

# Appendix E: District Reports

## ***Tax Assessor/Collector's Report***

The purpose of the tax assessor/collector's report is to furnish your district's bookkeeper with the information required to properly book the district's tax assessments and collections. The information contained in the report should reflect all of the transactions through the last day of the district's accounting period, including:

- ***Cash Receipts and Disbursements.*** All cash transactions should be reported and reconciled with the beginning and ending cash balances.
- ***Taxes Receivable.*** This section shows the delinquent taxes receivable at the beginning of the tax year, plus the current year tax roll, plus or minus any adjustments to taxes during the fiscal year, less all tax collections during your district's fiscal year. Taxes receivable should be reported by year and all changes should be shown. Collections should agree with the collections in the cash receipts and disbursements section of the report.
- ***Overpayments.*** The balance due to taxpayers at the beginning of the period should agree with the audit report. The balance due to the taxpayers should reconcile with the difference between overpayments collected and overpayments refunded. The collection and refund of overpayments should agree with the amounts in the cash receipts and disbursements section of the report.
- ***Adjustments.*** All tax adjustments made after the board of equalization's approval of the tax roll should be reported for the current tax year and all prior years. It is necessary to include the adjustments page only when a change is made.
- ***Bank Reconciliation.*** The bank statement's balance should be reconciled to the tax assessor-collector's report cash balance each month.
- ***Accounts Payable.*** A list of all accounts payable for goods or services received during the year for which payment has not been made at fiscal year end should be furnished to the district's bookkeeper, including unbilled charges such as tax assessor fees and legal fees.

## ***Tax Assessor Collector—Minimum Record Requirements***

### **Board Folder**

- ***Reports to the Board.*** This folder should include all reports to your Board during the fiscal year
- ***Tax Assessor's Contract***

- *Appraisal District's Approval of Original Roll*
- *Penalty and Interest Rates*
- *Tax Assessor's Bond*

### **Tax Rolls and Receipts**

- *Original Roll.* The original tax roll for each year your district levied taxes
- *Delinquent Roll.* A roll showing all outstanding taxes by year as of the fiscal year end date
- *Tax Receipts.* Paid receipts grouped by the date of deposit
- *Deposit Slips.* Copy of the deposit slip should be attached to appropriate group of receipts

### **Bank Statement Folder**

- *Bank Statements.* Bank statements for all accounts maintained during the year
- *Bank Reconciliation.* Monthly reconciliations for each bank account

### **Tax Assessor/Collector's Report**

Revenues and expenses coded using the district's Chart of Accounts

## ***Operator/Billing Agent's Report***

The purpose of the operating report is to furnish the district's bookkeeper with the information required to properly record the district's water and sewer revenue transactions. The following list was not designed for an operator that pays the district's operating expenses and maintains the district's General Ledger. This list can be modified to accommodate your district's needs.

The responsibilities for your district's water and sewer billings may be divided into two separate functions: operating and billing. The work may be done by one or two companies. The explanations that follow are based on the assumption that two companies are involved and the district's records are computerized.

Typically, your district's operator manages the physical operations of the district's water and sewer system, installs the taps, reads the meters, and maintains records on the taps installed. The operator or billing agent may collect and deposit the tap fees.

The billing agent will send a monthly bill to your district's customers based on information furnished by the operator. He will also collect payments from customers; follow up collection of delinquent accounts; collect and refund

deposits; report billing and statistical information to the Board; and maintain all applicable accounting records. He may also maintain an interim cash account or he can directly deposit to an account maintained by the district's bookkeeper. The Operator's Report may contain:

- ***Accounts Receivable Analysis.*** The information needed for the preparation of the accounts receivable analysis section comes directly from the billings recap. Significant or unusual billing adjustments should be explained to your Board.
- ***Collection Analysis.*** The billing agent needs to report to the district's bookkeeper all deposits that have been made by the billing agent. All items that are not included in the billing run would be shown as a separate line item. To reconcile the total amount deposited by the billing agent (for the calendar month which includes all deposits made during the month, whether or not they cleared the bank), the following items must be considered:
  1. Add returned checks that have been redeposited and identified separately.
  2. Accounts receivable collections that were received after the date of the billing run, but prior to the end of the month, need to be added.
  3. Accounts receivable collections that were received after the date of the prior billing run, but before the end of the preceding month, need to be subtracted.
  4. In following months, consideration No. 2 above would become consideration No. 3.
- ***Tap and Customer Information.*** Taps installed and taps collected should be furnished through the month end. Meters installed should include only those meters that were installed before the meter reading date. All double taps should be counted as two installations.

At the end of the fiscal year, the meters installed should be updated through the end of the month. The difference between the taps collected and installed and the meters installed should agree with the lists furnished to the bookkeeper by the district's operator. The number of customers billed for service should be reconciled each month with the number of meters installed. The number of customers billed should account for each address only once (exclude double billings for transfers). Add customers for which a meter has been installed, but not billed during the month (vacant houses and meters installed during the month that were not billed for service until the following month).

- **Customer Deposits.** The customer deposit section is a recap of customer deposit transactions for the month. The adjustments line on the report should include billing corrections which directly reduce the receivables from customers. Whenever a deposit is offset against a final bill, a check should be issued to the customer for any remaining excess and a check should be written to the district for the amount of the final bill and treated as a collection by your district. When the receivable is equal to or greater than the deposit, a check should be written only to the district and the district should pursue its former customer to collect any outstanding amounts.
- **Bank Reconciliation and Proof of Cash.** When the billing agent maintains an interim bank account, a bank reconciliation and proof of cash are necessary for your bookkeeper to properly record all transactions of the interim account.

The purpose of the proof of cash section is to reconcile the total deposits reflected on the bank statement to the collections report. It is also used to reconcile the disbursements per the interim account's bank statement to the transfers to the operating account maintained by the bookkeeper. Without this information, your bookkeeper cannot properly record cash and revenues. Deposits in transit and outstanding checks should be taken from the current and prior month's reconciliation.

- **Returned Checks.** The billing agent should furnish a list to the bookkeeper of all returned checks on and at the end of the month. This list will enable your bookkeeper to reconcile the amount of returned checks booked in the General Ledger.
- **Allowance for Doubtful Accounts.** At the end of your district's fiscal year, the billing agent should furnish a list to your bookkeeper on the accounts for which collection is considered doubtful. This list will help your bookkeeper to determine whether and for what amount an allowance should be established.

## **Operator—Minimum Record Requirements**

### **Tap Log**

Review the section on **Tap and Customer Information** on the preceding page for more details. The tap log should contain:

- The date the cash was received for the tap
- The name of the person or company ordering the tap
- The service address and legal description of where the tap is to be installed
- The date the tap was installed
- The serial number of the meter installed on the tap

- The billing account number assigned to that address
- The date the cost of the tap installation was billed to the district
- The receipt number and amount received for the tap installation
- The date the sewer inspection was performed

### **Meter Books**

The meter books should contain information on all of your district's customers. After the operator has completed the meter readings, the books should be returned to the billing agent.

### **Damage Claims**

- Invoices and supporting documentation on damages to the district's system by contractors.
- If your Board has designated the operator to collect its billings, a subledger on damage claim billings and collections should be maintained.

### **Other**

- District Map—All lots marked by account number will help your operator read the meters.
- Tap Installation Work Order—Work order showing where a tap is to be installed, who ordered the tap, when the tap fee was received, the receipt number, and the amount received.

### **Information to be Furnished to the Billing Agent**

- Tap and meter information each month, including:
  - Number of taps installed
  - Number of tap fees collected
  - Number of meters installed prior to the meter reading date
- Meter books
- Damage claim invoices and collection information

### **Information to be Furnished to Bookkeeper**

- At year end:
  - List by address of the taps installed, not collected (double taps).
  - List by address of the taps collected pending installation by your district.
  - List by address of the taps installed where no meter has yet been installed.
- Damage claim invoices and collection information if these amounts are to be billed and collected by the bookkeeper.

## ***Billing Agent—Minimum Record Requirements***

### **Board Folder**

- ***Rate Orders.*** All rate orders that were in effect during the year
- ***Report to the Board.*** All reports to the Board during the fiscal year

### **Meter Books**

- ***Active Customers.*** All meter reading sheets for active account customers.
- ***Standby Customers.*** All customers being billed Standby Fees, listed by lot.

### **Billing Ledger or Workbook**

Water and Sewer Billings including:

- ***Recap of Billings.*** Categorical breakdown of billings and collections for the month, including the beginning and ending receivable and an aged analysis of the ending receivable.
- ***Listing of Accounts Receivable.*** All receivables by customer account numbers, including service address, customer name, billing address, and total amount receivable.
- ***Adjustment Information.*** Recap of all adjustments to the accounts receivable, including an explanation for each adjustment.
- ***Meter Reading Information.*** List of unusually high or low usage readings, reverse readings, and other adjustments in meter readings which are used to determine the proper usage billing to a customer. Any change made to the meter readings should be fully explained.
- ***Security Deposits.*** List of the security deposits on hand by each customer, including the total customer deposits retained by your district.
- ***Statistical Information.*** Recap of the number of customers within the district, both billed and nonbilled (active and inactive connections) and the number of gallons billed. Reconciliation of the customers billed to the meters installed.

### **Bank Statement Folder**

To be maintained when the billing agent maintains your district's bank accounts:

- ***Bank Statements.*** Bank statements for all accounts maintained during the fiscal year.
- ***Bank Reconciliations.*** Monthly reconciliations for each bank account.

## Billing Envelope

- *Deposit Slips.* All deposit slips for each month.
- *Stubs.* All payment stubs for water and sewer billing relating to the deposit slips. A tape of the stubs should be attached to each billing group to reconcile to the deposit slips.

## Damage Claims

- *Invoices.* Include supporting documentation.
- When damage claims are not included in billings and the billing agent is responsible for maintaining the information:
  - Subledger records on damage claim billings and collections.
  - Damage claim billing and collection totals should be furnished to the bookkeeper each month.

## Information to be Furnished to Bookkeeper

- *Monthly Report.* Report with applicable attachments
- OR -
- *Annual Report.* The General Fund (if applicable) revenues and expenditures are recorded and reported by the billing agent.
- *Damage Claim Information.* If it has been excluded from any of the reports listed above.

## Standby Fees

Contains the following records if they are not included in the normal billing cycle (Refer to **Billing Ledger or Workbook** on the preceding page):

- *Recap of Billings*
- *Listing of Accounts Receivable*
- *Adjustment Information*

This Page Intentionally Left Blank