UTILITY SETUP AND ADMINISTRATION

Stormwater Utility Funding
UTILITY SETUP AND ADMINISTRATION

Billing Setup
Customer Account Maintenance
Accounting
Oversight
Staff Responsibilities
Ordinance
Variations
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
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
<table>
<thead>
<tr>
<th>Special Revenue Funds</th>
<th>Solid Waste</th>
<th>Donation and Activity</th>
<th>WE</th>
<th>Low Income</th>
<th>Park</th>
<th>Economic Development</th>
<th>Future Improvement</th>
<th>Impact Fee</th>
<th>Asset Forfeiture</th>
<th>Storm Water</th>
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<tbody>
<tr>
<td><strong>ASSETS</strong></td>
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<td><strong>TOTAL ASSETS</strong></td>
<td>$1,533,662</td>
<td>$607,137</td>
<td>$75,619</td>
<td>$16,156</td>
<td>$227,945</td>
<td>$2,878,178</td>
<td>$1,200,478</td>
<td>$257,293</td>
<td>$2,306,078</td>
<td>$44,316 $1,143,725</td>
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</table>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES**

| Liabilities           |                     |                      |     |            |     |                      |                   |           |                  |            |
|-----------------------|---------------------|----------------------|----|------------|-----|----------------------|                   |           |                  |            |
| Accounts payable      | $215,454            | $12,902              | $10,234 | $10,755 | -    | $24,984               | -                 | -         | -                | 4,030     |
| Accrued liabilities   | 3,441               | 21,655               | -    | -         | -    | -                     | -                 | -         | -                | 14,390    |
| Deposits              | -                   | -                    | -    | -         | -    | -                     | -                 | -         | -                | 840,040   |
| Due to other funds    | -                   | -                    | -    | -         | -    | -                     | -                 | -         | -                | -         |
| **Total Liabilities** | $218,896            | $12,902              | $10,234 | $10,755 | -    | $44,491               | -                 | -         | $257,293 | 2,306,078 $44,316 $1,143,725 |

| Deferred Inflows of Resources |                     |                      |     |            |     |                      |                   |           |                  |            |
| Untaxed revenues       | 1,213,054           | -                     | -    | 6,903     | -    | 561,578               | -                 | -         | -                | 840,040   |
| Unavailable revenues   | -                   | -                     | -    | 6,903     | -    | 561,578               | -                 | -         | -                | 840,040   |
| **Total Deferred Inflows of Resources** | $1,213,054 | - | 6,903 | 561,578 | - | 840,040 |

| Fund Balances (Deficit)|                     |                      |     |            |     |                      |                   |           |                  |            |
| Restricted            | -                   | 995,135              | -    | 9,852     | -    | 227,945               | -                 | -         | -                | 2,306,078 $44,316 $283,238 |
| Committed             | 161,622             | 44,300               | -    | -         | -    | 1,870,011             | 1,173,519         | -         | -                | -         |
| Unassigned (Deficit)  | -                   | -                    | -    | -         | -    | -                     | -                 | -         | -                | -         |
| **Total Fund Balances (Deficit)** | - | 995,135 | 44,300 | 9,852 | 227,945 | 1,870,011 | 1,173,519 | - | $2,306,078 $44,316 $283,238 |

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES**

| $1,533,662           | $607,137              | $75,619 | $16,156 | $227,945 | $2,878,178 | $1,200,478 | $257,293 | $2,306,078 | $44,316 | $1,143,725 |
ENTERPRISE FUND - EXAMPLE
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

- Reviewing credit and appeal requests
- Customer questions & complaints
- Developing proposed budgets and rates
- Customer database management
- Billing and accounting
- Capital Improvement Program

Staff Responsibilities
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*
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