



November 24, 2020

Residents:

We are planning significant changes in utility billing and want to keep you fully informed of them through this letter. These changes are necessary for various reasons, but resident feedback is the primary driver. We have also worked through improving our processes with industry and software best practices and with new staff members. Finally, the global health pandemic has made changes in the way we work creating opportunities to redesign existing processes with an eye to the future.

All of this has caused us to rethink every process, to streamline, to do more online – as well as making improvements to our website services offered – and reassess how we can serve our citizens better. We think in the long run this will be a big positive for residents.

As we transition, there will be some changes that are important for you to note.

1. **New full-page utility bill:** We are working with a third party to redesign our utility bill and handle our mailing efforts. Initially, this will just be for those who currently receive a postcard bill. However, we do want to use this third party's online platform to transition current e-mail bill residents to a new electronic bill as well. The new bill will be a full-sized, double-sided bill allowing more detailed information. We are planning to roll this out before April 1, 2021.
2. **New online utility portal:** Along with the new bill, there will be a new online portal through our website at www.hermantownmn.com. Each resident is strongly encouraged to sign up for the Online Utility Portal to access their personal account information. In that portal residents can view each bill for the last 24 months, make a single payment, sign up for auto pay and paperless billing, and more. This will be rolled out at the same time as the new bill.
3. **New fillable online utility forms:** From transferring services when you sell your home to new sod in the summer and more, we plan to put more and better forms on our website which can be filled out and submitted online. This will reduce printing and mailing, reduce the need to visit City Hall, reduce e-mail attachments, and will more quickly and efficiently serve you.

Working together to serve and build our community.

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4. **New billing cycle:** To add greater clarity when reading your bill, and to conform to utility billing best practices, we are going to change our utility billing cycle. This means a change in the meter reading date, billing date, and due date for payments. We will start this process in December and will take a couple of months to fully transition to the new billing cycle. Currently we read our utility meters near the beginning of each month, but billing for that reading isn't in your possession for nearly two more months - and isn't due until about 80 days after when the billing period starts. Through our new process, this entire timeline will shorten. This does mean your bill over the next two months leading up to the change will include about seven (7) extra days usage as we phase to the new billing cycle. Below is our planned schedule for the next few months.

	DECEMBER 2020	JANUARY 2021	FEBRUARY 2021	MARCH 2021
USAGE DATES	Nov 3-Dec 10	Dec 11-Jan 18	Jan 19-Feb 17	Feb 18-Mar 17
READ DATE	12/10/2020	1/18/2021	2/17/2021	3/17/2021
BILL DATE	12/23/2020	1/25/2021	2/24/2021	3/24/2021
DUE DATE	1/20/2021	2/10/2021	3/10/2021	4/10/2021

This new billing cycle will trim the time down from the meter reading to your bill due date, which will help cut down on confusion if there are billing questions.

5. One more point to note, which isn't about our process changes, but is connected to our work in utility billing. We have worked through the annual process of setting our fees and rates for 2021 and will have a small increase in our water and sewer rates. This is due to the larger increases we are inheriting from both the City of Duluth, where we purchase our water, and WLSSD, who protects and improves water quality in our region. The water rate will increase 4%, while the sewer rate will increase 2.5%.

We will continue to update you through our website and social media. Our City website - www.hermantownmn.com - has a great deal of helpful information beyond utility billing and is especially helpful during these times of social distancing. You can also follow the City's two official social media accounts on Facebook and Twitter (@hermantownmn) for additional information.

Thank you,

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