



**NORTHPORT/LEELANAU TOWNSHIP  
UTILITIES AUTHORITY**



**NORTHPORT/LEELANAU TOWNSHIP UTILITIES AUTHORITY  
February 20, 2024  
9:30 a.m.  
REGULAR BOARD MEETING**

**AGENDA**

1. Chair Calls the regular meeting to order
2. Additions or Corrections to the Agenda
3. Approval of Minutes of the January 16, 2024 meeting
4. Public Comment/Correspondence
5. Payment of the Bills: (January-February)
6. Staff Reports
  - A. Clerk's Report
  - B. Deputy Treasurer Report
  - C. Superintendent's Report
  - D. JACOBS Monthly Report
7. Discussion/ Potential Action Items:
  - Employment agreements with the Village and Township
  - Budget for the 2024-25 Fiscal Year
  - 2023-24 Budget amendments
  - 2024-25 meeting schedule
8. Public Comment
9. Member Comment
10. Adjournment

Northport/Leelanau Township Utilities Authority  
116 W. Nagonaba, PO Box 158 Northport, MI 49670

Draft Minutes

December 19, 2023

Regular Meeting

**I. CALL TO ORDER** The meeting was called to order by Chair McMillan at 9:30 a.m.

**II. ROLL CALL** Board Members Present: Chris Holton, Mike McMillan, James Root, William Harper and Chris McCann. **Absent:** \*Chris Holton attended the meeting but arrived late.

**Staff Present:** Joni Scott, Clerk Denise Dunn, Deputy Treasurer

**III. ADDITIONS OR CORRECTIONS TO THE AGENDA**

There were no additions or corrections to the agenda.

**IV. APPROVAL OF MINUTES**

Chris McCann Moved, Supported by William Harper to approve the December 19, 2023 Regular meeting minutes as submitted. Motion Carried.

**V. PUBLIC COMMENT/CORRESPONDENCE**

None

**VI. PAYMENT OF BILLS**

Chris Holton **Moved, Supported by** Mike McMillan to approve the bills to be paid for the months of December-November in the amount of \$50,005.42. **Discussion:** Chair Mike McMillan explained that some bills had to be paid before their meetings due to timing constraints. The standard practice was to ensure that expenses were within the budget, and they generally approved payments unless something stood out as exceeding the budget.

Roll Call Vote: Yeas (4) Nays (0) Absent (1) Chris Holton Motion Carried.

**VII. STAFF REPORTS**

**A. Clerk Report:**

Clerk Scott provided a cash transaction, trial balance and revenue/expenditure reports to the Board. Scott also addressed acknowledging that the trial balance includes the loan to the village and the payment scheduled for this fiscal year, which will be made before the end of February. She mentioned that additional funding is needed for their CIP. Clerk Scott also

mentioned that she and Deputy Treasurer Denise are working on online banking transactions and recommended that if they can't complete it by the end of the month, they should cut checks for the debt retirement due this month, with Denise co-signing those payments for manual dispersal.

**Deputy Treasurer:**

Deputy Treasurer Dunn reported that she had made her first deposit.

**B. Superintendent Report:**

Superintendent Holton addressed various concerns in his report. He specifically noted a recent callout to a residence on W. Third Street, which has experienced multiple issues due to the actions of the homeowners' tenants. Additionally, he discussed his meeting with Rob from Kal Excavating regarding the extension of a sewer force main along Woolsey Lake Road. Holton anticipates receiving a quote for this extension and will subsequently share it with the NLTUA Board and the Leelanau Township Supervisor for further consideration.

**C. Treatment Plant Operator Report:**

Treatment Plant Operator Mark Huggard provided a detailed report on Treatment Plant and Collection System activities. He explained that the annual discharge permit fee for the facility is determined based on factors like population and the type of treatment plant, with their facility classified as a Class C facility utilizing rotating biological contactors for wastewater treatment. Huggard also presented a breakdown of labor hours over the past nine years, with a focus on the collection system. The data illustrated a gradual increase in total hours, with a peak in year 2021 due to pump station maintenance. He clarified that the hours are tracked on a calendar year basis and addressed questions about the budget cycle and rate consistency.

## VII. DISCUSSION/ACTION ITEMS

- **Audit Proposal**

Mike McMillan read the following resolution;

WHEREAS, the Northport Leelanau Township Utilities Authority (NLTUA) is responsible for the financial oversight and management of utility services in the sewer assessment district (SAD),

WHEREAS, the NLTUA has received two proposals from auditing firms interested in providing auditing services to the authority,

WHEREAS, the auditing services are crucial for ensuring transparency, accountability, and financial soundness in the operations of the NLTUA,

WHEREAS, discussions and negotiations with auditing firms are necessary to select the most suitable partner to conduct the audit services for the NLTUA,

NOW, THEREFORE, be it resolved by the NLTUA Board that:

1. The Chair of the NLTUA, Mike McMillan, and the Clerk of the NLTUA are hereby authorized and empowered to enter into discussions, negotiations, and an agreement with the selected auditing firm for the provision of auditing services.
2. The NLTUA Chair and Clerk are further authorized to review the proposals from the auditing firms, negotiate the terms and conditions, and select the auditing firm that best aligns with the needs and objectives of the NLTUA.
3. The Chair and Clerk shall ensure that the auditing firm chosen meets all necessary legal and professional requirements and shall keep the NLTUA Board informed of the progress and outcomes of the negotiations.

This resolution shall take effect immediately.

Chris McCann Moved, Supported by William Harper to adopt the Resolution.

Roll Call Vote: Yeas (5) Nays (0). Motion Carried, Resolution Declared Adopted.

- **Discussion about NLTUA Staff Structure:**

Village Manager Jim Dyer explained the need to determine how payments for services should be handled. The primary issue was whether payments for services should go directly to the township or the village. Dyer recommended establishing contracts between the township and the village to define the terms and conditions of these payments. He emphasized that contracts would provide a clear way to ensure that the services required are being fulfilled and would simplify communication by involving the Chief Administrative Officers of both entities. The board

expressed agreement with this approach, recognizing it as a logical step to ensure a smooth transition during staff changes and to maintain accountability for services provide.

Mike McMillan Moved, Supported by William Harper that the NLTUA adopt contract agreements between the Village and Township with the NLTUA for staff positions; the superintendent, the clerk, and for the deputy treasurer at the current rate of pay at their next regular meeting.

Roll Call Vote: Yeas (5) Nays (0) Motion Carried.

Village Manager Jim Dyer offered to draft the agreements for the Board.

NLTUA Clerk Scott noted to the Board that she hadn't paid any money to the deputy Treasurer and asked for clarity on the pay for the position. The board confirmed that the pay for this position should remain at \$7,000, which was the same as what the previous Treasurer received. Village Manager Jim Dyer suggested that they should consider dividing the responsibilities and payments, given the changes in duties, with the Village handling accounts receivable and providing reports on payments and the Deputy Treasurer reconciling the reports and depositing payments. There was a discussion about how to determine the appropriate pay for these positions, with some board members expressing the need for job descriptions and a better understanding of the workload. The decision was made to maintain the \$7,000 payment to the township for the Treasurer position and to draft contracts with job descriptions for further review at the next meeting.

- **Draft Budget for the 2024-25 Fiscal Year:**

NLTUA Clerk Scott presented the draft budget for the 2024-25 fiscal year. She highlighted changes made since the previous meeting, including adjustments to the loan amount related to the village's loan to NLTUA. The proposed total revenues for the fiscal year were \$791,084.

The discussion also covered a grant application, where Scott outlined the details of the grant projects and the required local match of 10%, which amounted to \$50,000. Village Manager Jim Dyer mentioned positive communication from the Treasury regarding the grant and the need to provide prioritization of project requests. He plans to collaborate with the NLTUA Clerk and Superintendent to determine the priority order of these projects.

Additionally, there was a mention of potential changes to the budget due to previous discussions about staff positions and compensation, particularly in the administration section of the budget. Village Manager Jim Dyer explained that while the budget's appearance might change, the overall expenses would remain relatively similar.

**VIII. PUBLIC COMMENT**

None

**IX. MEMBER COMMENTS**

None

**X. ADJOURNMENT**

Chairman McMillan adjourned the meeting at 10:31 am.

Respectfully Submitted by:

Joni L. Scott, NLTUA Clerk

# Check Register Report

Date: 02/16/2024

Time: 12:13 pm

Page: 1

NLTUA

BANK: HUNTINGTON BANK

Check Number	Check Date	Status	Void/Stop Date	Reconcile Date	Vendor Number	Vendor Name	Check Description	Amount
<b>HUNTINGTON BANK Checks</b>								
4749	01/22/24	Printed			DTE	DTE ENERGY	GAS	61.03
4750	01/22/24	Printed			LINGO	LINGO COMMUNICATIONS	TELEPHONES	347.23
4751	01/22/24	Printed			US POST	US POSTMASTER	POSTAGE	269.50
4752	01/31/24	Printed			LEELANAU	LEELANAU TOWNSHIP	DEBT RETIREMENT COLLECTED	2,809.57
4753	01/31/24	Printed			VILLAGE	VILLAGE OF NORTHPORT	DEBT SERVICE COLLECTED	121,733.59
4756	02/05/24	Printed			CONSUMERS	CONSUMERS ENERGY		6,030.81
4757	02/05/24	Printed			LEELANAU	LEELANAU TOWNSHIP	PAYMENT FOR TREASURER	2,028.79
4758	02/05/24	Printed			OMI	OPERATIONS MANG. INTERNATIONAL	FEBRUARY	14,952.67
4759	02/13/24	Printed			GFK	GFL ENVIRONMENTAL	TRASH	79.86
4760	02/13/24	Printed			LCE	LEELANAU COMMUNITY ENERGY,LLC		49.16
4761	02/13/24	Printed			LINGO	LINGO COMMUNICATIONS		347.22
4762	02/13/24	Printed			RUNNING	RUNNING, WISE & FORD P.L.C.	ATTORNEY FEES	735.00
4763	02/13/24	Printed			VILLAGE	VILLAGE OF NORTHPORT	WATER	347.30
<b>Total Checks: 13</b>							<b>Checks Total (excluding void checks):</b>	<b>149,791.73</b>
<b>Total Payments: 13</b>							<b>Bank Total (excluding void checks):</b>	<b>149,791.73</b>
<b>Total Payments: 13</b>							<b>Grand Total (excluding void checks):</b>	<b>149,791.73</b>



NORTHPORT/LEELANAU TOWNSHIP  
UTILITIES AUTHORITY



Resolution to Adopt NLTUA's 2024-25 Draft Budget:

**Whereas**, the NLTUA Board has reviewed the Draft Budget for the 2024-25 fiscal year as presented by the NLTUA Clerk;

**Whereas**, adjustments have been made to accurately reflect the projected revenues and expenses for the upcoming fiscal year;

**Whereas**, the Draft Budget includes provisions for the advancement or loan from the Village per the rate study and various projects funded by grants and local matches;

**Whereas**, the Draft Budget outlines the financial commitments necessary to fulfill the operational needs of the NLTUA for the 2024-25 fiscal year;

**Now, therefore, be it resolved** that the NLTUA Board hereby adopts the Draft Budget for the 2024-25 fiscal year as presented by the NLTUA Clerk.

**Be it further resolved** that the Clerk is authorized and directed to implement the budgetary provisions outlined in the adopted budget.

**Be it further resolved** that the budget will commence with the beginning of the fiscal year on March 1, 2024.

**Resolved** this \_\_\_\_\_ by the NLTUA Board.



Northport/Leelanau Township

Utilities Authority

**Draft**  
**Budget**

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March 1, 2024 - February 28, 2025

## Village and Township Debt Services Collected Summary

FY 3/1/24 - 2/28/25

### Revenue

Debt Service Collection for the Township- \$30,832

Debt Service Collection for the Village - \$179,568

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- Debt service is \$86 per quarter in the Village and \$82 per quarter in the Township per REU
- The final bond payments for the municipal sewer system project will be completed in the spring of 2028.

Revenue

FY 3/1/24 - 2/28/25

<u>Sources</u>	<u>Proposed</u>
Advancements	
Village Loan-	107,000
Township	0
Hook up Application Fees	600
O&M Fees	677,684
Late Charge/Penalty	5,200
Grants	?
Reimbursements	0
Ordinary Financial Activity	0
Sewer System Damage Cost Recovery	600
Refunds	0
Miscellaneous Revenue	0
	<hr/>
Total:	\$791,084

Assumptions

- The NLTUA Board has approved a significant update to the Operating & Maintenance (O&M) charges. Following the comprehensive rate study conducted by Utility Financial Solutions, LLC in 2023, the Board decided on an 8% increase in the O&M charges. This adjustment raises the rate from \$256 to \$276.48 per quarter for each Residential Equivalent Unit (REU). This increase is a strategic move to ensure that the CIP is sustained over the next four years.
- O&M are billed quarterly
- Quarterly O&M charge is for service provided during the previous quarter (3 months)
- Biosolids disposal expected to take place in spring 2026 at an estimated cost of \$45,000.
- The last Biosolids haul was completed in the fall of 2021, the total cost was \$31,000
- 2 new connections for the Village, and 1 new connection for the Township are projected to come on line in FY 2020-21 according to Bendzinski schedule dated 5/30/2007
- Properties with structures that have plumbing will be charged O&M and debt service whether or not they are connected to sewer system
- Hook up application fee is \$200 for processing, record keeping and observation of hook up.

## Expenditures

Administration: FY 3/1/24 – 2/28/25

	<u>Proposed</u>
Salary	0
Employer's Social Security	0
Employee's Medicare	0
Workman's Comp	0
Pension	0
Health Insurance	0
Office Supplies	350
Operating Supplies	800
Postage	2000
Capital Outlay	0
Contractual Services	43,781
Legal Services	2,000
CPA Services	8,000
*Loan Payment with 2% interest with the Village	78,540
Education & Training	250
Telephone	0
Mileage	100
Printing & Publishing	500
Insurance & Bonds	14,600
Utilities/Electricity	0
Repair & Maintenance	0
Permits	0
Miscellaneous	0
Bank Service Charges	0
Equipment	0
Rent	<u>0</u>
 Total	 \$150,921

\*Loan payment with 2% interest with the Village is for a loan of \$325,050.25

- Loan for North Shore collection system main replacement-\$135,050.25
- Loan from Village of Northport to support CIP-\$190,000

## Expenditures

### System Operation & Maintenance – FY 3/1/24 – 2/28/25

	<u>Treatment</u>	<u>Proposed</u> <u>Collection</u>
Wages	0	0
Overtime	0	0
Social Security	0	0
Workman’s Comp	0	0
Pension	0	0
Health Insurance	0	0
Operating Supplies	4,500	10,000
Education & Training	0	0
Utilities/Gas	150	450
Utilities/Water	1,500	0
Telephone/Internet	3,000	2,700
Utilities/Electricity	62,000	13,000
Contractual Services	190,132	21,000
Capital Improvement Projects	45,500	194,597
Repair, Replace & Maintenance		0
Miscellaneous	0	0
Permits	7,500	0
Equipment Rental	0	0
Equipment	0	0
Total	\$314,282	\$241,747

#### Assumptions

- The Treatment Operating Supplies expense is for the purchase of ferric chloride
- The Collection Operating Supplies expense is for the purchase of Calcium Nitrate.
- The Collection Operating Supplies expense is for the purchase of Carbon.

## Budget Detail

FY 3/1/24 – 2/28/25

### Operation & Maintenance

	<u>Administration</u>	<u>Treatment</u>	<u>Collection</u>
Contractual Services/Repairs, Replace Maintenance			
SAW Grant Work			
Capital Improvements			
Computer system support	4,700		
Agreements for Services with Twp and Village	39,081		
Engineering			
Generator maintenance		2,500	1,000
Mowing and Snow Removal		1,500	
WWTF & Collection System repairs			5,000
Operation, Maintenance and Callouts		186,132	15,000
Total:	\$43,781	\$190,132	\$21,000

### Contractual Services Explanation

#### Administration:

- NLTUA accounting software annual fees for Fund Balance-\$4,700

#### Treatment Plant:

Operations and Maintenance Agreement (OMI) \$14,952.67 per month	\$179,432
Additional repairs outlined in 2024- Estimate Repair Expenses Jacobs	\$10,700
• Reject pump-\$1,700	
• Conduit Replacement, Fine Screed unit-\$3,000	
• Treatment Plant repairs-\$2,000	
• Generator maintenance-\$2,500	
• Mowing and Snow Removal (if needed)-\$1,500	

#### Collection System:

OMI Bills for any additional services over 300 hours	\$15,000
Additional repairs outlined in 2024- Estimate Repair Expenses Jacobs	\$6,000
• Conduit Replacement at 7 <sup>th</sup> Street Lift Station-\$5,000	
• Generator maintenance-\$1,000	

The Northport/Leelanau Township Utilities Authority is committed to maintaining its infrastructure. For the fiscal year 2024-25, a comprehensive Capital Improvement Plan has been developed to address crucial needs to our Treatment Plant and Collection System. Recognizing the financial challenges, the Village of Northport has proactively sought external funding through a grant application on behalf of the NLTUA.

Grant Application for Financial Assistance:

**Purpose:** To supplement funding for the CIP program over the next four years.

**Grant Applied:** Financial Distressed Cities, Villages and Townships (FDCVT)

**Submission Date:** December 8, 2023.

**Amount Requested:** \$504,387

**Local Match 10%:** \$50,000

**Minimal Funding requested:** \$368,887

**Detailed CIP Projects Included in grant application**

- Sludge Handling Evaluation (Engineer)- \$8,500
- Ferric Chloride Room Upgrades- \$24,000
- Main Lift Station to Plant Force main cleaning and modifications- \$157,000
- Main Lift Station Wet Well Re-lining- \$43,000
- Manhole Cleaning/Re-lining -\$27,597 in 2024-25 budget out of \$110,387
- Fine Screen Auger Replacement- \$8,500
- (MBBR) Tank Roof-\$7,000
- Residential Grinder Pump system upgrades-\$30,000
- Corrosion Control Upgrades-\$66,000
- Northport Point Road Generator-\$50,000

**Total- \$504,387**

**Local Match 10%- \$50,000 Grant 90%-\$454,387**

Budget Allocation for 2024-25 Capital Improvement Projects (CIP) as per the 2023 Utility Financial Solutions (UFS) Rate Study.

- Main Lift Station to Plant Force main cleaning- \$107,000
- Ferric Chloride Room Equipment upgrades-\$20,000
- Replace Recycle Pump #1- \$14,500
- Main Lift Station Wet Well Re-lining-\$43,000
- Manhole Cleaning-\$27,597
- Purchase Landi Mixer for Treatment Plant-\$17,000

Total- \$229,097

**Total Budget Expenses-\$706,950**

**Total Budget Revenues-\$791,084 Fund Balance-\$84,134**

**Table Seven A (Scenario One) - Projected Financial Summary 2025-2032 (with Rate Adjustments)**

This scenario captures the Capital Plan as provided by NLTUA; a loan from the Village of \$190,00; 8% rate increases 2025-2028; and 100% debt continuation for both the Village and the Township (\$85) as an O&M charge.

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Loans	Debt Coverage Ratio
2024	45.5%	627,631	509,824	117,807	48,897	326,990	190,000	5.08
2025	8.0%	677,684	530,607	147,077	30,195	122,097	-	2.32
2026	8.0%	731,741	549,153	182,589	20,574	152,597	-	2.82
2027	8.0%	790,123	568,858	221,265	35,966	171,097	-	3.37
2028	8.0%	853,176	590,705	262,471	4,797	265,597	-	3.98
2029	0.0%	1,060,227	615,506	444,721	172,014	336,954	-	N/A
2030	0.0%	1,060,227	640,344	419,883	422,872	238,023	-	N/A
2031	0.0%	1,060,227	663,997	396,229	668,528	227,886	-	N/A
2032	0.0%	1,060,227	693,689	366,538	521,439	604,783	-	N/A
<b>Targeted Minimum in 2025</b>				<b>\$ 24,219</b>				
<b>Targeted Minimum in 2032</b>				<b>\$ 88,121</b>				
<b>MINIMUM/CRITICAL Reserves 2025</b>					<b>\$ 379,969</b>	<b>1.45</b>		
<b>MINIMUM/CRITICAL Reserves 2033</b>					<b>\$ 436,709</b>	<b>1.45</b>		



**Proposed Rate Design and Impacts at 8%**

	O&M Charge	Quarterly \$ Increase	% Increase
Current	\$ 256.00		
2025	276.48	\$ 20.48	8.0%
2026	298.60	22.12	8.0%
2027	322.49	23.89	8.0%
2028	348.29	25.80	8.0%

REVENUE/EXPENDITURE REPORT

NLTUA

For the Period: 3/1/2023 to 2/29/2024	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
<b>Fund: 590 - SEWER FUND</b>							
<b>Revenues</b>							
Dept: 000							
452.000 HOOK UP APPLICATION/PERMIT FEE	400.00	400.00	900.00	0.00	0.00	-500.00	225.0
642.000 OPERATION/MAINTENANCE FEES	620,902.00	620,902.00	620,459.78	-256.00	0.00	442.22	99.9
655.000 LATE CHARGES INTEREST	5,200.00	5,200.00	2,580.28	-6.76	0.00	2,619.72	49.6
669.000 MISC. REVENUE	0.00	0.00	589.00	0.00	0.00	-589.00	0.0
678.000 REIMBURSEMENTS	600.00	600.00	0.00	0.00	0.00	600.00	0.0
Dept: 000	627,102.00	627,102.00	624,529.06	-262.76	0.00	2,572.94	99.6
<b>Revenues</b>	627,102.00	627,102.00	624,529.06	-262.76	0.00	2,572.94	99.6
<b>Expenditures</b>							
Dept: 101 UTILITY AUTHORITY BOARD							
702.000 SALARIES	32,000.00	32,000.00	28,663.88	3,125.76	0.00	3,336.12	89.6
711.000 EMPLOYERS SOCIAL SECURITY	1,984.00	1,984.00	1,777.09	193.80	0.00	206.91	89.6
713.000 EMPLOYERS MEDICARE	464.00	464.00	415.65	45.33	0.00	48.35	89.6
714.000 WORKMENS COMP	636.00	636.00	582.00	0.00	0.00	54.00	91.5
726.000 OFFICE SUPPLIES	350.00	350.00	0.00	0.00	0.00	350.00	0.0
727.000 OPERATING SUPPLIES	400.00	400.00	247.64	0.00	0.00	152.36	61.9
740.000 POSTAGE	900.00	900.00	2,009.00	0.00	0.00	-1,109.00	223.2
800.000 CONTRACTUAL SERVICE	4,700.00	4,700.00	21,559.75	0.00	0.00	-16,859.75	458.7
801.000 LEGAL SERVICES	2,000.00	2,000.00	5,335.00	735.00	0.00	-3,335.00	266.8
802.000 CPA SERVICES	2,500.00	2,500.00	0.00	0.00	0.00	2,500.00	0.0
845.000 EDUCATION & TRAINING	250.00	250.00	0.00	0.00	0.00	250.00	0.0
860.000 MILEAGE	100.00	100.00	0.00	0.00	0.00	100.00	0.0
900.000 PRINTING AND PUBLISHING	500.00	500.00	0.00	0.00	0.00	500.00	0.0
955.000 MISCELLANEOUS	0.00	0.00	835.00	0.00	0.00	-835.00	0.0
960.000 INSURANCE & BONDS	7,300.00	7,300.00	13,308.00	0.00	0.00	-6,008.00	182.3
991.000 DEBT SERVICE/ PRINCIPAL	25,000.00	25,000.00	0.00	0.00	0.00	25,000.00	0.0
992.000 DEBT SERVICE / INTEREST	3,000.00	3,000.00	0.00	0.00	0.00	3,000.00	0.0
UTILITY AUTHORITY BOARD	82,084.00	82,084.00	74,733.01	4,099.89	0.00	7,350.99	91.0
Dept: 102 WASTEWATER TREATMENT PLANT							
727.000 OPERATING SUPPLIES	4,500.00	4,500.00	0.00	0.00	0.00	4,500.00	0.0
850.000 TELEPHONE	3,000.00	3,000.00	2,427.91	132.06	0.00	572.09	80.9
920.000 UTILITIES/ ELECTRIC	60,000.00	60,000.00	59,272.44	4,834.42	0.00	727.56	98.8
921.000 UTILITIES/ GAS	150.00	150.00	55.05	0.00	0.00	94.95	36.7
925.000 CONTRACTUAL SERVICES	224,233.00	224,233.00	252,396.70	15,032.53	0.00	-28,163.70	112.6
927.000 UTILITIES/WATER	1,500.00	1,500.00	1,189.20	347.30	0.00	310.80	79.3
930.000 REPAIRS & MAINTENANCE	35,537.00	35,537.00	12,875.60	0.00	0.00	22,661.40	36.2
945.000 EQUIPMENT	33,375.00	33,375.00	0.00	0.00	0.00	33,375.00	0.0
957.000 PERMITS	5,200.00	5,200.00	7,500.00	0.00	0.00	-2,300.00	144.2
WASTEWATER TREATMENT PLANT	367,495.00	367,495.00	335,716.90	20,346.31	0.00	31,778.10	91.4
Dept: 103 WASTEWATER COLLECTION SYSTEM							
727.000 OPERATING SUPPLIES	10,000.00	10,000.00	8,052.52	0.00	0.00	1,947.48	80.5
850.000 TELEPHONE	2,700.00	2,700.00	2,244.59	215.16	0.00	455.41	83.1
920.000 UTILITIES/ ELECTRIC	13,000.00	13,000.00	12,958.86	1,245.55	0.00	41.14	99.7
921.000 UTILITIES/ GAS	450.00	450.00	505.88	0.00	0.00	-55.88	112.4
925.000 CONTRACTUAL SERVICES	26,000.00	26,000.00	17,848.16	0.00	0.00	8,151.84	68.6
930.000 REPAIRS & MAINTENANCE	71,074.00	71,074.00	40,497.84	0.00	0.00	30,576.16	57.0
945.000 EQUIPMENT	0.00	0.00	43,874.49	0.00	0.00	-43,874.49	0.0
970.000 CAPITAL OUTLAY	0.00	0.00	135,050.25	0.00	0.00	-135,050.25	0.0
WASTEWATER COLLECTION SYSTEM	123,224.00	123,224.00	261,032.59	1,460.71	0.00	-137,808.59	211.8
<b>Expenditures</b>	572,803.00	572,803.00	671,482.50	25,906.91	0.00	-98,679.50	117.2
<b>Grand Total Net Effect:</b>	54,299.00	54,299.00	-46,953.44	-26,169.67	0.00	101,252.44	

**TRIAL BALANCES**

NLTUA

As of: 2/29/2024

YTD Debits

YTD Credits

**Fund: 590 - SEWER FUND**

**Assets**

001.000	NLTUA CASH-CHECKING	117,448.62	0.00
001.001	CASH-NORTHPORT VILLAGE	36,434.55	0.00
001.002	CASH-LEELANAU TOWNSHIP	6,234.96	0.00
028.000	UTILITY BILLS RECEIVABLE	62,692.98	0.00
029.000	UTILITIES PENALTY RECEIVABLE	904.18	0.00
040.000	OTHER RECEIVABLES	31,883.41	0.00
111.000	PREPAID EXPENSES	5,909.07	0.00
142.000	LAND IMPROVEMENTS	106,597.15	0.00
144.000	PLANT EQUIPMENT	185,816.85	0.00
146.000	OFFICE EQUIPMENT & FURNITURE	15,337.29	0.00
147.000	ACCUM DEP-OFFICE EQUIP & FURN	0.00	100,350.00

**Assets**

**569,259.06**

**100,350.00**

**Liabilities**

226.000	DUE TO TOWNSHIPS-LEELANAU	0.00	11,383.80
227.000	DUE TO VILLAGES-NORTHPORT	0.00	48,376.47
228.000	DUE TO STATE OF MICHIGAN	0.00	81.46
229.000	DUE TO FEDERAL GOVERNMENT	0.00	1,074.59
230.000	DUE TO VILLAGE OF NPT. LOAN	0.00	218,050.25

**Liabilities**

**0.00**

**278,966.57**

**Reserves/Balances**

390.000	Fund Balance	0.00	236,895.93
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**Reserves/Balances**

**0.00**

**236,895.93**

**Revenues**

Dept: 000

452.000	HOOK UP APPLICATION/PERMIT FEE	0.00	900.00
642.000	OPERATION/MAINTENANCE FEES	0.00	620,459.78
655.000	LATE CHARGES INTEREST	0.00	2,580.28
669.000	MISC. REVENUE	0.00	589.00

Dept: 000

**0.00**

**624,529.06**

**Revenues**

**0.00**

**624,529.06**

**Expenditures**

Dept: 101 UTILITY AUTHORITY BOARD

702.000	SALARIES	28,663.88	0.00
711.000	EMPLOYERS SOCIAL SECURITY	1,777.09	0.00
713.000	EMPLOYERS MEDICARE	415.65	0.00
714.000	WORKMENS COMP	582.00	0.00
727.000	OPERATING SUPPLIES	247.64	0.00
740.000	POSTAGE	2,009.00	0.00
800.000	CONTRACTUAL SERVICE	21,559.75	0.00
801.000	LEGAL SERVICES	5,335.00	0.00
955.000	MISCELLANEOUS	835.00	0.00
960.000	INSURANCE & BONDS	13,308.00	0.00

Dept: 101 UTILITY AUTHORITY BOARD

**74,733.01**

**0.00**

Dept: 102 WASTEWATER TREATMENT PLANT

850.000	TELEPHONE	2,427.91	0.00
920.000	UTILITIES/ ELECTRIC	59,272.44	0.00
921.000	UTILITIES/ GAS	55.05	0.00
925.000	CONTRACTUAL SERVICES	252,396.70	0.00
927.000	UTILITIES/WATER	1,189.20	0.00

**TRIAL BALANCES**

NLTUA

As of: 2/29/2024

YTD Debits

YTD Credits

Fund: 590 - SEWER FUND

Expenditures

Dept: 102 WASTEWATER TREATMENT PLANT

930.000 REPAIRS & MAINTENANCE

12,875.60

0.00

957.000 PERMITS

7,500.00

0.00

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Dept: 102 WASTEWATER TREATMENT PLANT

335,716.90

0.00

Dept: 103 WASTEWATER COLLECTION SYSTEM

727.000 OPERATING SUPPLIES

8,052.52

0.00

850.000 TELEPHONE

2,244.59

0.00

920.000 UTILITIES/ ELECTRIC

12,958.86

0.00

921.000 UTILITIES/ GAS

505.88

0.00

925.000 CONTRACTUAL SERVICES

17,848.16

0.00

930.000 REPAIRS & MAINTENANCE

40,497.84

0.00

945.000 EQUIPMENT

43,874.49

0.00

970.000 CAPITAL OUTLAY

135,050.25

0.00

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Dept: 103 WASTEWATER COLLECTION SYSTEM

261,032.59

0.00

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Expenditures

671,482.50

0.00

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Fund: 590 - SEWER FUND

1,240,741.56

1,240,741.56



NORTHPORT/LEELANAU TOWNSHIP  
UTILITIES AUTHORITY



Resolution to Adopt Budget Amendments for NLTUA 2023-24 Fiscal Year:

**Whereas**, the NLTUA has identified the need for budget amendments to accurately reflect the expenses incurred during the 2023-24 fiscal year;

**Whereas**, Department 101 requires an adjustment to increase expenses by \$30,312.75 primarily due to the expense of the Rate study authorized by the Board on July 25, 2023, and additional legal and insurance expenses;

**Whereas**, Department 102 Treatment Plant expenses need to be adjusted to increase by an additional \$178,924.25 due to the sewer main relining project and the Board's approval to purchase spare critical parts;

**Whereas**, these expenses will be covered by the loan from the Village of Northport and offset by the **NLTUA Fund balance for Department 101**;

**Now, therefore, be it resolved** that the NLTUA Board hereby approves the following budget amendments for the 2023-24 fiscal year:

1. Department 101:

- Increase expenses by \$30,312.75
- Offset by the NLTUA Fund balance

2. Department 102:

- Increase Treatment Plant expenses by \$178,924.25
- Covered by the loan from the Village of Northport

**Be it further resolved** that the Clerk is authorized and directed to make the necessary adjustments to the budget in accordance with these amendments.

**Be it further resolved** that this resolution shall take effect immediately upon adoption.

Resolved this \_\_\_\_\_ by the NLTUA Board.

**Budget Amendments for NLTUA 2023-24 Fiscal Year:**

**Department 101: Administration and Contractual Services**

- Increase expenses by \$30,312.75
  - Rate study expense: \$16,900 (Authorized by the Board on July 25, 2023)
  - Additional increases in legal and insurance expenses
  - These expenses will be offset by the NLTUA Fund balance.

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**Department 102: Collection System**

- Increase Treatment Plant expenses by \$178,924.25
  - Sewer main relining project cost: \$135,050.25
  - Purchase of spare critical parts (Approved by the Board)
  - These expenses will be covered by the loan from the Village of Northport.

### Budget Summary and Agreements Breakdown:

With the commencement of the NLTUA finalizing agreements with the Village of Northport and Leelanau Township to streamline staffing arrangements, a significant shift is occurring, relieving the NLTUA of budget responsibilities for salaries amounting to \$32,000, along with Medicare, Social Security, and workers' compensation costs totaling \$3,364.

Under the agreement with the Village of Northport, the Clerk, Superintendent, and Accounts Receivable Clerk positions will now be staffed by Village employees. The breakdown of salaries includes \$16,561 for the Clerk, \$7,250 for the Superintendent, and \$5,000 for the Accounts Receivable Clerk, totaling \$28,811. Additionally, the Leelanau Township will provide Deputy Treasurer services staffed from the office of the Township Treasurer for a salary of \$7,000.

Consequently, the total impact on the budget is an increase of \$3,732.50 to accommodate these staffing arrangements, marking a pivotal transition towards more efficient operations and clearer delineation of responsibilities.

## **Agreement Between NLTUA and Village of Northport**

This agreement ("Agreement") is entered into on [Date] between the Northport Township Utility Authority (NLTUA) and the Village of Northport ("Village"), collectively referred to as the "Parties".

### **1. Services Provided:**

The Village of Northport agrees to provide the following services to the NLTUA:

- 1. Accounts Payable and Billing Services:** The NLTUA Clerk, employed by the Village of Northport, will be responsible for managing accounts payable and billing functions for the NLTUA. This includes but is not limited to processing invoices, issuing payments, and maintaining billing records.
- 2. Assistance at Treatment Plant and Collection System:** The NLTUA Superintendent, employed by the Village of Northport, will assist the treatment plant and collection system operators as needed. Duties may include equipment maintenance, monitoring plant operations, and responding to emergencies.
- 3. Receipting of Utility Bills:** An Accounts Receivable Clerk, employed by the Village of Northport, will handle the receipting of all utility bills for the NLTUA. This includes accepting payments, reconciling accounts, and depositing funds.

### **2. Compensation:**

The NLTUA agrees to compensate the Village of Northport for the Clerk, Superintendent, and Assistant Deputy Treasurer services in the amount of \$31,445 annually. This total compensation includes Medicare, Social Security, and workmen's compensation, with the additional expenses totaling \$2,884.00.

### **3. Term:**

This Agreement shall commence on March 1, 2024 and shall remain in effect until terminated by either Party in accordance with the terms herein.

### **4. Termination:**

Either Party may terminate this Agreement upon 90 days written notice to the other Party. Any modifications to the terms of this agreement can be made with written notice agreed upon by both Parties.

### **5. Governing Law:**

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, without regard to its conflicts of law principles.

### **6. Entire Agreement:**

This Agreement constitutes the entire understanding between the Parties concerning the subject matter hereof and supersedes all prior agreements, whether written or oral.



**7. Execution:** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

**IN WITNESS WHEREOF,** the Parties hereto have executed this Agreement as of the date first above written.

**Northport Township Utility Authority (NLTUA)**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_  
Printed Name

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Village of Northport**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_  
Printed Name

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## **Agreement between NLTUA and Leelanau Township**

This Agreement ("Agreement") is made effective as of [Effective Date], between the Northport Leelanau Township Utility Authority (NLTUA), hereinafter referred to as "NLTUA," and Leelanau Township, hereinafter referred to as the "Township."

### **1. Services Provided:**

The Township agrees to provide the following service to the NLTUA.

- A. **Deposits and Disbursement of Debt Retirement Collection:** The Deputy Treasurer will be responsible for managing accounts receivable deposits and quarterly disbursements for debt retirement to both the village and township, and maintaining revenue records.

### **2. Compensation:**

The NLTUA agrees to compensate the Township for the Deputy Treasurer services in the amount of \$7,635.50 annually. This total compensation includes Medicare, Social Security, and workmen's compensation, with the additional expenses totaling \$635.50.

### **3. Term:**

This Agreement shall commence on March 1, 2024 and shall remain in effect until terminated by either Party in accordance with the terms herein.

### **4. Termination and Modifications:**

Either Party may terminate this Agreement upon 90 days written notice to the other Party. Any modifications to the terms of this agreement can be made with written notice agreed upon by both Parties.

### **5. Governing Law:**

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, without regard to its conflicts of law principles.

### **6. Entire Agreement:**

This Agreement constitutes the entire understanding between the Parties concerning the subject matter hereof and supersedes all prior agreements, whether written or oral.

**7. Execution:** This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

Northport Township Utility Authority (NLTUA)

By: \_\_\_\_\_

Name: \_\_\_\_\_

Printed Name

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Leelanau Township

By: \_\_\_\_\_

Name: \_\_\_\_\_

Printed Name

Title: \_\_\_\_\_

Date: \_\_\_\_\_