney General. Assisted in the development of departmental policies and procedures, researching and data gathering for all compromise and write-off offers. Maintained working relationships with various Bureaus to ensure efficiency. Responsible for interviewing, selecting job applicants, writing performance Standards and Job Descriptions. Investigated and resolved employee complaints/grievances.

Specific accomplishments include:

- Assisted with overall record collections of \$363 million for the bureau in fiscal year 2005-06
- Increased total lien production by 20% with the introduction of the Corporate Tax Lien Project.
- Instrumental with the development of the Lien Integrated Processing System

# **COMMONWEALTH OF PA, DEPARTMENT OF REVENUE November 2003- July 2005**

#### Division Chief, Bankruptcy Division, Bureau of Compliance

Directed the procedural analysis, standard development, research and planning programs with regard to all bankruptcy and insolvency issues for 22 member Unit. Assisted in the development of departmental policies and procedures involving bankruptcy issues, maintained a working knowledge of the Federal Bankruptcy Code, its Rules, Procedures and local rules regarding bankruptcy issues. Analyzed statistical information for producing monthly reports. Maintained working relationship with the Office of Attorney General and the Office of Chief Counsel on bankruptcy cases to ensure the Commonwealth of Pennsylvania interests were protected.

Specific accomplishments include:

- Eliminated a backlog of over 10 years of dismissal and discharge cases; thus sending \$3 million back in the collection workflow for the department.
- Established a workflow process for Tax Examiners and Specialists that increased efficiency through streamlining functions and eliminating redundancy.

# COMMONWEALTH OF PA. DEPARTMENT OF REVENUE November 2002-November 2003

#### Assistant Manager, Harrisburg Call Center, Bureau of Collections

Established training programs. Conducted interviews, performance evaluation reviews, and meetings with supervisors. Resolved difficult taxpayer situations. Reviewed the analysis of Revenue Research Analyst II, ensuring collection routines and workflows were at their optimum

efficiency levels. Surveyed operational issues in order to meet bureau goals and objectives. Oversaw the telephone quality assurance-monitoring program to verify all supervisors were consistently monitoring all employees to maintain good customer service.

# COMMONWEALTH OF PA. DEPARTMENT OF REVENUE, Harrisburg, PA January 1998- November 2002

Research Analyst II/PC Coordinator, Harrisburg Call Center, Bureau of Collections Developed and trained employees on technological solutions. Conducted analysis and operational research studies to strengthen, streamline, revise, or otherwise improve the functioning of the Call Center. Researched, gathered, and compiled raw data into spreadsheet-ready reports for upper management. Updated networked electronic file catalogs and document tracking databases using Access Databases. Analyzed and forecasted Call Center inventory. Managed network resources, set user rights and file/folder permissions. System Administrator of the Teloquent Automated Call Distribution (ACD) Telephone System and the Mosaix/Lucent Predictive Dialer System.

#### **EDUCATION**

#### UNIVERSITY OF PHOENIX

2005-2007

Master's Degree in Business Administration with a concentration in Human Resources Management

#### KUTZTOWN UNIVERSITY of Pennsylvania, Kutztown, PA

1988 - 1992

Bachelor of Science Business Administration/Accounting with a Minor in Public Relations

#### **CERTIFICATIONS AND TRAINING**

Achieve Global Customer Service Facilitator; Certified Diversity Trainer

#### ACCOMPLISHMENTS

Recognized by The Secretary of Revenue, two consecutive years, for training and outstanding dedication to customer satisfaction

2004 Graduate of the Leadership Development Institute for Women in State Government

2004 Graduate of the Leadership Development Institute for Community Enrichment—Penn State

#### **AFFILIATIONS**

Delta Sigma Theta Sorority, Inc., A Public Service Organization; National Black MBA Association, Inc.

Board Member - YMCA Columbia North, Philadelphia PA; National Association of Professional Women (NAPW);

Society for Human Resource Management (SHRM)

#### **RAVONNE A. MUHAMMAD**

Municipal Services Building 1401 J.F. Kennedy Boulevard, 2<sup>nd</sup> Floor Philadelphia, PA 19102

#### **PROFILE**

- Well-rounded background in human resources, training, administrative operations and customer relations.
- Highly analytical, with a focus on problem solving based upon departmental regulations and policies
- Excellent experience developing and maintaining a variety of programs, including those that must comply with mandated guidelines
- Experienced in writing and delivering presentations for executive meetings.

#### **EXPERIENCE**

# CITY OF PHILADELPHIA, FINANCE DEPARTMENT, Philadelphia PA February 2017 to Present

#### Assistant to the Director of Finance, Water Revenue Assistance Division

Within the Philadelphia Department of Revenue's Water Revenue Bureau, manage a division of four supervisors and twenty-seven line staff to implement new assistance programs introduced by City ordinance. Review and implement standard operating procedures for division and department. Conduct meetings and trainings for new policies and procedures and maintain staffing and budget according to Revenue human resources. Review and utilize multiple databases for reporting, metrics, and customer service

# CITY OF PHILADELPHIA, DEPARTMENT OF REVENUE, Philadelphia PA February 2009 to February 2017

# Customer Representative Supervisor, Water Revenue Bureau Assistance Unit December 2015 to February 2017

Supervised staff of nine employees who review and process low income payment agreement applications for water and sewer accounts. Reviewed processed applications, approved special term agreements, and reviewed specially assigned accounts from Director and Manager as needed. Assigned staff to attend community outreach events and assisted as acting Manager when required.

# Customer Representative Supervisor, Water Revenue Informal Hearing Unit June 2012 to December 2015

Supervised staff of six employees who review water disputes and reviewed prepared cases to be presented at Informal Hearings and resulting adjustments. Reviewed specially assigned accounts from Deputy Commissioner as needed and provided feedback for rate mediation and Water Department regulations as applied to billing. Acted as contact for new City employees for compliance for Water Revenue debt and provided payment arrangements for City employees for delinquent water bills.

# Revenue Customer Representative, Water Revenue Tax Review Board and Informal Hearing Unit

#### March 2012 to June 2012

Reviewed and prepared water account histories for hearings to be presented before Tax Review Board, submitted adjustments based upon detailed review of accounts and Board decisions. Contacted and met with customers regarding hearings and account review and presented cases to Board. Presided over Informal Hearing cases with customers and render decisions based upon evidence presented by customer and designated City representative.

# Collection Customer Representative, Water Revenue Account Analysis Unit February 2009 to March 2012

Acted as point of contact for Community Legal Services, reviewed water accounts and submitted documents for accuracy for determination of course of action based upon Bureau regulations and policies, analyzed water accounts based on customer and internal inquiries to determine if billing is correct and inform customers of results in writing, and submitted adjustments when determined to be necessary based on billing or meter information. Reviewed and processed applications for Water Revenue Assistance Unit for payment agreements based upon customer income and assisted former supervisor with weekly report submission, training, manual development and other duties as needed.

# CITY OF PHILADELPHIA, RECREATION DEPARTMENT, Philadelphia PA December 1994 to February 2009

# Clerk III, Recreation Human Resources Management Administration July 2006 to February 2009

Administered service award program, including determining and ordering awards for years of service. Administered human resources information to employees regarding time usage, pay, personnel information and pension. Received and reviewed requests from employees for information related to personnel information. Managed and input payroll for over 200 permanent, part-time and temporary employees.

# Clerk III/Secretary, Recreation Program Division June 2001 to July 2006

Solely responsible for maintaining department's compliance for state mandated Temporary Assistance for Needy Families program for After School Program, Established and maintained detailed database of department's city-wide after school program comprised of nearly 1800 children. Prepared monthly reports related to participants' attendance, data received, and need for additional information and trained employees as to process for administering required paperwork for T.A.N.F. program, and received and reviewed submitted paperwork to ensure T.A.N.F. compliance

#### Customer Service Representative, Recreation Commissioner's Office December 1994 to June 2001

Worked directly with Commissioner in daily operations of office, communicated with Deputy Commissioners and upper level management, as well as other City department offices for meetings, events, etc. Maintained Commissioner's schedule and written correspondence and assisted in various special projects, events, and general assistance to public requesting information.

#### **EDUCATION**

#### TEMPLE UNIVERSITY 2003-2006

Undergraduate studies in Sport and Recreation Management

#### HAMPTON UNIVERSITY

1992-1993

Undergraduate studies in Political Science



#### CITY OF PHILADELPHIA

DEPARTMENT OF REVENUE Municipal Services Building 1401 John F. Kennedy Boulevard Philadelphia, PA 19102 (215) 686-6400 FAX (215) 686-6537 FRANK BRESLIN, CPA Revenue Commissioner Chief Collections Officer

March 8, 2019

The Honorable James Kenney Mayor, City of Philadelphia City Hall, Room 215 Philadelphia, PA 19107

Dear Mayor Kenney:

Enclosed is the Department of Revenue's third annual Report to the Mayor on the Tiered Assistance Program (TAP). The report, required under Philadelphia Code Section 19-1605(7), provides metrics for calendar year 2018.

During 2018, the Revenue and Water Departments worked together to enhance outreach and communication to customers, improve the customer application experience, and boost participation in TAP and other customer assistance programs. The City continued a variety of activities in support of program enhancement, including: enhancing policies, operating procedures, and internal business processes, further modifying the City's billing system to accommodate TAP, refining the customer assistance application, and working toward expanded language access. As it moved past its first anniversary, TAP has been improved based on feedback from customers, outreach activities, recommendations from the Rate Board, and ongoing involvement of partner organizations and stakeholders.

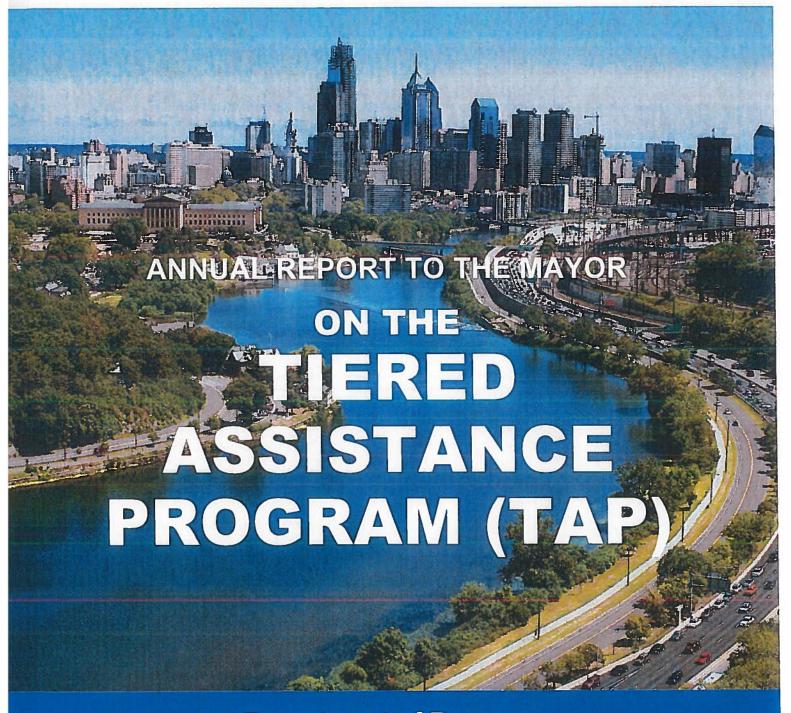
Very truly yours,

Commissioner Frank Breslin, CPA Chief Collections Officer

FB/mb

Enclosure

cc: Darrell L. Clarke, City Council President Michael A. Decker, Chief Clerk



# **Department of Revenue**

Calendar Year 2018 March 4, 2019



# **TABLE OF CONTENTS**

1.	EXE	ECUTIVE SUMMARY	1
	BY 1	THE NUMBERS	1
2.	INT	RODUCTION	3
	2.1	TIERED ASSISTANCE PROGRAM	4
	2.2	2018 HIGHLIGHTS	5
3.	CU	STOMER OUTREACH AND SUPPORT	6
4.	REI	PORTING METRICS	7
	4.1	APPLICANTS ENROLLED IN TAP	8
	4.2	APPLICANTS NOT ENROLLED IN TAP	9
	4.3	NON-TAP PAYMENT AGREEMENTS	10
	4.4	CUSTOMERS DEFAULTING FROM TAP	14
5.	CO	NCLUSION	15

## 1. EXECUTIVE SUMMARY

The City of Philadelphia has completed the first full year of the Tiered Assistance Program (TAP), its assistance program for residential customers who meet low-income or special hardship criteria. The initiative is a result of the enactment of Council Bill 140607-AA and rate determination by the Philadelphia Water, Sewer, and Stormwater Rate Board. TAP provides for participating customers' bills to be capped as a percentage of their income. Bills are capped at between 2% and 4% of their household income based on where their household income stands with respect to the current Federal Poverty Guideline. See Section 2.1 for a more detailed description of TAP.

The ordinance requires that the Department of Revenue submit a written report by March 31st of each year of activities undertaken pursuant to the ordinance. This document is the third such report and covers calendar year 2018. During the reporting period, the City completed a variety of activities to enhance customer access including: developing policies, operating procedures, and internal business processes, hiring and training staff, modifying the City's billing system to better accommodate TAP, and developing additional information technology resources to support customer application submittals and reviews. In addition, the City focused on key enhancements to improve customer access and the application experience. In its first full year, operations continued to evolve, in response to opportunities for greater efficiency and enhanced customer communication. We expect that as the program matures, we will gather additional feedback and data to further inform its ongoing administration.

#### BY THE NUMBERS

Philadelphia Code section 19-1605(7)(b)(.1-.4) specifies four types of metrics upon which the Department should report each year: Applicants Enrolled in TAP, Applicants Not Enrolled in TAP, Non-TAP Payment Agreements, and Customers Defaulting from TAP. Between January 1 and December 31, 2018, the City had fully processed over 23,000 applications and had enrolled 13,413 customers in TAP. As of December 2018, there were 15,868 active TAP participants. Together, TAP enrollees during 2018 had slightly over \$43.7M in water account arrears at the time of enrollment. In addition to those enrolled in TAP, there were 9,592 applicants not enrolled in TAP. This group includes 1) those who were placed in a program other than TAP because it was determined to be more affordable; and 2) those whose applications were denied (see Figure 1). During 2018, 292 customers defaulted from TAP for failing to successfully recertify.

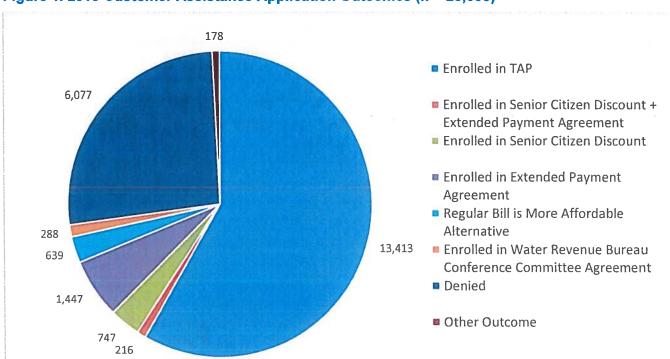
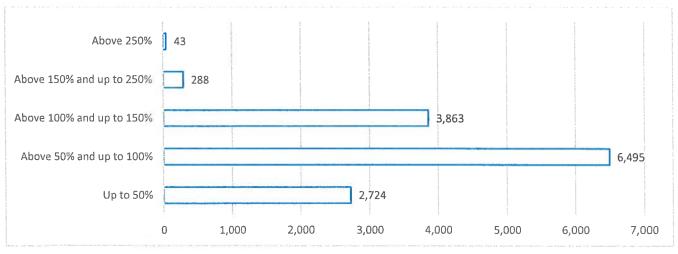


Figure 1. 2018 Customer Assistance Application Outcomes (n = 23,005)





In addition to TAP, this document also reports on non-TAP Payment Agreements between water customers and Revenue's Water Revenue Bureau (WRB). **As of December 31, 2018, there were 7,636 active residential payment agreements.** Of these agreements, 7,038 agreements were created in 2018, while 598 agreements were created in previous years and were still ongoing. Active residential agreements created in 2018 cover just over \$9M in principal debt, \$1.2M in penalties and \$103,000 in other fees (such as returned check fees). See **Figure 3** below for a breakdown of all agreements by type. **As of December 31, 2018, there were 27,210 customers enrolled in the Senior Citizen Discount (SCD) program**, some of whom were enrolled prior to the new customer assistance application process.

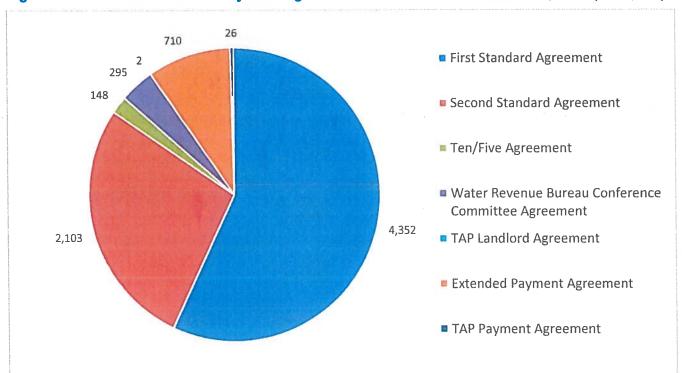


Figure 3. Non-TAP Residential Payment Agreements Active as of December 31, 2018 (n = 7,636)

## 2. INTRODUCTION

In 2017, the City of Philadelphia successfully launched a new Tiered Assistance Program (TAP) for residential customers who meet low-income or special hardship criteria pursuant to Section 206.0 through 206.10 of the Philadelphia Water Department Regulations. At the same time, application and enrollment in other Customer Assistance Programs offered by the Water Revenue Bureau were streamlined into the very same process. During 2018, this comprehensive program has continued to grow as the City emphasized outreach, efficient administration, and enhancing the customer experience.

The TAP initiative is a result of two essential drivers. The first is Philadelphia Code section 19-1605, enacted in 2015. The second are the Philadelphia Water, Sewer, and Stormwater Rate Board's rate determinations in 2016 and 2018. In both documents mentioned above, TAP is referred to as the Income-Based Water Rate Assistance Program, or IWRAP. This document will use the program's operational name, TAP.

The ordinance requires the Department of Revenue to submit, by March 31<sup>st</sup> of each year, a written report to the Mayor – with timely copies furnished to the Council President and Chief Clerk of City Council – regarding activities undertaken pursuant to the ordinance that occurred during the previous calendar year. Section 19-1605(7) specifies metrics to be included as a part of this annual report, which are included in Section 4, below.

#### 2.1 TIERED ASSISTANCE PROGRAM

TAP provides for participating customers' bills to be capped as a percentage of their income. Bills are capped at between 2% and 4% of their household income based on where their household income stands with respect to the current Federal Poverty Guideline. For monthly gross income limits based on household size for the calendar year 2018, see Table 1 below.

- If a customer's household gross monthly income is at or below 50% of the federal poverty guideline, then monthly bills for water, sewer, and stormwater usage and service charges are fixed at 2% of the household income. The minimum TAP bill is \$12.00 per month. Any actual charges above the fixed amount are forgiven.
- If a customer's household gross monthly income is above 50% and at or below 100% of the federal poverty guideline, then monthly bills for water, sewer, and stormwater usage and service charges are fixed at 2.5% of the household income. Any actual charges above the fixed amount are forgiven.
- If a customer's household gross monthly income is above 100% and at or below 150% of the federal poverty guideline then monthly bills for water, sewer, and stormwater usage and service charges are fixed at 3% of the household income. Any actual charges above the fixed amount are forgiven.
- If the customer has a gross household income higher than 150% of the Federal Poverty Guideline and provides documentation showing existence of a special hardship within the last 12 months, then the customer may still qualify to participate in TAP.

**Table 1. Federal Poverty Guidelines for 2018** 

Household Size	Maximum Gross Income (150% of FPL)	Maximum Gross Income (250% of FPL)
1 person	\$1,518 / month	<b>\$2,529</b> / month
2 people	\$2,058 / month	\$3,429 / month
3 people	\$2,598 / month	<b>\$4,329</b> / month
4 people	<b>\$3,138</b> / month	<b>\$5,229</b> / month
5 people	\$3,678 / month	<b>\$6,129 / month</b>
6 people	<b>\$4,218</b> / month	<b>\$7,029</b> / month
7 people	\$4,758 / month	<b>\$7,929</b> / month
8 people	\$5,298 / month	<b>\$8,829</b> / month
For each additional person:	Add \$540 to the amount above	Add \$900 to the amount above

If a customer qualifies for TAP based on a special hardship, monthly bills for water, sewer, and stormwater usage and service charges are fixed at 4% of the household income. Any actual charges above the fixed amount are forgiven. A special hardship can be:

- Increase in household size
- Loss of a job, lasting more than 4 months
- Serious illness, lasting more than 9 months
- Death of primary wage earner
- Domestic violence
- Other circumstances that threaten household's access to necessities of life

Customers are not required to have any back debt or any balance on their accounts to qualify for TAP. If customers do have back debt on their water accounts, that debt will be protected, meaning no enforcement action or collection activity will be taken on that debt while the customer is participating in TAP.

Additionally, when a customer requests an assistance application WRB provides a 14-calendar day stay of enforcement on their account up to three times within a 12-month time frame. (After the third request for an assistance application, the stay is no longer available.) A customer's back debt related to HELP loans or meter and repair charges are not covered under TAP. After 24 full TAP payments, a customer's pre-TAP penalties are forgiven.

#### **2.2 2018 HIGHLIGHTS**

In the early part of 2018, the City made critical enhancements to promote program access. WRB worked to efficiently leverage Real Estate Tax Owner Occupied Payment Agreement (OOPA) data in a more automated fashion for consideration in customer assistance applications. The software used by representatives to review customer assistance applications (Customer Application Management Program, or CAMP) is linked to the OOPA database and updated with new information daily, ensuring that reviewers are notified of the existence of an OOPA agreement and providing the relevant data in CAMP interfaces.

PWD, WRB, and several stakeholders participated in the effort to update the application form to further streamline and enhance customer understanding of the application process. The new application will be used beginning in mid-2019.

The City also focused on establishing an effective recertification process, since TAP enrollees can be required to recertify after they have been enrolled in TAP for at least 12 months. The recertification process includes automatic mailing of a new application, at least two pieces of communication with the customer, and sophisticated data sharing between CAMP and the billing system.

As a result of these efforts, large numbers of customers have applied for customer assistance and TAP enrollment has grown dramatically during the year. Between January 1 and December 31, 2018, the City had fully processed over 23,000 applications and had enrolled 13,413 customers in TAP. As of December 2018, there were 15,868 active TAP participants.

## 3. CUSTOMER OUTREACH AND SUPPORT

The City has continued to build upon the communications campaign established in 2017 to support the launch and implementation of TAP. In 2018, the focus was on customer awareness and the identification of application challenges through working closely with the City's TAP Advisory Committee.

Program advertising during 2018 took place in the following forms:

- Bill stuffers
- Social Media
- Distribution of Flyers and Fact Sheets to partner organizations and at public meetings
- Posters (English & Spanish) distributed to partner organizations and WRB payment centers
- Bus Shelter ads along Roosevelt Boulevard

PWD's Public Affairs Division also focused on in-person community engagement to promote awareness and encourage customer applications. In 2018, assistance programs were featured, and materials were distributed at over 100 meetings with civic partners, reaching over 6,000 residents. Additionally, the Department of Revenue's Outreach Team, which participates in more than 200 community events annually, promoted TAP in neighborhoods, enrolled customers at pop-up events co-hosted with City Councilmembers, and featured the program in its online and social media content.

Another focus of customer outreach during 2018 has been the City's senior citizen population. The Customer Assistance Division at WRB, which is the administrative unit responsible for processing customer assistance program applications, has taken the initiative to engage more directly with PWD's customers to increase enrollment. Partnering with the City's Department of Parks and Recreation, WRB held enrollment drives at seven Senior Centers, reaching over 140 seniors.

PWD and WRB have been preparing for a mailing campaign in early 2019 to reach customers currently enrolled in the Senior Citizen Discount (SCD) program, but who have not applied through the new streamlined customer assistance application. The campaign will encourage customers to apply for assistance through the uniform customer assistance program application process since TAP may provide a lower water bill.

PWD and WRB are also teaming up with the TAP Advisory Committee in addition to PECO, PGW and the PUC, to pilot Utility Assistance Fairs to help Philadelphia residents who live in areas of need to access benefits in a streamlined environment. Two fairs are scheduled for March 2019. In addition to PECO, PGW and the PUC, our partners include TAP Advisory members: Councilwoman Quinones Sanchez, UESF, CLS, BenePhilly and ECA.

The City strengthened its relationship with the Utility Emergency Services Fund (UESF), which now operates a hotline to help customers find in-person assistance with the TAP application process. The City maintains a website with all information relevant to the customer service application process. It can be viewed at <a href="https://www.phila.gov/waterbillhelp">www.phila.gov/waterbillhelp</a>.

## 4. REPORTING METRICS

City Code Section 19-1605(7)(b) requires several metrics to be provided in this annual report, including:

- 1. The number of applicants enrolled in TAP, and a breakdown of such enrollments by income level, along with the gross amount of arrears calculated for these enrollees.
- 2. The number of applicants that were not enrolled in TAP and a breakdown of the reasons for their TAP ineligibility.
- 3. The number of non-TAP Payment Agreements and a breakdown of such payment agreements by type, term, and amount covered.
- 4. The number of TAP customers who defaulted during the applicable period and the reason(s) for the default.

Each metric is addressed in this section.

The first customers were enrolled in TAP beginning in July 2017. Since TAP customers must recertify after 12 months (at a minimum), recertification is already underway for a number of customers. The metrics in this section include customers who have applied as part of the recertification process.

#### 4.1 APPLICANTS ENROLLED IN TAP

Between January 1<sup>st</sup> and December 31<sup>st</sup>, 2018, the City enrolled **13,413 customers in TAP**. Together, these enrollees had **slightly over \$43.7M in water account arrears** at the time of enrollment. For consistency between reports, water account arrears are labeled "Pre-TAP Debt." **Table 2** shows the breakdown of these TAP enrollees in income ranges with respect to the Federal Poverty Guideline.

Table 2. New Applicants Enrolled in TAP in 2018

Income Level as Compared to Federal Poverty Guideline	Total Enrollees	Total Pre-TAP Debt <sup>1,2</sup>	
Up to 50%	2,724	\$8,632,355.08	
Above 50% and up to 100%	6,495	\$22,048,986.77	
Above 100% and up to 150%	3,863	\$11,860,039.88	
Above 150% and up to 250%	288	\$954,544.91	
Above 250%	43	\$230,842.26	
Total	13,413	\$43,726,768.90	

Table 3. Total Debt of Applicants Enrolled in TAP in 2017

Debt Range	Total Enrollees	Total Pre-TAP Debt <sup>1,2</sup>
< \$0	132	\$(12,924.16)
\$0-\$200	2,168	\$162,604.27
\$200-\$500	1,617	\$555,390.01
\$500-\$1,000	1,762	\$1,276,884.45
\$1,000-\$2,000	2,064	\$2,994,799.81
\$2,000-\$5,000	2,865	\$9,441,017.57
\$5,000-\$10,000	1,788	\$12,654,161.50
\$10,000-\$20,000	817	\$11,003,854.44
\$20,000-\$50,000	192	\$5,117,072.80
\$50,000+	8	\$520,984.05
Total <sup>3</sup>	13,413	\$43,726,769.90

<sup>&</sup>lt;sup>1</sup> Under the ordinance's requirement to promptly review applications for changed circumstances, there are rare cases where the same customer was enrolled in TAP more than once in the calendar year. In those cases, only that customer's most recent enrollment and associated debt are reported in Table 2 and Table 3. Since TAP is a program in which customers can recertify for continuous participation, Pre-TAP Debt as shown in the tables above may represent debt that was already protected from enforcement while the customer was previously enrolled in TAP. Thus, the debt is associated with the most recent enrollment, but it may not all be debt newly protected through TAP participation.

<sup>&</sup>lt;sup>2</sup> The Total Pre-TAP Debt total excludes any customers with account credits at the time of enrollment (which are shown in the first line of Table 2).

### 4.2 APPLICANTS NOT ENROLLED IN TAP

In addition to the 13,413 applicants enrolled in TAP (see Table 2, above), 9,592 applicants were not enrolled in TAP. This group includes 1) applicants who were denied for ineligibility or incompleteness following a request for further information, and thus could not be processed; 2) those who were placed in a different program that represented a more affordable alternative than TAP; and 3) those whose applications had some other outcome causing it to stop being processed. These reasons are described in further detail in Table 4, below.

**Table 4. Applicants Not Enrolled in TAP** 

Outcome	Count
Denied	
Failed to meet Income and Residency Guidelines	29
Failed to meet Income Guidelines (no Special Hardship)	685
Failed to meet Residency Guidelines	991
Installation Type Not Eligible for TAP	33
Missing or Invalid Income or Residency Documentation	3,743
Missing information on application form	516
Failed to prove Special Hardship	80
Total Denials	6,07
Enrolled in More Affordable Alternative	
Senior Citizen Discounted Bill <sup>4</sup>	747
Senior Citizen Discounted Bill + Extended Payment Agreement	210
Regular Bill <sup>5</sup>	639
Regular Bill + Extended Payment Agreement	1,44
WRBCC Agreement	28
Total More Affordable Alternative Placements	3,33
Other Outcomes	
Customer Withdrew Application	1
Data Transfer <sup>6</sup>	16
Total Other Outcomes	17

<sup>&</sup>lt;sup>4</sup> Senior Citizen Discounted Bill may also include a standard payment agreement. Standard agreements are reported in Section 3.3, below.

<sup>&</sup>lt;sup>5</sup> Regular Bill may also include a standard payment agreement. Standard agreements are reported in Section 3.3, below.

<sup>&</sup>lt;sup>6</sup> When customers had more than one application in progress at the same time, information was transferred to the newest application for processing, older applications were categorized as "Data Transfer," and were no longer processed. Similarly, previously denied applications were transferred for re-evaluation when WRB identified available OOPA information or the customer submitted additional required documentation after denial. The subsequent approvals or denials are also captured in these figures.

#### 4.3 NON-TAP PAYMENT AGREEMENTS

As of December 31, 2018, there were 7,636 active payment agreements between residential water customers and WRB. Of these agreements, 7,038 (92%) were created in 2018, while 598 (8%) were created in previous years and were still ongoing as of the end of 2018. Residential agreements are categorized as one of seven types, some of which relate to TAP.

- 1) First Standard Agreements: First standard agreements are available to residential customers irrespective of income. Under a first standard agreement, a 25% down payment is requested from the customer.
- 2) Second Standard Agreements: Second standard agreements are available to residential customers irrespective of income. Under a second standard agreement, a 50% down payment is requested from the customer.
- 3) Ten/Five (or 10% down, 5% per month) Agreements: These agreements were available to residential customers who met income qualifications. There were no new ten/five agreements created during 2018.
- 4) Water Revenue Bureau Conference Committee (WRBCC) Agreements: WRBCC agreements were available to residential customers who meet income qualifications, were previously enrolled in the WRBCC program, and had WRBCC be the most affordable alternative or opted to remain in the WRBCC program.
- 5) Extended Payment Agreements: A new Extended Payment Agreement was introduced during 2017 to assist customers who were income-ineligible for TAP.
- 6) TAP Payment Agreements: These new agreements were created for customers to catch up on missed TAP payments.
- 7) TAP Landlord Agreements: TAP Landlord Agreements are agreements automatically created for TAP customers who switch from customer (owner) to landlord (with tenant customer) status. TAP Landlord Agreements are meant to be short-term solutions until a different agreement can be created for these customers, since landlords who are not occupying the property are not eligible for TAP.

The 7,038 active residential agreements created in 2018 were made up of 4,125 First Standard Agreements, 1,922 Second Standard Agreements, 287 Water Revenue Bureau Conference Committee (WRBCC) Agreements, 676 Extended Payment Agreements, 26 TAP Payment Agreements, and 2 TAP Landlord Agreements (See Figure 3 above). Active residential agreements created in 2018 cover just over \$9M in principal debt, \$1.2M in penalties and \$103,000 in other fees (such as returned check fees).

Table 5, Table 6, and Table 7 provide counts for active residential agreements as of December 31, 2018 by term range along with the principal, penalties, and other fees covered under the agreements. Table 5 shows information for agreements created in 2018; Table 6 shows agreements created before 2018; and Table 7 shows all agreements (the sum of agreements shown in Table 5 and Table 6).

As of December 31, 2018, there were 27,210 customers enrolled in the Senior Citizen Discount (SCD) program, some of which were enrolled prior to the new customer assistance application process.

Table 5. Active (as of 12/31/18) Residential Agreements Created in Calendar Year 2018

Agreement Type by Term Range	Count	Principal	Penalties	Other Fees
First Standard Agreements				
0–12	2,644	\$897,787.03	\$40,580.95	\$2,638.12
13–24	1,163	\$1,107,951.46	\$100,204.52	\$10,881.76
25–36	172	\$418,467.89	\$62,081.98	\$6,154.98
37–48	63	\$288,878.64	\$32,634.06	\$3,430.21
48-60	83	\$484,155.29	\$125,186.55	\$7,220.16
Total First Standard Agreements	4,125	\$3,197,240.31	\$360,688.06	\$30,325.23
Second Standard Agreements				
0–12	1,033	\$526,332.01	\$33,903.46	\$2,963.14
13–24	528	\$515,232.98	\$53,200.56	\$6,579.16
25–36	157	\$335,787.86	\$62,467.86	\$5,987.25
37–48	104	\$299,817.90	\$69,169.71	\$6,001.63
48–60	100	\$444,630.15	\$105,312.61	\$7,823.00
Total Second Standard Agreements	1,922	\$2,121,800.90	\$324,054.20	\$29,354.18
WRBCC Agreements				
0–12	287	\$1,163,166.99	\$155,272.83	\$9,089.68
Total WRBCC Agreements	287	\$1,163,166.99	\$155,272.83	\$9,089.6
Extended Payment Agreements				
13–24	131	\$125,504.94	\$9,314.31	\$1,556.3
25–36	90	\$140,297.94	\$13,389.90	\$2,144.5
37–48	59	\$119,708.79	\$14,994.66	\$2,673.4
48–60	53	\$131,530.77	\$15,413.39	\$2,183.9
60+	131	\$125,504.94	\$9,314.31	\$1,556.3
Total Extended Payment Agreements	676	\$2,532,774.92	\$369,529.26	\$34,333.4
TAP Payment Agreements				
0–12	26	\$5,697.34	\$0.00	\$83.4
Total TAP Payment Agreements	26	\$5,697.34	\$0.00	\$83.4
TAP Landlord				
60+	2	\$5,196.10	\$0.00	\$40.0
Total TAP Landlord	2	\$5,196.10	\$0.00	\$40.0
TOTAL TAL EUNAIOLA		1-1		

Table 6. Active (as of 12/31/18) Residential Agreements Created Before 2018

Agreement Type by Term Range	Count	Principal	Penalties	Other Fees
First Standard Agreements	Count	Timopai	T CHAICICS	Other rees
0–12	17	\$0.00	\$0.00	\$0.00
13–24	43	\$107,257.38	\$6,794.63	\$907.25
25–36	76	\$200,274.11	\$25,798.45	\$2,284.98
37–48	52	\$229,384.28	\$34,034.99	\$1,850.00
48–60	54	\$282,203.58	\$25,038.90	\$1,400.00
60+	1	\$5,020.91	\$4,115.33	\$80.00
Total First Standard Agreements	227	\$824,140.26	\$95,782.30	\$6,522.23
Second Standard Agreements				
0-12	-	\$-	\$-	\$-
13–24	21	\$30,992.54	\$3,614.20	\$400.00
25–36	52	\$117,100.25	\$21,880.57	\$1,472.74
37–48	60	\$214,426.05	\$32,117.19	\$1,666.78
48–60	48	\$223,763.06	\$39,716.60	\$2,358.82
Total Second Standard Agreements	181	\$586,281.90	\$97,328.56	\$5,898.34
Ten/Five Agreements				
0-12	-	\$-	\$-	\$
13–24	2	\$1,051.34	\$28.66	\$10.00
25–36	8	\$5,182.61	\$454.17	\$50.00
37–48	14	\$12,940.87	\$1,308.43	\$160.00
48–60	121	\$351,598.27	\$39,440.78	\$2,685.69
60+	3	\$10,620.49	\$2,090.95	\$33.6
Total Ten/Five Agreements	148	\$381,393.58	\$43,322.99	\$2,939.3
WRBCC Agreements				
0–12	8	\$23,000.36	\$2,714.78	\$200.0
Total WRBCC Agreements	8	\$23,000.36	\$2,714.78	\$200.0
<b>Extended Payment Agreements</b>				
0–12	-	\$-	\$-	\$
13–24	6	\$4,978.77	\$427.26	\$50.0
25–36	2	\$2,473.05	\$203.09	\$40.0
37–48	2	\$2,804.15	\$282.57	\$40.0
48–60	3	\$5,162.84	\$346.14	\$30.0
60+	21	\$93,145.05	\$16,728.36	\$1,125.9
Total Extended Payment		_		
Agreements	34	\$108,563.86	\$17,987.42	\$1,285.9
Total of all Agreements	598	\$1,923,379.96	\$257,136.05	\$16,845.8

<sup>&</sup>lt;sup>7</sup> This agreement had been fully paid off, but was still listed with an "Active" status as of December 31, 2018.

Table 7. Summary of All Active (as of 12/31/18) Residential Agreements as of December 31, 2018

Agreement Type by Term Range	Count	Principal	Penalties	Other Fees
First Standard Agreements				-
0–12	2,645	\$897,787.03	\$40,580.95	\$2,638.12
13–24	1,206	\$1,215,208.84	\$106,999.15	\$11,789.01
25–36	248	\$618,742.00	\$87,880.43	\$8,439.96
37–48	115	\$518,262.92	\$66,669.05	\$5,280.21
48–60	137	\$766,358.87	\$150,225.45	\$8,620.16
60+	1	\$5,020.91	\$4,115.33	\$80.00
Total First Standard Agreements	4,352	\$4,021,380.57	\$456,470.36	\$36,847.40
Second Standard Agreements				
0-12	1,033	\$526,332.01	\$33,903.46	\$2,963.14
13–24	549	\$546,225.52	\$56,814.76	\$6,979.10
25–36	209	\$452,888.11	\$84,348.43	\$7,459.99
37–48	164	\$514,243.95	\$101,286.90	\$7,668.43
48-60	148	\$668,393.21	\$145,029.21	\$10,181.83
Total Second Standard Agreements	2,103	\$2,708,082.80	\$421,382.76	\$35,252.5
Ten/Five Agreements				
0–12	_	\$-	\$-	ç
13–24	2	\$1,051.34	\$28.66	\$10.0
25–36	8	\$5,182.61	\$454.17	\$50.0
37–48	14	\$12,940.87	\$1,308.43	\$160.0
48–60	121	\$351,598.27	\$39,440.78	\$2,685.6
60+	3	\$10,620.49	\$2,090.95	\$33.6
Total Ten/Five Agreements	148	\$381,393.58	\$43,322.99	\$2,939.3
WRBCC Agreements				
0–12	295	\$1,186,167.35	\$157,987.61	\$9,289.6
Total WRBCC Agreements	295	\$1,186,167.35	\$157,987.61	\$9,289.6
Extended Payment Agreements				
13–24	137	\$130,483.71	\$9,741.57	\$1,606.3
25–36	92	\$142,770.99	\$13,592.99	\$2,184.5
37–48	61	\$122,512.94	\$15,277.23	\$2,713.4
48-60	56	\$136,693.61	\$15,759.53	\$2,213.9
60+	364	\$2,108,877.53	\$333,145.36	\$26,901.1
Total Extended Payment				-
Agreements	710	\$2,641,338.78	\$387,516.68	\$35,619.4
TAP Payment Agreements				
0–12	26	\$5,697.34	\$0.00	\$83.4
Total TAP Payment Agreements	26	\$5,697.34	\$0.00	\$83.4
TAP Landlord				
60+	2	\$5,196.10	\$0.00	\$40.0
Total TAP Landlord	2	\$5,196.10	\$0.00	\$40.0

#### 4.4 CUSTOMERS DEFAULTING FROM TAP

PWD Regulations Section 206.6(c), below, describes the reasons for which a customer may be removed from TAP.

In addition to removal from TAP pursuant to Section 206.6(a) and (b) of these regulations, a TAP Customer may be removed from TAP for submitting intentionally false enrollment or recertification information/documentation, unauthorized use of service (providing water for use at a location other than the Customer's primary residence), failure to recertify upon request by WRB, or failure to accept and reasonably maintain free conservation services offered by the Water Department.

During 2018, there were 292 cases of TAP participants defaulting from TAP, all for failure to successfully recertify. The vast majority of applicants (244) did not respond to the recertification request, 26 were denied for cause, and 22 were enrolled in a more affordable alternative. Table 8 below describes the outcome of these unsuccessful recertification applications. There were no defaults for reasons of submitting intentionally false information/documentation, unauthorized use of service, or failure to accept and reasonably maintain free conservation services. Customers who opted out of TAP or closed their water accounts are not included in these figures.

**Table 8. Customers Defaulting from TAP** 

Outcome	Count
Did Not Respond	244
Denied	
Failed to meet Income Guidelines (no Special Hardship)	1
Failed to meet Residency Guidelines	3
Missing or Invalid Income or Residency Documentation	19
Missing information on application form	3
Total Denials	26
Enrolled in More Affordable Alternative	
Senior Citizen Discounted Bill	3
Senior Citizen Discounted Bill + Extended Payment Agreement	2
Regular Bill	3
Regular Bill + Extended Payment Agreement	14
Total More Affordable Alternative Placements	22

# 5. CONCLUSION

During 2018, the City successfully continued administering a complex customer assistance program. Customer participation grew dramatically, in part as a result of ongoing outreach efforts. Participation levels are still demonstrating the public's interest in achieving affordable water bills, which are now a reality for thousands of customers.

During 2018, with the assistance of our partners, WRB has successfully **enrolled 13,413 customers in TAP.** Some of these customers are beginning their second year of TAP participation through the automatic recertification process. **As of December 2018, there were 15,868 active TAP participants.** 

Ongoing efforts to foster public awareness of TAP's launch -- through marketing, outreach and government and community partnerships --have yielded solid results to date. As we celebrated the program's first anniversary, application submissions and outcomes continue to point to a positive story, with growing enrollment numbers and significant savings for the City's eligible customers.

# Tiered Assistance Program (TAP)

2019 | Water Revenue Bureau

# **Survey Report**

#### Prepared by:

Nina Hoe Gallagher, PhD Director of Research & Evaluation, ImpactED University of Pennsylvania ninahoe@upenn.edu 215-410-0960

Ami Patel, ImpactED Fellow University of Pennsylvania

#### Submitted to:

Hailey Stern/Philadelphia Water Department, Public Affairs Team



# **Table of Contents**

Table of Contents	1
Background	2
Methodology	2
Limitations	2
Findings	3
Why did residents apply and how was the process?	3
What are TAP survey participant's demographics?	4
How did residents learn about the program and apply?	5
What is the turnaround time?	7
What is the LICAP participation for TAP participants?	8
How has the TAP program affected participants?	8
What is the satisfaction level for TAP participants?	9
How should WRB communicate with TAP participants?	10
Recommendations	11
Recommendations for Improving Services	11
Recommendations for Future Research	11

# **Background**

The Tiered Assistance Program (TAP) began in 2017 as an affordability program, designed to help PWD customers who are low-income, senior citizens, or facing a special hardship to pay their monthly water bill. The goal of TAP is to improve upon the City's existing customer assistance programs by easing the financial burden on City residents most in need.

Currently, TAP administrators are tasked with increasing enrollment for the program and switching senior citizen discount users to the TAP program. The purpose of the 2019 TAP survey was to better understand participant satisfaction levels and identify locations for future marketing.

# Methodology

ImpactED developed the 2019 TAP Survey in collaboration with the Philadelphia Water Department (PWD). In total, 6,773 program participants were invited to take the survey and 1,782 people completed the survey, yielding a response rate of 26%. The survey was open from April 30th, 2019 - May 27th, 2019.

### Limitations

There are two primary methodological limitations of this survey. The first is related to the survey mode, and the second, how TAP participants were recruited to participate in the survey. The survey was only available online, and thus, participants who do not have access to the internet or who prefer not to use the internet could not take the survey. Second, only TAP participants who provided valid email addresses were invited to take the survey. Thus, the sample is limited to TAP participants with email addresses and those willing to participate in an online survey. which may exclude participants who do not use the internet.

To account for non-response within the given sample, the survey response data was weighted to reflect the population of TAP participants with email addresses, based on their reported income levels. However, the data barely changed after weighting, which means the survey sample was very representative of TAP participants.

# **Findings**

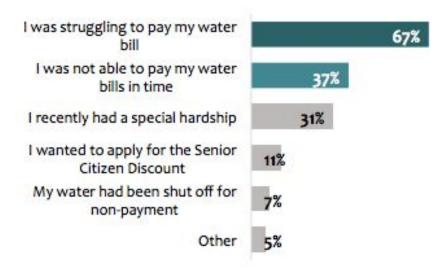
The study resulted in key findings across several topic areas discussed below. Throughout the findings, "TAP participants" is used to refer to the population of TAP participants with email addresses that comprised the sample.

### Why did residents apply and how was the process?

> WHY? | The majority of TAP participants applied for the program because they were struggling to pay their water bill.

When asked why participants applied for the TAP program, 67% said that they were struggling to pay their water bill with the second most common response being that they could not pay their water bill on time. Figure 1 below shows the full set of responses.

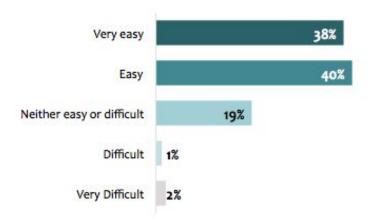
Figure 1. Reasons residents applied for TAP



> EASE OF APPLICATION? | The large majority of TAP participants found the application process either very easy or easy.

Overall, 78% of TAP participants found the application process either very easy or easy, with only 3% of total respondents indicating that the application process was difficult or very difficult, as shown in Figure 2.

Figure 2. Perceptions of TAP application process ease.



> HELPFULNESS? | Nearly all (98%) of TAP participants found the supporting documents helpful in preparing the TAP application.

PWD provided supporting materials such as a factsheet and application checklist to help residents through the application process. 98% of participants found the supporting documents helpful in preparing the application.

# What are TAP survey participant's demographics?

The large majority of TAP participants are homeowners who have been Philadelphia residents for more than ten years.

TAP participants are largely long term Philadelphia homeowners. 85% of participants are homeowners and 89% have been Philadelphia residents for more than ten years

Almost half of participants are Black or African American

In terms of race, 43% of participants identified as Black or African American, 12% White, 8% Hispanic or Latino/a, 4% Other, and 1% Asian.

➤ The large majority (85%) of TAP participants are females.

Females make up 85% of TAP participants, males account for 14%, and 1% identified as "Other".

The majority of TAP participants enrolled in 2018.

In terms of TAP enrollment, 44% of TAP participants enrolled in 2018, 19% in 2017, 11% in 2019 and 26% of participants are not sure which year they joined the program.

The majority of those enrolled in a water bill assistance program before 2017 were enrolled in Water Revenue Assistance Program (WRAP).

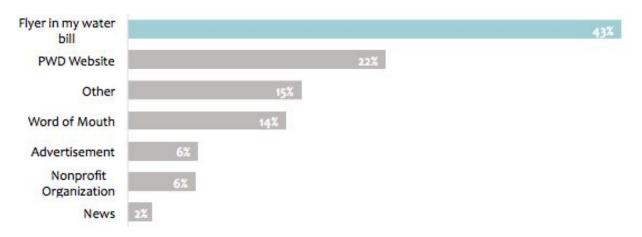
Prior to the TAP program, eligible residents could participate in the WRAP program to help them with their water bill. 88% of those who were enrolled in a water bill assistance program before 2017 were in the WRAP program.

### How did residents learn about the program and apply?

#### Almost half of TAP participants learned about the program through a flyer with their water bill.

Forty three percent of TAP participants learned about the program through a flyer with their water bill. Other common responses were through the PWD website and "other", as shown in the image below.

Figure 3. How Residents learned about the TAP program

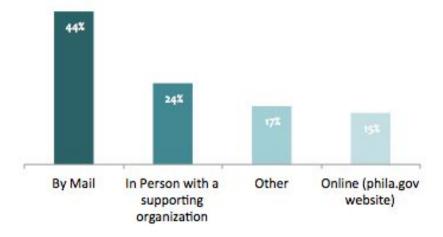


Out of the 15% of TAP participants who selected "other", their responses mainly described community groups, Philadelphia Water Department, Water Revenue Bureau, or another city department.

#### > The most common method of applying for the TAP program was via mail.

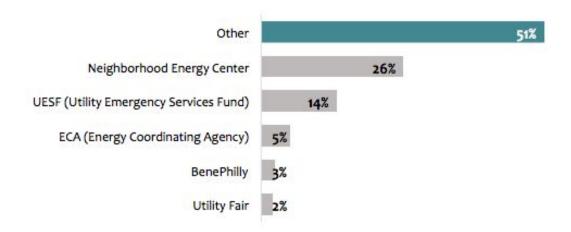
Overall, 44% of participants applied for the program via mail while 24% applied in person with a supporting organization.

Figure 4. Methods of applying for the TAP program



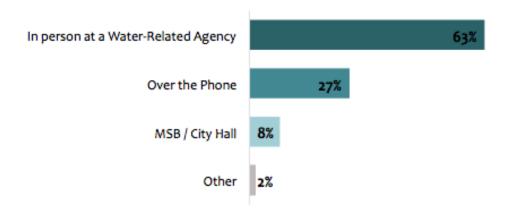
If participants indicated that they applied "in person with a supporting organization", respondents were asked a follow up question asking where they applied in person (results shown in the graph below). Fifty one percent of participants who indicated that they applied in-person said they applied through "other" source. After an analysis of the open ended responses for "other", the most common answers were PWD, WRB, or another city department.

Figure 5. Breakdown of where participants applied "In Person with a supporting organization"



Of the 17% of participants who responded "other," the most common responses were from a city department (mainly PWD and WRB). Some respondents responded that they called PWD / WRB or walked in to one of these departments for help in person. A few participants said they were automatically enrolled into the TAP program from WRAP.

Figure 6. Breakdown of "Other" responses for those who applied in person

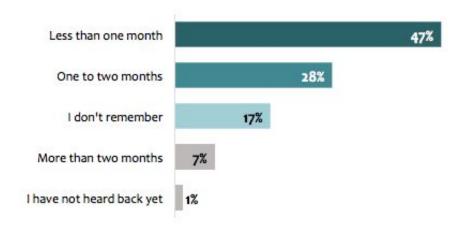


#### What is the turnaround time?

Nearly half of participants were notified about the status of their TAP application within one month.

Overall, 47% of participants reported that they received notice about the status of their application in less than one month from submitting their information. Another 28% heard back in one to two months with only 7% saying it took two months to receive a response.

Figure 7. Turnaround time for the TAP application



Most of TAP participants would have submitted their application through email if it had been an option.

Currently, the TAP program does not accept applications via email, although applicants can apply online. 65% of participants would have used email to apply for the program, had it been an option.

## What is the LICAP participation for TAP participants?

➤ The majority (67%) of TAP participants do not participate in the LICAP program.

The LICAP program is a conversation assistance program that provides water conservation devices and education to low income customers (at or below 150% of the poverty line). 67% of TAP participants do not currently participate in the LICAP program.

➤ A higher proportion of TAP participants who received assistance completing the application also participate in the LICAP program, as compared to people who did not get assistance in completing the application.

When comparing TAP participants who received assistance in completing the application with those who did not get assistance in completing the application, it was evident that those who received assistance were more likely to be part of the LICAP program (23%), than those who did not receive assistance (16%).

➤ Participants who are enrolled in both TAP and LICAP use less water than before starting the TAP program compared to participants who are only enrolled in the TAP program.

In terms of water usage, those who participate in **both** the TAP and LICAP program say that they are using less water than before starting the TAP program (46%), compared to 30% of those who only participate in TAP and not the LICAP program.

### How has the TAP program affected participants?

> The majority of TAP participants feel like the program has helped them with their budget.

Since joining the TAP program, 88% of participants responded that the program has helped with their monthly budget while 8% said there was no change and 4% said it did not help them.

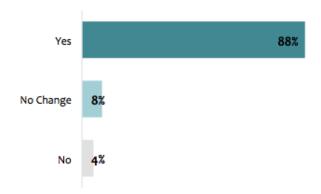
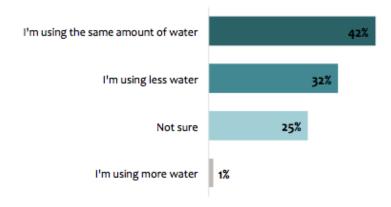


Figure 8. Percentage of participants who believe that the TAP program has helped with their budget

➤ Almost half (42%) of TAP participants feel like they are using the same amount of water as before enrollment.

When asked about their water usage, 42% of participants believe they are using the same amount of water as before they enrolled in the TAP program, 32% say they are using less water, 25% are not sure, and 1% is using more water.

Figure 9. TAP Participant's water usage compared to before enrolling in the program

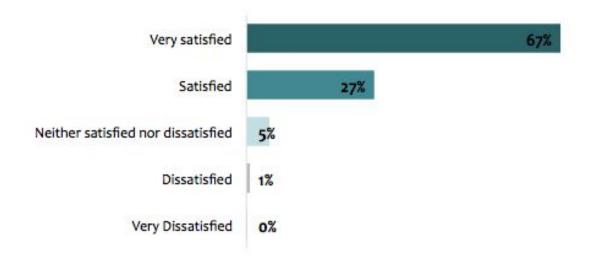


### What is the satisfaction level for TAP participants?

➤ Nearly all TAP participants responded positively when asked how satisfied they were with the program.

Overall, 94% of participants are very satisfied or satisfied with the TAP program. 5% provided a neutral answer and only 1% responded that they were dissatisfied. 0% responded very dissatisfied.

Figure 10. TAP participants' level of satisfaction

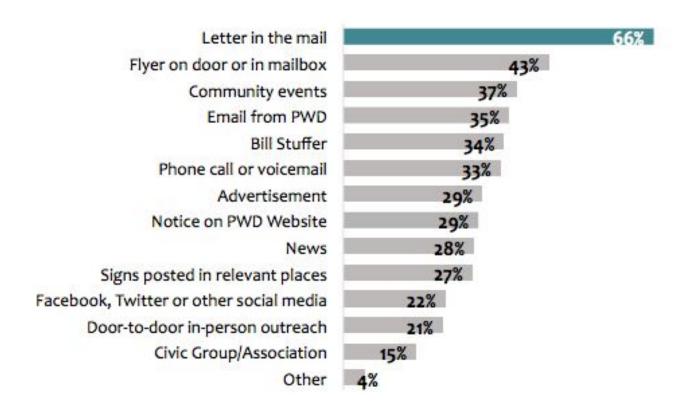


# How should WRB communicate with TAP participants?

More than half of TAP participants (66%) think a letter in the mail is the best way to promote the TAP program.

Overall, 66% of TAP participants indicated that they believe the best way to promote the program is through a letter in the mail. This finding is very consistent to what was discovered in the 2019 PWD Comprehensive survey in terms of how residents prefer to receive information about upcoming PWD events and projects. A flyer in the door or in the mailbox was the second most popular option at 43%, showing a theme of direct paper advertisements being a very popular theme with program participants. Of note, 35% of respondents indicated that emails from PWD would be a good way to promote the TAP program. Given the low cost of emails compared to other methods, such as mailed letters, flyers, bill stuffers and phone calls, this is a method worth further exploration.

Figure 9. Participant's opinion on how to promote the TAP program



# Recommendations

### **Recommendations for Improving Services**

The following recommendations are based on the findings from this report, and reflections of the Water Revenue Bureau staff.

- Explore using email as a way to promote and increase awareness about the TAP program. Considering the positive response when asked if participants would have applied via email if it had been an option, in addition with the above graphic which shows an email from PWD at 35% for the best way to promote the program, digital communication could be an area to explore further.
- Provide education and information about the LICAP program during or after TAP enrollment, especially for those who apply in person.

Since the majority of TAP participants do not participate in the LICAP program, there could be further outreach to increase knowledge about this program, which helps residents conserve water.

# > Overall satisfaction levels are high, consider additional use of testimonials and statistics in future campaigns to promote TAP.

Consider adding an open ended response question to the next survey to capture the high levels of satisfaction for the TAP program.

#### **Recommendations for Future Research**

➤ Consider including "PWD," "WRB" or a general city department category for questions regarding how participants heard about the program, how they applied, etc. as this was the most common response in "other".

Adding this option could decrease the number of responses that fell into the "other" category, which could provide a more accurate depiction of the survey data.

#### > Explore options for surveying non-email users.

This could allow us to collect data and perspectives from those who do not have access to the internet or have an email address.

#### Explore the in-person application further.

Consider adding more in depth question regarding the process of in person applications for the TAP program.

Explore the effectiveness of the changed new application, especially since so many participants rated it as easy.

The survey could ask participants what makes the new application so easy to use in order to gain deeper insight into the participant application experience. The survey could compare those were enrolled under the WRAP program, compared to the TAP program for ease of application.

#### ➤ Continue to measure the number of water shutoffs for TAP participants.

Since PWD did not shut off water service for TAP participants with delinquent accounts thus far, it could be useful to monitor the number of shutoffs in the coming year when they do stop water service for participants who do not pay their monthly bill.

#### Consider using data from the TAP program in coordination with survey data.

The TAP program collects data such as where, when, and how participants apply for the program so that could be used, alongside the self reported survey data to better understand the TAP program and participants.