

## The Town of Leesburg

### Client



The Town of Leesburg, Virginia is located 45 miles from the nation's capital, only a short drive from the Blue Ridge Mountains. The town government provides a full array of services to its 40,000 residents and collects the monies needed to pay for those services through fees, taxes, fines and penalties.



### Situation

For many years, the Town handled payment processing internally. All payments that came in via the mail were opened and posted to the accounts, and checks were deposited by Town employees. However, as the Town (and the number of transactions) grew, it became more and more difficult to process payments quickly and efficiently in-house. In 2007 the Town decided that outsourcing would free up Town employees and improve processing efficiency.

“We needed more help getting payments processed,” said Kim Williams, Deputy Director of Finance/Controller. “In 2007, we decided to outsource lockbox services as part of our banking services contract, and Merkle Response was chosen by the bank to serve as the sub-contractor for those services. When the bank services contract came up for renewal 2010, the Town issued a Request for Proposal and allowed the lockbox services to be bid on separately.”

After evaluating all of the responses, the Town chose to award the lockbox services contract to Merkle Response. The Town’s positive experience with Merkle Response as a sub-contractor, including adherence to service level standards for on-time deposits and accurate data delivery, were key factors in the decision. However, the direct communication afforded by the contract allowed the Town to more effectively take advantage of Merkle Response’s full range of solutions and demonstrated customer service excellence.

### Approach

When the Town chose Merkle Response, they received a number of benefits that come from partnering with a vendor with over 30 years of experience in the industry.

Each day, Merkle picks up the personal property, real property and water/sewer payments from the Town’s P.O. boxes, and takes them back to their Hagerstown facility for processing. The reply coupons and checks are then scanned using Merkle’s data capture and imaging technology. Using a proprietary web-based information retrieval system called Arch-e the Town now has a way to readily

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**Kim Williams**  
Deputy Director of  
Finance/Controller

retrieve images of individual payments from their desktops – making their ability to handle customer inquiries easier than ever.

And by providing same-day deposit of payments into the Town's bank account electronically via Image Cash Letter, Merkle Response has also helped the Town enhance the security of their remittance processing and improve cash flow.

Recently, the Town worked with Merkle Response to integrate data capture and upload processes with a new tax system installed by the Town. By making sure the scan lines on outgoing mail are readable and the proper record layouts are in place, the data captured from responses is seamlessly imported into their new system.

## Results

With Merkle Response as its partner, the Town can focus more on helping its customers at the counter and on the phone, and can determine when payments are made and make adjustments to records confidently using the Arch-e information retrieval system.

“We're all very happy with our ongoing relationship with Merkle Response,” said Williams. “The efficiencies gained by working with Merkle are great, and they've done everything we expected of them and more. Being able to redirect staff resources and process payments in a timely manner has always been a key benefit, and Merkle Response has consistently demonstrated a willingness to work hard to make sure that our payment processing always runs smoothly.”

Today, Merkle Response handles between 80 and 90 percent of the Town of Leesburg's revenue, with most of that coming from real estate taxes, personal property taxes and water/sewer fees. From June 1, 2012 to June 30, 2013, Merkle helped the town deposit over \$18 million, quickly and accurately.

