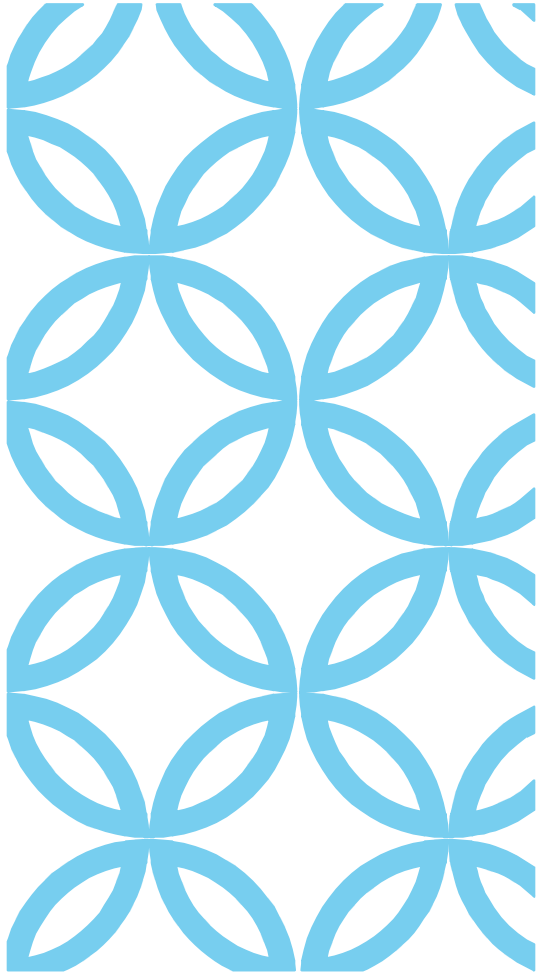




UTILITY SETUP AND ADMINISTRATION

Stormwater Utility Funding



Billing Setup

Customer Account Maintenance

Accounting

Oversight

Staff Responsibilities

Ordinance

Variations

UTILITY SETUP AND ADMINISTRATION

BILLING SETUP

Billing software capabilities – how much information can you add to the bill?

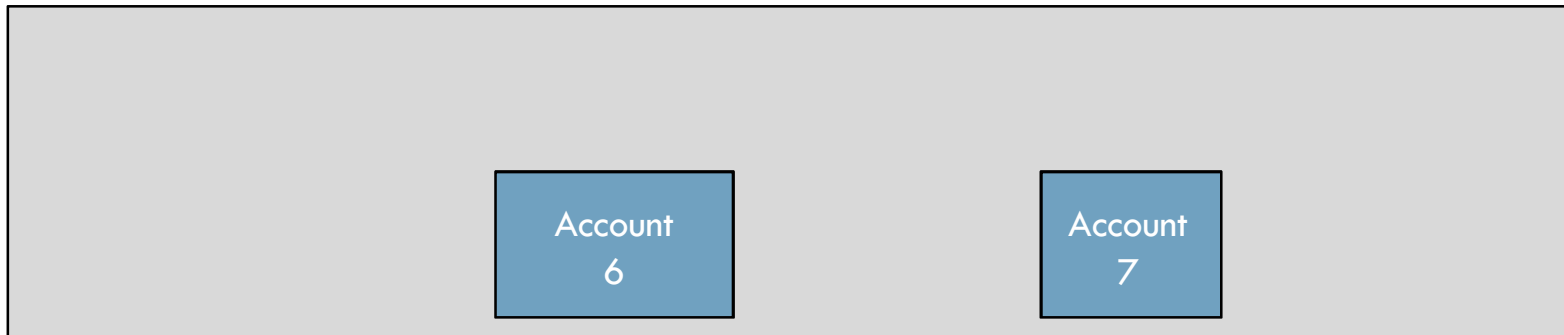
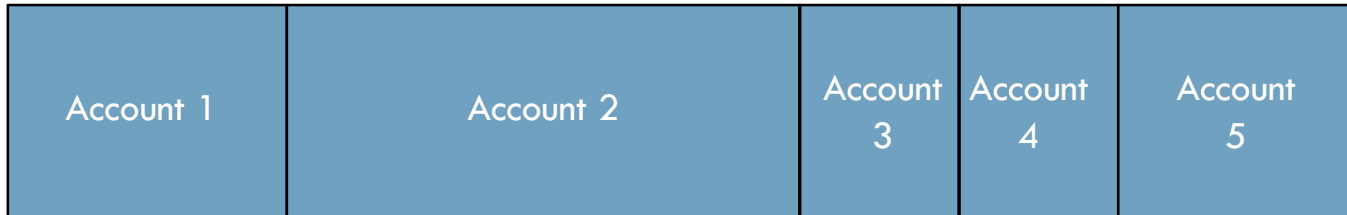
Assigning ERUs or other billing units to existing utility accounts

Creating new customer accounts to bill parcels without existing water or sewer service

Is there a data field in both the ERU database and the utility billing database that matches up?

Rental properties – does the stormwater bill go to the owner or the tenant(s)?

ASSIGNING ERUS TO BILLING ACCOUNTS





CUSTOMER ACCOUNT MAINTENANCE

What development activities will trigger the need to update stormwater customer accounts?

What information needs to be collected and how will it be collected?

Who will be responsible for collecting stormwater account information and alerting utility billing?

When will stormwater utility bills be imposed for new development?

ACCOUNTING — SPECIAL REVENUE FUND VS. ENTERPRISE FUND

Special Revenue Fund – used to track a specific source of revenue, or to report sources of revenue related to a specific activity or service

- Simpler accounting requirements
- Less visibility in financial statements
- Doesn't track all resources used and held for the provision of stormwater service

Enterprise or Proprietary Fund – used to track revenues, expenses, and assets for a business-type activity, i.e. a government service funded primarily through user fees

- More complex accounting
- Tracks inflows, outflows, and balances of all resources used to provide stormwater service
- Greater visibility and accountability for stormwater management in financial statements
- Treats stormwater utilities similar to water or sewer utilities

SPECIAL REVENUE FUND - EXAMPLE

CITY OF OAK CREEK
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2016

	Special Revenue Funds										
	Solid Waste Fund	Donation and Activity Fund	WE Energies Fund	Low Income Loan Fund	Park Escrow Fund	Special Assessment Fund	Economic Development Fund	Future Improvement Fund	Impact Fee Escrow Fund	Asset Forfeiture Fund	Storm Water Fund
ASSETS											
Cash and investments	\$ 320,508	\$ 605,997	\$ 75,619	\$ 9,653	\$ 227,945	\$ 1,956,766	\$ 885,578	\$ 257,293	\$ -	\$ 481	\$ 303,685
Taxes receivable	1,213,054	-	-	-	-	191,434	-	-	-	-	840,040
Accounts receivable	100	1,140	-	-	-	21,626	-	-	1,376	-	-
Special assessments receivable	-	-	-	-	-	706,353	-	-	-	-	-
Loans receivable	-	-	-	6,503	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	314,900	-	-	-	-
Restricted cash and investments	-	-	-	-	-	-	-	-	2,304,702	43,838	-
TOTAL ASSETS	\$ 1,533,662	\$ 607,137	\$ 75,619	\$ 16,156	\$ 227,945	\$ 2,876,179	\$ 1,200,478	\$ 257,293	\$ 2,306,078	\$ 44,319	\$ 1,143,725
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES											
Liabilities											
Accounts payable	\$ 215,545	\$ 12,002	\$ 10,234	\$ -	\$ -	\$ -	\$ 24,984	\$ -	\$ -	\$ -	\$ 4,056
Accrued liabilities	3,441	-	21,055	-	-	-	1,975	-	-	-	14,390
Deposits	-	-	-	-	-	-	-	257,293	-	-	-
Due to other funds	-	-	-	-	-	444,520	-	-	-	-	2,001
Total Liabilities	218,986	12,002	31,289	-	-	444,520	26,959	257,293	-	-	20,447
Deferred Inflows of Resources											
Unearned revenues	1,213,054	-	-	-	-	-	-	-	-	-	840,040
Unavailable revenues	-	-	-	6,503	-	581,578	-	-	-	-	-
Total Deferred inflows of Resources	1,213,054	-	-	6,503	-	581,578	-	-	-	-	840,040
Fund Balances (Deficit)											
Restricted	-	595,135	-	9,653	227,945	-	-	-	2,306,078	44,319	283,238
Committed	101,622	-	44,330	-	-	1,870,081	1,173,519	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balances (Deficit)	101,622	595,135	44,330	9,653	227,945	1,870,081	1,173,519	-	2,306,078	44,319	283,238
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,533,662	\$ 607,137	\$ 75,619	\$ 16,156	\$ 227,945	\$ 2,876,179	\$ 1,200,478	\$ 257,293	\$ 2,306,078	\$ 44,319	\$ 1,143,725

ENTERPRISE FUND - EXAMPLE

VILLAGE OF SUSSEX, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2018

	Business Type Activities - Enterprise Funds				Totals
	Water Utility	Sewer Utility	Stormwater Utility	Community Development Authority	
ASSETS					
Current Assets					
Cash and investments	\$ 875,310	\$ 1,170,089	\$ 52,997	\$ 215,411	\$ 2,313,807
Accounts receivable	347,272	461,477	109,505	-	918,254
Special assessment receivable	10,430	-	-	-	10,430
Taxes receivable	1,499	-	-	-	1,499
Prepaid items	1,439	225	-	-	1,664
Restricted Assets					
Cash and investments	238,532	279,335	-	-	517,867
Current portion of due from other governments	-	206,978	-	-	206,978
Total current assets	1,474,082	2,118,104	162,502	215,411	3,970,499
Non-Current Assets					
Land	271,810	178,830	178,724	300,704	929,068
Construction in progress	163,438	-	-	-	163,438
Property and equipment	27,742,985	49,669,806	12,894,077	-	89,306,871
Accumulated depreciation	(8,509,421)	(21,391,706)	(2,060,525)	-	(31,961,652)
Restricted Assets					
Cash and investments	692,696	2,045,976	167,725	-	3,106,267
Due from other funds	-	1,100,000	-	-	1,100,000
Due from other governments	-	2,383,055	-	-	2,383,055
Accrued interest on investments	-	2,008	-	-	2,008
Other Assets					
Special assessments receivable	435,917	131,164	-	-	567,081
Extraordinary property loss	-	247,706	-	-	247,706
Total non-current assets	20,997,295	33,395,641	11,178,001	300,704	65,842,642
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pension	187,777	233,022	76,863	-	497,662
TOTAL ASSETS AND DEFERRED OUTFLOWS	22,659,555	35,717,767	11,417,366	516,115	70,310,623
LIABILITIES					
Current liabilities - payable from current assets:					
Current portion of long-term debt	225,000	185,000	-	-	410,000
Compensated absences	10,850	17,355	-	-	28,205
Accounts payable	98,489	109,901	2,263	-	210,743
Accrued payroll	5,389	6,450	660	-	12,479
Accrued interest payable	5,017	7,662	-	-	12,679
Unearned revenue	74,762	500	-	-	75,262
Current liabilities - payable from restricted assets:					
Current portion of long-term debt	400,000	388,080	-	-	788,080
Accrued interest payable	5,199	20,815	-	-	25,814
Total current liabilities	624,686	735,563	3,013	-	1,363,262
Long-term debt:					
General obligation debt	800,000	2,875,000	-	-	3,475,000
Revenue bonds	3,000,000	4,468,160	-	-	7,468,160
Net unamortized bond discount and premium	3,742	(16,596)	-	-	(12,854)
Compensated absences	13,972	24,569	-	-	38,532
Net pension liability - Wisconsin Retirement System	33,269	41,704	13,989	-	89,062
Total long-term debt	3,851,083	7,192,848	13,989	-	11,057,920
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows related to pension	71,856	89,741	30,102	-	191,649
Deferred special assessments	435,917	131,164	-	-	567,081
TOTAL DEFERRED INFLOWS	507,773	220,905	30,102	-	758,730
TOTAL LIABILITIES AND DEFERRED INFLOWS	5,183,492	8,149,316	47,104	-	13,379,912
NET POSITION					
Net investment in capital assets					
Restricted:					
Reserve Capacity Assessments	85,962	1,172,790	-	-	1,258,752
Debt Service	228,316	2,841,091	-	-	3,069,407
Equipment Replacement and Depreciation	382,519	1,875,194	167,725	-	2,825,438
Unrestricted	1,115,110	1,674,602	192,281	215,411	3,097,404
TOTAL NET POSITION	\$ 17,476,063	\$ 27,568,451	\$ 11,370,262	\$ 516,115	\$ 56,930,911

See accompanying notes to financial statements

UTILITY OVERSIGHT

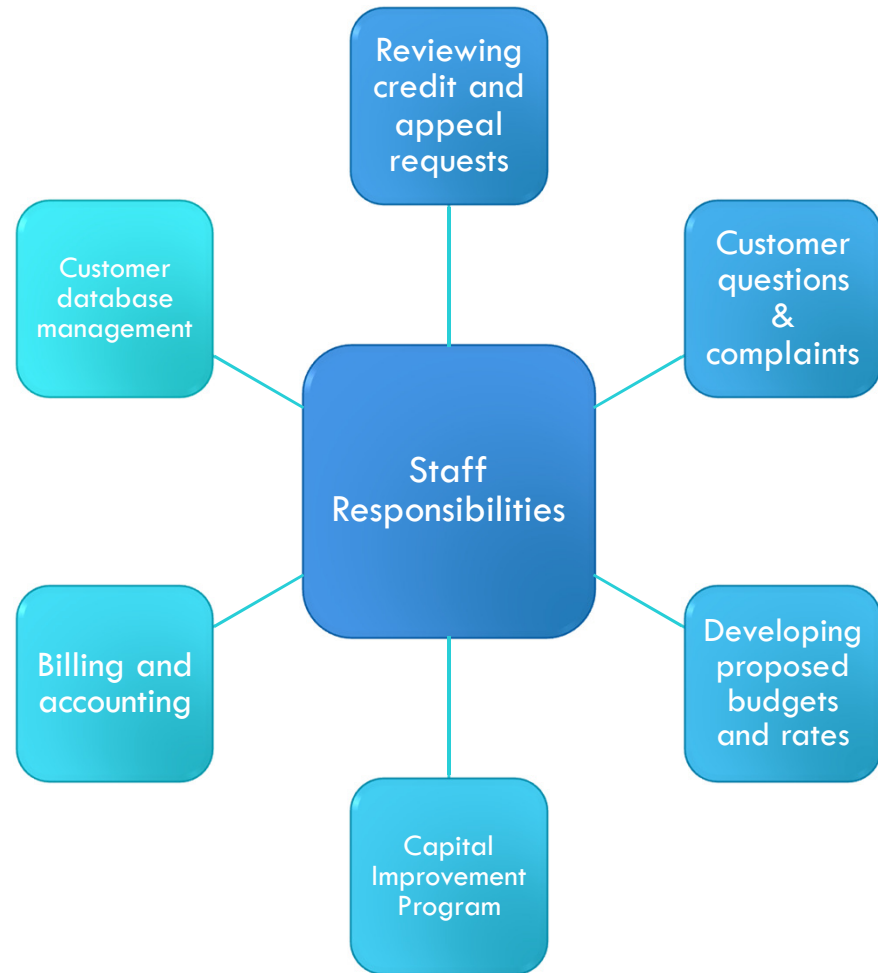
Public Works Committee or Board

- Already familiar with stormwater activities
- Better coordination with street maintenance
- Recommend policies to governing body

Utility Commission

- Already familiar with utility funding
- Better coordination of water resource management
- More powers to approve policies

UTILITY STAFF RESPONSIBILITIES



STORMWATER UTILITY ORDINANCES

Purpose and objective

Establishment of the utility

Definitions

Establishment of Stormwater Utility Fund

Requirement to adopt a stormwater budget

Rate structure and basis for charges

Powers and duties of staff position overseeing utility

Powers and duties of the governing body

Rights and process to appeal charges

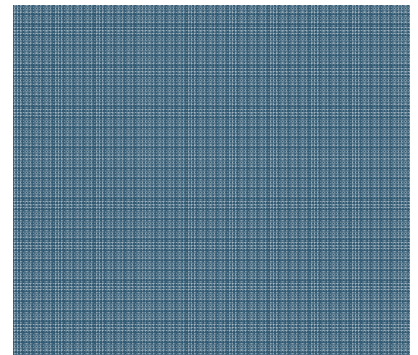
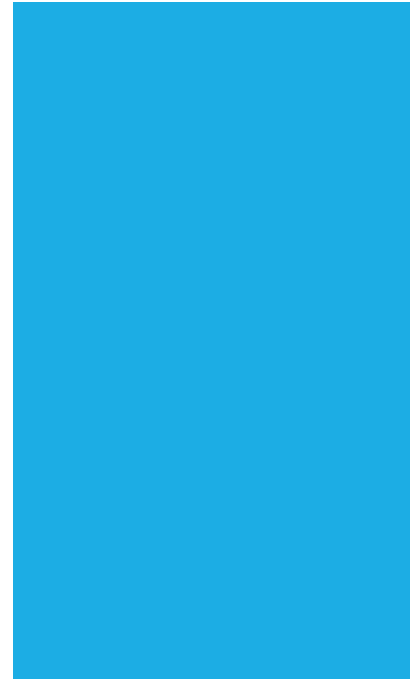
Rights and process to apply for credits or exemptions

Billing, collection, and penalties for late/non payment

THINGS NOT TO INCLUDE IN THE ORDINANCE

1. Specific dollar amounts for rates
2. Specific number of square feet of impervious area in an ERU
3. Specific dollar amounts or percentages of penalties for late payment
4. Detailed credit policies

These can all be handled with resolutions or separate policy manuals



OTHER VARIATIONS

Wisconsin municipalities have the option to create:

Utility Districts –

- Designated service area and separate fund to provide specific services
- May have an additional tax to fund special services
- Not a separate governmental entity

Joint Stormwater Districts –

- Created via intermunicipal agreement
- Overseen by an appointed commission
- Taxes and charges require approval from the governing bodies that created the district
- Not a separate governmental entity