



**MEETING TYPE
STAFF REPORT**

Agenda Date: September 25, 2023

**Eric Buckman, City
Manager:**

Department: Water

Department Head Name:

Rob Spreitzer

Presenter: Rob Spreitzer

Kim Berry, City Clerk:

This form and any background material must be approved by the City Manager, then delivered to the City Clerk by 4:00 PM the Tuesday prior to the Commission Meeting.

AGENDA ITEM TITLE:

Water & Wastewater Non-Collectable Revenue

BACKGROUND:

The Water Department has fallen behind in its investigations of low water/no water usage accounts. As per the Utility Billing Clerk and Treasurer we were asked to prioritize investigating these accounts. While investigating we found several accounts that had been registering water usage without sending the reads to the meter reading equipment. Some of these accounts were behind by 3 years or more and legally we can only go back one year for billing. This water usage is a loss of revenue to both the Water and Wastewater Departments and needs to be reflected in the budgets. A meeting was held 9/14/23 with the City Manager, Utility Billing Clerk, City Treasurer and Water Department staff to discuss this problem. The Water Department has become more aggressive in its investigation of low/no use accounts. The Water Department will be providing a one-week turnaround on future low use work orders.

FISCAL EFFECT:

Write-off water department bad debt in the amount of \$11,990.84 and the Wastewater department debt in the amount of \$19,071.67 and amend the bad debt expense in each respectively.

SUPPORTING DOCUMENTATION:

Please see 2023 zero read meter updates, 2023 zero use adjustments and Michigan Public Service Commission Standards and Billing Practices.

RECOMMENDATION:

Motion to write-off Water Department bad debt in the amount of \$11,990.84 and the Wastewater Department debt in the amount of \$19,071.67 and amend the bad debt expense in each respectively.