

St. James Township

FY 15/16 SANITARY SEWER SYSTEM INTERIM UPDATE: AUGUST, 2015

WORK ACCOMPLISHED DURING THE PREVIOUS MONTH

- ⇒ Processed and mailed sewer invoices for July, 2015;
- ⇒ Finalized landlord-tenant payment program, and completed application forms; finalized payment and late fee program; drafted resolution for Board of Trustees consideration/action;
- ⇒ Incorporated Board action concerning fees, payment terms, etc. into the invoice template;
- ⇒ Researched information required for the first Rate Study.

ANTICIPATED WORK ITEMS FOR THE UPCOMING MONTH

- ⇒ Work with customers to resolve questions and concerns about current billing rates and practices;
- ⇒ Gather information required for the Rate Study;
- ⇒ Obtain guidance and information related to past accounting practices, township fund loan repayment, etc.;
- ⇒ Initiate a customer option to electronically deliver monthly invoices via email.

SUMMARY OF CUSTOMER COMMUNICATION

- ⇒ One customer emailed statements about the invoice.
- ⇒ The Township Supervisor received a customer letter.
- ⇒ Customer concerns include tenant responsibility, progress on the Rate Study, past accounting practices, and speed of accounting resolution.
- ⇒ Forms were forwarded to a landlord for submittal (regarding tenant responsibility); to date, no response.

ACTION ITEMS

The Ordinance states that an analysis of the last fiscal year sewer system user costs must be completed by 120 days after the end of the previous fiscal year, or by July 29, 2015. This task has not been completed to date. See page 2 for an anticipated schedule of completion of this task. Items that need to be considered:

- * A final audit report of the sewer fund;
- * A repayment plan for money borrowed from the Road & Street and/or General Fund;
- * Policies relative to previous payments;
- * Future needs of the sewer system.

REAL OR ANTICIPATED ISSUES

- ⇒ Invoicing is now being completed on a 'going forward' basis; previous fiscal year balances and payments are not included in this report.



PO Box 85
Beaver Island, MI
49782-0085

Ph: 231-448-2014
email:

StJamesTwp.BI@gmail.com

St. James Township

FY 15/16 SANITARY SEWER SYSTEM Q2 INTERIM UPDATE: AUGUST, 2015

SCHEDULE UPDATE

DEADLINE

The following is a preliminary plan of action to complete the Rate Study.

Finalize QuickBooks changes	July 2015
Receive Independent Auditor report	August 2015
Analyze required accounting information for the Rate Study (if not available, the Study needs to indicate such)	August 2015
Obtain opinions regarding repayment of loans, non-payment of customer accounts, etc.	September 2015
Incorporate Independent Auditor and other findings into draft Rate Study	September 2015
Board of Trustees considers/adopts policies based on legal findings, if needed	October 2015
Complete preliminary Rate Study	September 2015
Hold Public Information Meeting	October 2015
Board adopts Rate Study, adjusts fee schedule	November 2015
Adjusted fees go into effect	TBD

SUMMARY

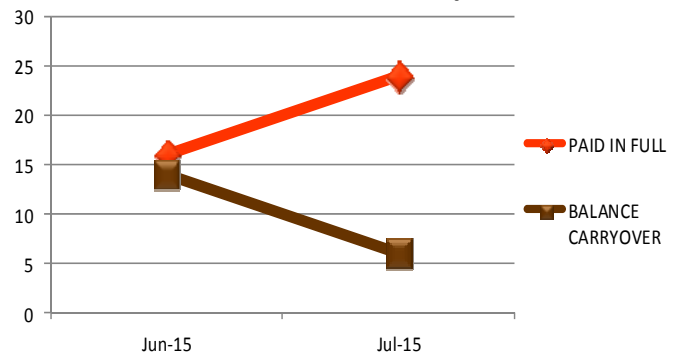
\$ 2,019.12: Monthly Sewer Use billing (\$24,229.44 annually)

RECEIVABLES CHART: Pink (new charges) + Green (previous balances & fees) = Blue (total invoice)

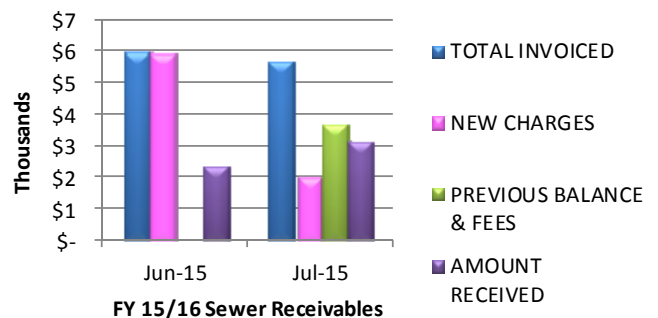
Process Changes:

- ◇ Quarterly to monthly invoicing
- ◇ Late charge amount
- ◇ Tenant program
- ◇ 30 days due, to 10 days due & 20 days late
- ◇ Unpaid balance reporting
- ◇ Payments sent to treasurer
- ◇ Invoice sent to property taxpayer of record

CUSTOMERS: FY 15/16



RECEIVABLES



PO Box 85
Beaver Island, MI
49782-0085
Ph: 231-448-2014
email:
StJamesTwp.BI@gmail.com