

PORTSMOUTH, VA TREASURER'S OFFICE GOES FROM COST CENTER TO REVENUE CENTER

The OPEX® Falcon® Scanner delivers immediate impact

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// THE BACKGROUND

The Treasurer's Office of the City of Portsmouth, Virginia is responsible for the collection, disbursement, and accounting of state and local funds, including investing with the banking community to acquire the highest and safest return on investments. The department handles a wide variety of payments, such as taxes, real estate taxes, public utility bills, and personal property liens. Paige Cherry was elected City Treasurer of Portsmouth, VA in 2018. He made it his mission to efficiently perform city services on behalf of the public by improving how revenues were being collected and invested.

// THE CHALLENGE

Cherry, along with Bruce LaLonde, the IT Project Manager, realized their first order of business was to recover millions of dollars in uncollected debts owed to the City. They also wanted to make future debt collection efficient by improving their check processing. The City was outsourcing its payment processing to a third-party which resulted in expensive, delayed funds and a confusing remit address for constituents. Because of inefficiencies in the current system, Cherry knew there was a better way to handle taxes and payments while simultaneously reducing costs.

// KEY CHALLENGES



MILLIONS OF DOLLARS IN UNCOLLECTED TAX DEBT



OUTSOURCING PAYMENT AND CHECK PROCESSING WAS EXPENSIVE AND SLOW



CONFUSING ADDRESS FOR PAYMENTS

// KEY RESULTS

75%

DECREASE IN PROCESSING
TIME FOR CHECKS AND PAYMENTS

\$20K

SAVED IN OUTSOURCING
COSTS EACH MONTH

90

DAYS TO RECEIVE ROI

// THE SOLUTION

Paige Cherry and Bruce LaLonde turned to OPEX® and implemented a Falcon®V RED™ mail extractor and scanner that allows the City to process checks and payments in-house, saving on costs that would otherwise be spent on outsourcing while realizing the benefits of same-day deposits. The initial investment in the equipment provided an ROI of approximately 90 days. The City didn't have to hire any additional staff to insource, saved \$40,000 in outsourcing costs, and earned about \$80,000 in revenue during the quarter. Additionally, when Cherry and LaLonde purchased this technology in 2018, neither could foresee how they were helping to insulate the City from the impact of a pandemic that would occur two years later. However, the OPEX® solution helped them stay fully operational during the pandemic without any employee lay-offs or furloughs. The system allowed them to quickly process any payments received through inbound mail and their 24-hour drop box immediately upon receipt, without the need for outside intervention.

// THE FUTURE

After implementing their new OPEX® solution, the City of Portsmouth, is now a successful revenue center that generates income for improving the community, and is no longer constrained by a small budget with limited revenue sources.

"WE SAW AN ROI IN 90 DAYS!"

-Bruce LaLonde

IT Project Manager, City of Portsmouth, VA

"WE WANTED TO MAKE IT INTO A REVENUE CENTER, NOT JUST A COST CENTER. OPEX® HAS BEEN A TREMENDOUS HELP WITH THAT."

-Paige Cherry

Treasurer, City of Portsmouth, VA

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