



Audit Committee Meeting
Friday, March 26, 2021 at 8:00 a.m.
www.glwater.org

Join by Microsoft Teams
Dial-In: 313-771-3116 Conference ID: 868 434 344#
[GLWA Audit Committee Meeting](#)

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
 - A. February 26, 2021 (Page 1)
 - B. March 8, 2021 (Page 6)
 - C. March 15, 2021 (Page 8)
5. PUBLIC PARTICIPATION
6. OLD BUSINESS
 - A. Water Residential Assistance Program Redesign Implementation (Page 10) Update
 - B. Business Inclusion and Diversity Program Update (Page 19)
7. NEW BUSINESS
 - A. Proposed Change Order No. 5 - GLWA CS-002 Financial Advisor (Page 20)
8. REPORTS
 - A. CFO Update (Page 26)
 - B. December 2020 Financial Report (Page 27)
 - ~~C. Annual Procurement Report~~
 - D. FY 2021 Q2 Construction Work-in-Progress Report through (Page 28) December 31, 2020 (Unaudited)
 - E. Gifts, Grants & Other Resources Report through February 28, 2021 (Page 48)
9. COMMUNICATIONS
 - A. Correction to Audit Committee FY 2021 Meeting Schedule (Page 53)
 - B. *The Procurement Pipeline* for March 2021 (Page 55)
10. LOOK AHEAD
 - A. Next Audit Committee Meeting: April 23, 2021 at 8:00 a.m.
11. OTHER MATTERS
12. ADJOURNMENT

Note: Agenda item 8A has been added and combined in agenda order and document was renumbered.

Agenda item 8C was removed from the agenda and will be presented at the April 23, 2021 meeting.



Great Lakes Water Authority

735 Randolph Street
Detroit, Michigan 48226
glwater.legistar.com

Meeting Minutes - Draft

Audit Committee

Friday, February 26, 2021

8:00 AM

Telephonic Meeting

Telephonic Meeting

Call-In Number: 1-313-771-3116 Conference ID: 868 434 344#

1. Call To Order

Chairperson Baker called the meeting to order at 8:01 a.m.

2. Quorum Call

Present: 3 - Chairperson Brian Baker, Director Gary Brown, and Director Jaye Quadrozzi

Committee Members' Attendance Location:

Chairperson Baker (Clinton Township, Michigan)

Director Brown (Detroit, Michigan)

Director Quadrozzi (Beverly Hills, Michigan)

3. Approval of Agenda

Nicolette Bateson, Chief Financial Officer/Treasurer, requested to Amend the Agenda to move Item 8F., Quarterly Investment Report, to Item 7C.; remove Item 8D., Quarterly Gifts, Grants & Other Resources Report, from the Agenda; Item 8A., CFO Report will be verbal, not Binder 2; and add Item 6C., Discussion Regarding Budget and Charges.

Chairperson Baker requested a Motion to approve the Agenda as Amended.

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Approved as Amended

The motion carried by a unanimous vote.

4. Approval of Minutes

A. [2021-067](#) Approval of Minutes of January 15, 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [4A Audit Committee Meeting Minutes - January 15, 2021](#)

Chairperson Baker requested a Motion to approve the January 15, 2021 Audit Committee Meeting Minutes.

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Approved

The motion carried by a unanimous vote.

B. [2021-068](#) Approval of Minutes of the January 22, 2021 Special Meeting

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [4B Special Audit Committee Meeting Minutes - January 22, 2021](#)

Chairperson Baker requested a Motion to approve the January 22, 2021 Special Audit Committee Meeting Minutes.

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Approved

The motion carried by a unanimous vote.

5. Public Comment

There were no public comments.

6. Old Business**A.** [2021-069](#) Presentation: Water Residential Assistance Program Redesign Implementation Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [6A Presentation Water Residential Assistance Program Redesign Implementation Update](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

B. [2021-070](#) Business Inclusion and Diversity Program Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [6D B.I.D. Audit Committee Update 2.26.2021](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

C. Discussion on FY 2022 & FY 2023 Biennial Budget and FY 2022 Service Charges

Chairperson Baker requested a Motion for the Administration to prepare an analysis for a \$5 Million reduction on Water O&M, its impact on charges, and also on the Sewer.

A Motion was made by Director Brown, Supported by Director Quadrozzi, for the Administration to prepare an analysis for a \$5 Million reduction on Water O&M, its impact on Charges, and also on the Sewer. The Motion carried by a unanimous vote.

Note: A Special Audit Committee Meeting has been scheduled for Monday, March 8, 2021, at 8:00 a.m.

7. New Business**A. [2021-079](#) Proposed Amendments to Investment Policy**

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [7A Proposed Amendments to Investment Policy](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Recommended for Approval to the Board of Directors

Agenda of March 24, 2021

The motion carried by a unanimous vote.

B. [2021-080](#) Qualified Financial Institutions

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [7B Qualified Financial Institutions](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

C. [2021-075](#) Quarterly Investment Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8F Quarterly Investment Report through December 31, 2020](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

8. Reports**A.** CFO Update-Verbal

Nicolette Bateson, Chief Financial Officer/Treasurer, provided a verbal update on the COVID-19 impact on GLWA.

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

B. [2021-071](#) Monthly Financial Report for November 2020

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8B November 2020 Financial Report - Tagetik](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

C. [2021-072](#) Shared Services Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8C FY 2018 FY2019 and Beyond True Up Status Memo 2.26.2021](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

D. [2021-074](#) Quarterly Debt Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8E Quarterly Debt Report as of 12.31.2020](#)

Motion By: Jaye Quadrozzi

Support By: Brian Baker

Action: Received and Filed

The motion carried by a unanimous vote.

9. Communication**A. [2021-077](#) The Procurement Pipeline for February 2021**

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [9A - February 2021 Procurement Pipeline](#)

Motion By: Jaye Quadrozzi

Support By: Brian Baker

Action: Received and Filed

The motion carried by a unanimous vote.

10. Look Ahead

A Special Audit Committee Meeting has been scheduled for Monday, March 8, 2021 at 8:00 a.m.

The next regular Audit Committee Meeting is scheduled for Friday, March 26, 2021 at 8:00 a.m.

11. Other Matters

There were no other matters.

12. Adjournment

Chairperson Baker requested a Motion to Adjourn.

Motion By: Jaye Quadrozzi

Support: Brian Baker

Action: Approved

The motion carried unanimously.

There being no further business, the meeting was adjourned at 9:49 a.m.



Great Lakes Water Authority

735 Randolph Street
Detroit, Michigan 48226
glwater.legistar.com

Meeting Minutes - Draft

Audit Committee

Monday, March 8, 2021

8:00 AM

Telephonic Special Meeting

Telephonic Special Meeting

Public Call-In Number: 1-313-771-3116

Conference ID: 868 434 344#

1. Call To Order

Chairperson Baker called the meeting to order at 8:00 a.m.

2. Quorum Call

Present: 3 - Chairperson Brian Baker, Director Gary Brown, and Director Jaye Quadrozzi

Committee Members' Attendance Location:

Chairperson Baker (Clinton Township, Michigan)

Director Brown (Detroit, Michigan)

Director Quadrozzi (Beverly Hills, Michigan)

3. Approval of Agenda

Chairperson Baker requested a Motion to approve the Agenda.

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Approved

The motion carried by a unanimous vote.

4. Approval of Minutes

None

5. Public Comment

There were no public comments.

6. Old Business

- A. [2021-096](#) Discussion Draft: FY 2022 & FY 2023 Biennial Budget and Five-Year Plan and Proposed FY 2022 Water and Sewer Service Charges

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [6A Proposed FY 2022 & 2023 Biennial Budget and FY 2022 Charges](#)

No Action Taken - Discussion Only

NOTE: A Special Audit Committee Meeting has been scheduled for Monday, March 15, 2021 at 8:00 a.m. for a continued Discussion of FY 2022 & FY 2023 Biennial Budget and Five-Year Plan and Proposed FY 2022 Water and Sewerage Services Charges.

7. New Business

None

8. Reports

None

9. Look Ahead

A Special Audit Committee Meeting is scheduled for Monday, March 15, 2021 at 8:00 a.m.
The next regular Audit Committee Meeting is scheduled for Friday, March 26, 2021 at 8:00 a.m.

10. Information

None

11. Other Matters

None

12. Adjournment

Chairperson Baker requested a Motion to Adjourn

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Approved

The motion carried by a unanimous vote.

There being no further business, the meeting was adjourned at 9:49 a.m.



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Meeting Minutes - Draft

Audit Committee

Monday, March 15, 2021

8:00 AM

Telephonic Special Meeting

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Call-In Number: 1-313-771-3116 Conference ID: 868 434 344#

1. Call To Order

Chairperson Baker called the meeting to order at 8:01 a.m.

2. Quorum Call

Present: 3 - Chairperson Brian Baker, Director Gary Brown, and Director Jaye Quadrozzi

Committee Members' Attendance Location:

Chairperson Baker (Clinton Township, Michigan)

Director Brown (Detroit, Michigan)

Director Quadrozzi (Beverly Hills, Michigan)

3. Approval of Agenda

Chairperson Baker requested a Motion to approve the Agenda.

Motion By: Jaye Quadrozzi

Support: Brian Baker

Action: Approved

The motion carried unanimously.

4. Approval of Minutes

None

5. Public Comment

There were no public comments.

6. Old Business

A. [2021-097](#) Discussion Draft: FY 2022 & FY 2023 Biennial Budget and Five-Year Plan and Proposed FY 2022 Water and Sewer Service Charges

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [6A1 Proposed FY 2022 & 2023 Biennial Budget and FY 2022 Charges](#)
[6A1.1 Budget Alignment 3.15.2021 v2](#)

Director Baker made a motion, supported by Director Brown, to direct Administration to determine the 15 lowest prioritized positions that will total \$1.3 Million to total a total of \$4.5 Million and incorporate the \$4.5 Million in savings for the Audit Committee's recommendation to the full Board on March 24, 2021 and to apply the savings to lower charge increases, water and sewer.

Motion By: Brian Baker

Support By: Gary Brown

Action: Approved

The motion carried by a 2/1 vote.

7. New Business

None

8. Reports

None

9. Look Ahead

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10. Information

None

11. Other Matters

There were no other matters.

12. Adjournment

Chiarperson Baker requested a Motion to Adjourn.

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Approved

The motion carried by a unanimous vote.

There being no further business, the meeting was adjourned at 9:49 a.m.



Financial Services Audit Committee Communication

Date: March 26, 2021

To: Great Lakes Water Authority Audit Committee

From: Jon Wheatley, Public Finance Manager

Re: Presentation: Water Residential Assistance Program Redesign Implementation
Update- Proposed Program Changes

Background: The Great Lakes Water Authority (GLWA) engaged Public Sector Consultants (PSC) to serve as the WRAP Advisor to evaluate the current Water Residential Assistance Program (WRAP). PSC presented their report and recommendations at the October 23, 2020 Audit Committee meeting and to the GLWA Board on October 28, 2020.

GLWA has extended its engagement with PSC to help support the implementation of the recommended program changes through June 2021. As part of the engagement, the seventeen recommendations from the final report were prioritized into three phases of implementation by PSC and GLWA. Based on preliminary discussions, it is anticipated that the full implementation of all recommendations may take at least twelve months, depending on the feedback from the community action agencies (CAA).

Analysis: The included memo prepared by PSC provides three recommended changes to the current program based on the prepared analysis. The changes are in alignment with the initial recommendations provided by PSC in their October 2020 report and the three-phase implementation strategy that GLWA and PSC have started in conjunction with the community action agencies. The three recommended changes include:

- 1) ***Enable Categorical Eligibility for WRAP Applicants*** - This is the next step toward making it easier for eligible households to access WRAP.
- 2) ***Increase the Arrearage Payment Cap from \$700 per year to \$1,200*** - Based on historical data, this would enable WRAP to pay off over 75 percent of arrearage balances in the first year and up to 92 percent of arrearage balances after two years in the program.
- 3) ***Updated Outcomes and Reporting Measures*** - The updated measures align more closely with the original program design and the simplified report format makes it easier to convey the annual progress of WRAP commitments.

Future recommended program changes will be brought forward to the Audit Committee as GLWA management and PSC progress through the last two phases of the recommended implementation.

Budget Impact: None.

Proposed Action: Receive and file this report.



**PUBLIC SECTOR
CONSULTANTS**

Memo

TO Great Lakes Water Authority - Audit Committee

FROM Maggie Pallone and Eric Pardini, Public Sector Consultants

DATE Friday, March 26, 2021

SUBJECT Proposed WRAP Program Changes

Proposed Program Changes

In October 2020, Public Sector Consultants provided the Great Lakes Water Authority (GLWA) Board of Directors with an evaluation report for the Water Residential Assistance Program. This report identified several recommendations for improving the delivery and effectiveness of WRAP. Upon review of the evaluation report the board expressed the desire to begin implementing recommendations to improve WRAP over the coming months. The following recommended program changes are the result of ongoing collaboration between GLWA, PSC, and Community Action Agency partners and reflect strong steps that the board can take to improve WRAP for customers, member partner communities, and program administrators.

Simplifying Eligibility Determination: Enable Categorical Eligibility

Recommendation: The GLWA Board of Directors should enable the use of categorical eligibility to determine if a household can receive WRAP funds. As a result of this change, program administrators should update their enrollment processes to incorporate categorical eligibility screenings and track the number of enrollments through this pathway.

Rationale: In the 2020 recommendations, PSC recommended that GLWA further simplify WRAP's eligibility determination. This recommendation sought to build on past efforts to reduce paperwork requirements and minimize the burden placed on households seeking assistance. **The next step toward making it easier for eligible households to access WRAP is to enable categorical eligibility determination.** Categorical eligibility is a policy tool that leverages an applicant's eligibility and/or enrollment in other income qualified programs as an automatic qualification for WRAP. For example, a household receiving Temporary Assistance for Needy Families (TANF) would be automatically eligible for Supplemental Nutrition Assistance Benefits (SNAP). The concept of categorical eligibility has been in existence for more than 50 years and is used in several state and federal assistance programs. Though the policy's design and application can vary categorical eligibility has been shown to reduce administrative burden for households and program administrators while also expanding the pool of potentially eligible program participants.

Enabling categorical eligibility for WRAP does not mean eliminating or reducing the programs existing eligibility requirements. Instead, the policy seeks to leverage assistance programs with similar guidelines

to reach more households. PSC identified eight programs have income thresholds that match or exceed the income eligibility guidelines currently in place for WRAP¹ and many of these programs are already administered through local Community Action Agencies. Based on the current WRAP program eligibility guidelines (eligible program expenses, income thresholds, and other eligibility metrics), the following assistance programs should be incorporated into a categorical eligibility determination for WRAP:

- Low-Income Home Energy Assistance Program (LIHEAP)
- State Emergency Relief (SER)
- Michigan Energy Assistance Program (MEAP)
- Home Heating Credit
- Weatherization Assistance Program
- Supplemental Nutrition Assistance Program (SNAP)
- Temporary Assistance for Needy Families (TANF)
- Supplemental Security Income (SSI)

Community Action Agencies already work to provide households with the various forms of assistance they qualify for during the screening process. Wayne Metro has also shared that it is beginning to utilize a universal application for assistance to streamline enrollment across its programs. Enabling categorical eligibility for WRAP will further simplify service delivery for applicant and support more efficient operations.

Serving Customers with High Arrearages: Increase the Arrearage Payment Cap

Recommendation: The GLWA Board of Directors should raise the WRAP arrearage payment cap to \$1,200 per household per year and up to \$2,400 if they complete two years of the program. Program administrators should carefully track the impact of the increased arrearage payment cap and report on how the change has impacted program participation and funding.

Rationale: One of WRAP's primary goals is ensuring customers do not lose access to their water service and can pay down past due bills. However, for too many households this goal is not attainable given current program design. WRAP provides households with up to \$700 in arrearage payments per year, meaning a household that enrolls in the program with more than \$1,400 in arrearages could successfully complete the two-year program and still have unpaid arrearages on their bill. **Since the launch of WRAP in 2016, over 20 percent of households enrolled in the program have had an arrearage balance greater than \$1,400.** This means that the approximately 4,000 households with high arrearage balances could complete WRAP and would still be at risk for a water shutoff when they leave the program. The 2020 evaluation report recommended that GLWA take steps to address the needs of customers with high arrearage balances.

To support the development of a recommendation, PSC analyzed WRAP participant data to determine the potential impact of raising the arrearage cap. There were 4,553 households with an arrearage balance enrolled in the program in FY 2020 with an average balance of \$1,004 and total arrearage balance of \$4.5 million. The amount owed far exceeded total funding allocated to assistance for the entire program year and the \$1.7 million allocated for assistance payments. Given that arrearage balances are significantly

¹ Maximum gross income thresholds for these programs range from 75-200 percent of the federal poverty level (FPL), meaning every recipient of these programs also satisfies the WRAP income threshold of 200 percent or less of FPL.

greater than available resources, the proposed change to WRAP's arrearage payments seeks to maximize the impact on customer arrears while taking into consideration current funding limitations.

Based on 2020 program participation and arrearage balances, PSC estimates that the arrearage payment cap for WRAP could be raised to \$1,200 per year without straining funds allocated for other resources. If the arrearage payment cap was set at \$1,200 in FY 2020, the total funding required for arrearages would have been \$1.79 million which represents less than \$100,000 more than the current funding allocation.

This change would enable WRAP to payoff over 75 percent of arrearage balances in the first year and up to 92 percent of arrearage balances after two years in the program. This would mean that 12 percent more households would be able to exit the WRAP with a zero balance after two years in the program without requiring substantive changes to the allocation of WRAP resources. Additionally, the change would not dramatically raise the average arrearage payment on a per household basis since the majority of households enrolled in WRAP owe less than \$700.

Recommended Arrearage Cap Change, based on FY 2020 participation

	Current Arrearage Cap	Proposed Arrearage Cap
Annual arrearage payment cap	\$700	\$1,200
Total households with an arrearage balance	4,553	4,553
Households without an arrearage balance after 1 year	2,439	3,461
Percentage	53.57%	76.02%
Households without an arrearage balance after 2 years	3,673	4,189
Percentage	80.67%	92.01%
Average arrearage payment per household	\$348.28	\$517.82
Total estimated arrearage payments	\$849,447.17	\$1,792,175.31
FY 2020 – Total arrearage assistance funding	\$1,701,333.64	\$1,701,333.64

Develop Outcomes and Reporting Measures

Recommendation: The GLWA Board of Directors should review the proposed quarterly reporting template for WRAP and provide feedback.

Rationale: Through the evaluation of the WRAP, several recommendations were made on the current data collection and reporting process, including updating current performance measures, identifying and collecting data on missing performance measures, and collecting data that focuses on program outcomes. These recommendations use the goals outlined in the WRAP design manual as their guide:

- Goal One: Assist low-income individuals and families with their water and sewer bills
- Goal Two: Avoid water utility disconnection and reduce account arrearages
- Goal Three: Assist clients in increasing self-sufficiency, in part through the provision of water conservation measures
- Goal Four: Promote collaboration on program outreach to consumers and the public
- Goal Five: Foster collaboration to advance partnerships for developing and leveraging funding opportunities to deliver assistance

In order to better understand the program's impact on participants' ability to pay their bills, their water consumption, and overall reduction in arrears, PSC recommends that program administrators begin collecting and reporting data on the number of households making on-time bill payments, arrearages paid per household, and water consumption for participating households.

To implement the recommendations, PSC facilitated several discussions on data collection and reporting with GLWA staff and program staff at Wayne Metro. During these discussions, the team reviewed existing, missing, and proposed performance measures and identified the appropriate measures to include in reporting moving forward. The table below shows the final performance measures to be reported to GLWA leadership, whether it is included in the current reporting structure, and requires a new data source. Reporting will be conducted on a quarterly basis.

Metrics by Goal	Reporting Status	Data Source and Collection Process
Goal One: Assist low-income individuals and families with their water and sewer bills		
Number of completed applications	Current	Existing
Number of applicants not eligible for participation and reason for ineligibility	New	Existing
Number of households assisted	Current	Existing
Amount (\$) of assistance provided total and average per household	Current	Existing
Number of repeats applicants/participants	Current	Existing
Timeframe from application submission to program enrollment	New	Existing
Number of participants making on-time bill payments	New	Existing
Goal Two: Avoid water utility disconnection and reduce account arrearages		
Number of shut-offs avoided	Current	Existing
Average arrearage balance per household (reported for newly enrolled households)	Current	Existing
Amount of arrearages paid per household	New	Existing
Goal Three: Assist customers in increasing self-sufficiency, in part through the provision of water conservation measures		
Number household with high water (also report as percent of total enrolled households)	Current	Existing
Number of water audits completed	New	Existing
Number of repairs performed	Current	Existing
Average cost of repairs per household	New	Existing

Water consumption (CCF) per household (tracked by household size)	New	New
Goal Four: Promote collaboration on program outreach to consumers and the public via multimedia and multilingual information sources		
Number of client referrals from regional agencies and community organizations	New	New
Goal Five: Foster collaboration to advance partnerships for developing and leveraging funding opportunities to deliver assistance		
Program participants served through supplemental water/sewer funding (state or federal)	Current	Existing
Additional forms of assistance provided via supplemental funding (other types of assistance provided)	New	New

Updated WRAP Quarterly Report Template, Through Fiscal Year 2021 Q2

WRAP Program Summary Report - Oakland Livingston Human Services Agency					
	Total FY 2021 YTD		Total FY 2020		
Budgeted Program Funding	\$1,149,643		\$1,114,023		
Total Funds Allocated - Direct Assistance	\$851,554		\$825,138		
Total Funds Allocated - Conservation Assistance	\$212,889		\$206,285		
Allocation Percentage	16.69%		22.88%		
	Q1 July-September 2020	Q2 October-December 2020	Total FY 2021 YTD	Total FY 2020 YTD	Total FY 2020
Goal One					
Number of enrollment appointments	78	92	170	153	286
Number of applicants not eligible for participation					
Number of households enrolled	80	31	111	181	352
Amount (\$) of total assistance provided (Committed)	\$65,376.70	\$21,380.18	\$86,756.88	\$119,316.67	\$247,916.00
Amount (\$) of total assistance provided (Uncommitted)			\$764,797.39		
Amount (\$) of average assistance provided per household	\$817.21	\$689.68	\$781.59	\$659.21	\$704.31
Number of repeat applicants/participants					
Year 1	57	28	85	115	223
Year 2	21	1	22	58	104
WRAPFinity	2	2	4	8	25
Timeframe from application submission to program					
Number of participants making on-time bill payments					
Goal Two					
Number of shut-offs avoided	59	86	145	119	230
Number of households enrolled with an arrearage balance	80	108	188	140	303
Average arrearage balance per household (reported for newly enrolled households)	\$ 83.00	\$ 85.00	\$ 168.00	\$ 182.00	\$ 357.00
Amount of arrearages paid per household					
Goal Three					
Amount (\$) of Conservation assistance provided					
Amount (\$) of Conservation assistance provided - Direct Repairs	\$0.00	\$6,008.50	\$6,008.50	\$2,175.00	\$3,632.00
Amount (\$) of Conservation assistance (uncommitted)			\$206,880.07		
Number household with high water	37	23	60	64	124
Percentage of enrolled households	46%	74%	54%	35%	35%
Number of water audits completed	0	27	27	7	11
Number of repairs performed	0	8	8	4	5
Average cost of repairs per household	-	\$751.06	\$751.06	\$543.75	\$726.40
Water consumption (CCF) per household					
Goal Four					
Number of client referrals from regional agencies and community organizations					
Goal Five					
Program participants served through supplemental water/					
Additional forms of assistance provided via supplemental					

Appendix 1. Household Arrearages, Fiscal Year 2020

	Wayne	Oakland	Macomb	Genesee	Washtenaw
Households Enrolled	5,106	357	265	179	21
Households with Arrearage Balance	3,968	304	93	167	19
Percentage	77.7%	85.2%	35.1%	93.3%	90.5%
Total Household Arrearage Balance	\$4,071,483	\$55,518	\$8,987	\$57,668	\$305
Average Household Arrearage Balance	\$1,026	\$182	\$96	\$345	\$16



Financial Services Audit Committee Communication

Date: March 26, 2021

To: Great Lakes Water Authority Audit Committee

From: Megan Torti, Vendor Outreach Coordinator

Re: Business Inclusion & Diversity Program Update

Background: On November 25, 2020, the GLWA Board of Directors approved an amendment to the Procurement Policy allowing for the formation of a new Business Inclusion & Diversity (B.I.D.) Program within the Financial Services Procurement Group. The B.I.D. Program Team, which includes internal GLWA Team Members as well as external consultants, executed a Phase I launch of the program on February 1, 2021.

Analysis: As the first B.I.D. Program-qualifying solicitations were advertised on Bonfire in March 2021, the B.I.D. Program Team undertook the following strategic efforts.

1. Developed vendor outreach & education materials to be utilized by B.I.D. program liaison during pre-bid and pre-proposal meetings for B.I.D.-qualifying solicitations.
2. Updated the GLWA vendor website to include description of the B.I.D. Program and B.I.D. Program requirements and related documents.
3. Incorporated B.I.D. Program compliance into Vendor Performance Assessments.

Additionally, the following tasks remain at the top of our priority list.

- Posting a job description for a B.I.D. Program Manager.
- Drafting final report and recommendations based on research into the Inclusion & Diversity Programs of other national utilities and public sector entities.
- Creating B.I.D. Program outreach & education materials for upcoming vendor outreach events on March 23, 2021 and April 14, 2021.
- Developing contract language for B.I.D. Program requirements.
- Evaluating the insurance and bonding requirements for small, minority-owned, and economically and socially disadvantaged businesses.
- Identifying meaningful reporting and performance measures.

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: March 26, 2021

To: Great Lakes Water Authority Audit Committee

From: Jon Wheatley, Public Finance Manager

Re: Proposed Change Order No. 5 - GLWA CS-002 Financial Advisor

Background: Since March 20, 2015, PFM Financial Advisors, LLC (PFM) has served the Great Lakes Water Authority (GLWA) as its municipal financial advisor through GLWA contract CS-002. To date, PFM has assisted GLWA with the issuance of 31 new money and refunding bond issues (including state revolving fund bonds), totaling over \$3.1 billion. PFM also provides other non-transactional services such as providing feedback on various GLWA agreements and financial policies.

Justification: The current contract for municipal financial advisor (CS-002) with PFM will expire on March 19, 2021. Due to the other initiatives being undertaken by the Public Finance team, there has not been sufficient staff resources available to initiate a new solicitation. GLWA management requests an extension of the current contract, GLWA CS-002, through December 31, 2021 for an additional \$78,600.00. This will allow GLWA time to effectively solicit a new request for proposals for municipal financial advisors. The attached draft Board letter includes the updated time schedule for the proposed competitive solicitation for the municipal financial advisor contract.

Below is a summary of the original contract amount and the associated change orders. To date GLWA has extended the contract 3 times and has increased the contract amount by \$300,000.00. GLWA management is proposing an additional change order to extend the contract through December 31, 2021.

Contract Dates:

Original Contract Start Date:	March 20, 2015
Initial Contract End Date:	March 19, 2018
Change Order 1 Contract End Date*:	March 19, 2018
Change Order 2 Contract End Date:	March 19, 2019
Change Order 3 Contract End Date:	March 19, 2020
Change Order 4 Contract End Date:	March 19, 2021
<i>Proposed Change Order 5 Contract End Date:</i>	<i>December 31, 2021</i>

Contract Estimate

Original Contract Price:	\$300,000
Change Order No. 1*:	\$0
Change Order No. 2:	\$100,000
Change Order No. 3:	\$100,000
Change Order No. 4:	\$100,000
<i>Proposed Change Order No. 5:</i>	<u>\$78,600</u>
New Contract Total:	\$678,600

** Change Order #1 was a correction of original contract fees, with no time extension.*

Note that GLWA staff is seeking Board for approval for this contract change order in accordance with GLWA's Procurement Policy as the time length exceeds five years.

Proposed Action: Audit Committee recommends the Great Lakes Water Authority Board approve Change Order No. 5 of GLWA contract CS-002, "Financial Advisor" with PFM Financial Advisors LLC, with a cost increase of \$78,600.00, for a total cost not-to-exceed \$678,600.00, and a time extension of nine- and one-half months for a total contract duration of six years, nine- and one-half months.

..Title

**Proposed Change Order No. 5
Contract No. GLWA-CS-002
Financial Advisor**

..Body

Agenda of: April 28, 2021

Item No.: **2021-098**

Amount:	Original Contract:	\$ 300,000.00
	Change Order No. 1	0.00
	Change Order No. 2:	100,000.00
	Change Order No. 3:	100,000.00
	Change Order No. 4:	100,000.00
	Proposed Change Order No. 5:	<u>78,600.00</u>
	Total Revised Contract:	\$ 678,600.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: March 26, 2021

**RE: Proposed Change Order No. 5
Contract No. GLWA-CS-002
Financial Advisor
Vendor: PFM Financial Advisors LLC**

MOTION

Upon recommendation of Nicolette N. Bateson, Chief Financial Officer/Treasurer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. GLWA-CS-002, Proposed Change Order No. 5 “Financial Advisor” with PFM Financial Advisors LLC, at an increased cost of \$78,600.00, for a total cost not to exceed \$678,600.00, and an**

increased duration of 287 days for a total contract duration of 2,479 days, and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

Since March 20, 2015, PFM Financial Advisors, LLC (PFM) has served the Great Lakes Water Authority (GLWA) as its municipal financial advisor through GLWA-CS-002. As a municipal financial advisor, PFM acts in a fiduciary capacity to assist GLWA with the issuance of its water and sewer revenue bonds. To date, PFM has assisted GLWA with the issuance of 31 new money and refunding bond issues (including state revolving fund bonds), totaling over \$3.1 billion. PFM also provides other non-transactional services such as providing feedback on various GLWA agreements and financial policies.

The current contract for Financial Advisor (CS-002) with PFM will expire on March 19, 2021. GLWA will need to issue a new solicitation via a competitive procurement process for Financial Advisory Services during calendar year 2021.

JUSTIFICATION

The current contract for Financial Advisor (CS-002) with PFM will expire on March 19, 2021. Due to the other initiatives being undertaken by the Public Finance team, the solicitation process for a new contract has been delayed. GLWA management is requests an extension of the current contract GLWA-CS-002 through December 31, 2021 for an additional \$78,600.00. This will allow GLWA time to effectively solicit a new request for proposals for municipal financial advisors.

Below is a summary of the original contract amount and the change orders. To date, GLWA has extended the contract 3 times and has increased the contract amount by \$300,000.00. GLWA management is proposing an additional change order to extend the contract through December 31, 2021.

PROJECT MANAGEMENT STATUS

Original Contract Start Date:	March 20, 2015
Initial Contact End Date:	March 19, 2018
Change Order 1 Contract End Date*:	March 19, 2018
Change Order 2 Contract End Date:	March 19, 2019
Change Order 3 Contract End Date:	March 19, 2020
Change Order 4 Contract End Date:	March 19, 2021

Proposed Change Order 5 Contract End Date: December 31, 2021

PROJECT ESTIMATE

Original Contract Price:	\$300,000
Change Order No. 1*:	0
Change Order No. 2:	100,000
Change Order No. 3:	100,000
Change Order No. 4:	100,000
<i>Proposed Change Order No. 5:</i>	<u>78,600</u>
New Contract Total:	\$678,600

** Change Order #1 was a correction of original contract fees, with no time extension.*

Note that this contract is being brought to the Board for approval as the time length exceeds five years in accordance with GLWA's Procurement Policy.

Municipal Advisor Selection Process Update:

The updated time schedule for the proposed solicitation is shown in **Table 1** below. Based on this schedule, the new contract will be presented to the GLWA Board of Directors by November 19, 2021 and work will begin by January 1, 2022.

Table 1

	<u>Week of:</u>
Phase 1 - Solicitation Development	
Draft 1 - Front End/Background	6/07/2021
Draft 2 - post Stakeholder Report	6/28/2021
Phase 2 - Advertisement	
Finalize RFP	7/12/2021
Advertise date for RFP	7/12/2021
Questions due	7/26/2021
Pre-proposal conference	8/02/2021
Proposals due	8/16/2021
Phase 3 - Evaluation	
Minimum qualifications verified	8/16/2021
Evaluations due	8/23/2021
Oral interviews	8/30/2021

Additional questions compiled	8/30/2021
Responses from proposers	8/30/2021
Responses distributed to Eval Team	8/30/2021
Evaluation Team final selection	9/06/2021
Phase 4 - Contract Development	
Negotiation	9/06/2021
Preliminary Draft	9/06/2021
Final Draft	9/20/2021
Phase 5 - Board Requirements	
Prepare summary documents	10/04/2021
Audit Committee Review	10/22/2021
Board review/requested approval	11/19/2021
Contract award	
Phase 6 - Project Execution and Management	
Contract execution	12/3/2021
Start work	1/01/2022

BUDGET IMPACT

The current contract for Financial Advisor (CS-002) falls within the annual Public Finance budget. The effect on future Public Finance budgets is yet to be determined based on the outcome of the proposed competitive procurement process.

COMMITTEE REVIEW

This item was reviewed by the GLWA Audit Committee at its meeting on March 26, 2021. The Audit Committee [insert action].

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.



Financial Services Audit Committee Communication

Date: March 26, 2021

To: Great Lakes Water Authority Audit Committee

From: Nicolette N. Bateson, CPA, Chief Financial Officer & Treasurer

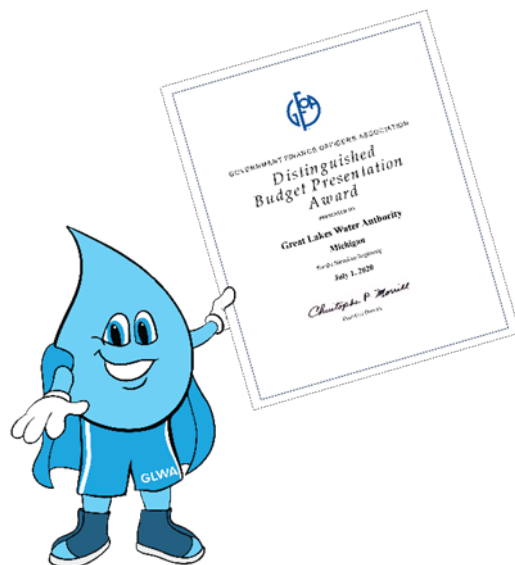
Re: CFO Update

Thank you!

Thank you for working through many policy and financial issues with the FY 2022 & FY 2023 Budget and Financial Plan as well as charges for FY 2021. Staff and consultants are working through the budget and charges revisions and preparing communications to the Member Partner community.

GLWA Receives GFOA Budget Award for the Second Year

The Government Finance Officers Association (GFOA) established the Distinguished Budget Presentation Awards Program encourage and assist state and local governments to prepare budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting and then to recognize individual governments that succeed in achieving that goal.



The GLWA Financial Services Area (FSA) submitted the FY 2021 & FY 2022 Biennial Budget and related FY 2021 through FY 2025 five-year financial plan to the GFOA for review and consideration for the Distinguished Budget Presentation Awards Program. The GLWA team was recently advised they had achieved this honor for the second year in a row. GLWA is honored to be recognized once again because achieving the highest level of financial management and transparency throughout the organization is critical to long-term sustainability.

Proposed Action: Receive and file this report.

GLWA

Great Lakes Water Authority



Monthly Financial Report Binder

December 2020

**Presented to the
Great Lakes Water Authority
Audit Committee on March 26, 2021**

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Key Financial Metrics

The table below provides key report highlights and flags the financial risk of a budget shortfall by year-end as follows:

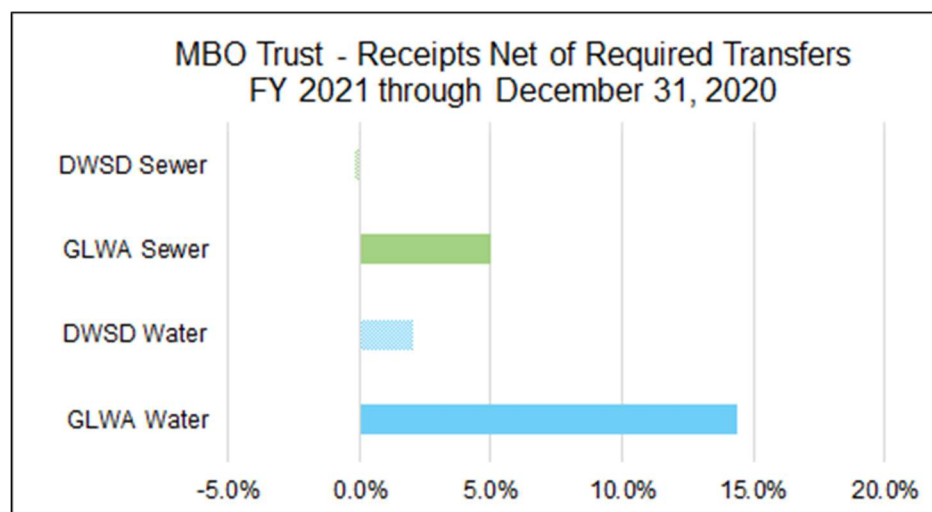
No Risk (green) - Potential (yellow) - Likely (red)

Each variance is monitored by the Great Lakes Water Authority (GLWA) management and, where appropriate, operating and/or budget priorities are re-evaluated. Budget amendments are prepared and presented quarterly based on most current information.

As of December 31, 2020				
Metric	FY 2021 Budget	FY 2021 Actual	Variance from Financial Plan	Report Page Reference
Wholesale Water Billed Revenue (\$M)	\$162.3	\$167.1	3%	45
Wholesale Water Billed Usage (mcf)	7,380,000	7,808,000	6%	
Wholesale Sewer Billed Revenue (\$M)	\$133.9	\$133.9	0%	47
Wholesale Water Operations & Maintenance (\$M)	\$67.1	\$64.6	-4%	6
Wholesale Sewer Operations & Maintenance (\$M)	\$91.1	\$84.0	-8%	
Investment Income (\$M)	\$3.6	\$4.2	17%	35
Water Prorated Capital Spend w/SRA* (\$M)	\$56.0	\$59.0	5%	27
Sewer Prorated Capital Spend w/SRA* (\$M)	\$41.0	\$41.0	0%	28

*SRA refers to the capital spending ratio assumption which allows capital program delivery realities to align with the financial plan.

Master Bond Ordinance (MBO) Trust Net Receipts (page 51)



Net cash flow receipts remain positive for GLWA Water and Sewer. This means that all legal commitments of the MBO Trust and the lease payment are fully funded – and that positive cash flow is available for additional capital program funding in

subsequent year(s). DWSD Water reports positive net receipts of \$1.1 million and DWSD Sewer reports a small shortfall of \$275 thousand through December 2020.

The current DWSD loan receivable balance for fiscal years 2017 and 2018 is \$17.5 million.

Budget to Actual Analysis (page 3)

- The second quarter budget amendments are not reflected in the FY 2021 Amended Budget columns on the tables in the December 2020 Budget to Actual report.
- The total Revenue Requirements are on target through December 2020.
- The total Operations & Maintenance expenses are at 47.0% of budget through December 2020 which is reasonably within the pro-rata benchmark of 50.0%.

Basic Financial Statements (page 10)

- The Basic Financial Statements are prepared on a full accrual basis and reflect preliminary, unaudited results.
- Operating income for December 2020 is \$51.8 million for the Water fund (29.0% of total revenues) and \$74.8 million for the Sewer fund (31.7% of total revenues).
- Water Net Position increased \$1.3 million, and Sewage Disposal Net Position increased \$25.6 million for the year to date through December 2020.

Capital Improvement Plan Financial Summary (page 26)

- The Water system is exceeding, and the Sewer system is meeting the 75% of the Capital Spend Ratio goal.

Master Bond Ordinance Transfers (page 29)

- For December, transfers of \$12.8 million and \$17.6 million were completed for the GLWA Water and Sewer funds, respectively.
- Also for December, transfers of \$4.5 million and \$8.1 million were completed for the DWSD Water and Sewer funds, respectively.

Cash Balances & Investment Income (page 35)

- Total cash & investments are \$525 million in the Water fund and \$431 million in the Sewer fund.
- The total combined cumulative investment income for FY 2021 through December was \$4.2 million.

DWSD Retail Revenues, Receivables & Collections (page 40)

- Water usage through December 31, 2020 is at 93.07% and revenues at 94.01% of budget.
- Sewer usage through December 31, 2020 is at 92.96% and revenues at 97.95% of budget.
- Combined accounts receivable balances for the water and sewer funds report an increase of \$19 million over the prior year.
- Past dues over 180 days make up 63.7% of the total accounts receivable balance. The current bad debt allowance covers 100% of past dues over 180 days.

GLWA Wholesale Billing, Receivables & Collections (page 45)

- GLWA accounts receivable past due balance net of Highland Park continues to be higher than usual due to mail delivery issues and COVID-related collection issues at 11% of the total accounts receivable balance. Looking ahead, this past due balance does decrease significantly in January with the resolution of one past due sewer account.
- The Highland Park past due balance is \$45.8 million. It includes \$34.9 million for wastewater treatment services, \$1.8 million for industrial waste control services, and \$9.1 million for water supply services. In FY 2021, Highland Park has made four payments totaling \$2.0 million through December 2020.

Questions? Contact the Office of the Chief Financial Officer at CFO@glwater.org



The Monthly Budget to Actual Analysis report includes the following three sections.

1. Revenue Requirement Budget Basis Analysis
2. Operations & Maintenance Budget – Major Budget Categories
3. Alignment of Operations & Maintenance Budget Priorities – Expense Variance Analysis

The FY 2021 information presented in these sections does not include the second quarter budget amendments.

Revenue Requirement Budget Basis Analysis

GLWA's annual revenue requirement represents the basis for calculating Member Partner charges and aligns with the Master Bond Ordinance flow of funds categories. The budget basis is not the same as the full accrual basis used for financial reporting although the revenues and operations and maintenance expense are largely reported on an accrual basis. The primary difference between the revenue requirement budget basis to the financial reporting basis is the treatment of debt service, legacy pension obligations, and lease related activities. The Revenue Requirement Basis is foundational to GLWA's daily operations, financial plan, and of most interest to key stakeholders.

Table 1A – Water Revenue Requirement Budget and **Table 1B – Sewer Revenue Requirement Budget** presents a year-over-year budget to actual performance report. The revenue requirement budget is accounted for in the operations and maintenance fund for each system. Since this report is for December 2020, the pro-rata benchmark is 50.0% (6 of 12 months of the fiscal year).

Items noted below are highlighted in gold on Tables 1A (Water) and 1B (Sewer).

1. **Revenues:** For *both* systems, FY 2021 revenues are either at or above target. Detailed schedules related to revenues are provided in the *Wholesale Billings, Collections, and Receivables* section of this financial report binder.

Water revenues presented in Table 1A differ from those presented in *Table 2 – Statement of Revenues, Expenses and Changes in Net Position* found in the *Basic Financial Statement* section of this report. Water Revenues presented in Table 1A for revenue requirement purposes are reduced by the monthly payment to the City of Flint for a license to raw water rights under the Flint Raw Water Contract as documented in Appendix A-2 of the [Flint Water Agreement](#). Through December 31, 2020 these payments total \$3.3 million for FY 2021.

2. **Investment Earnings:** For *both* systems, investment earnings are above the pro-rata benchmark for FY 2021; the *water* system is at 198.0%; while the *sewer* system is at 165.2%. The market adjustment, previously reported in this section in FY 2020, has been removed. These annual entries are recorded for financial reporting purposes and are not a part of the revenue requirements reporting. Detailed analysis of investment earnings activity to date can be found in the *Cash & Investment Income* section of this financial report binder.
3. **Other Revenues:** These are one-time and unusual items that do not fit an established revenue category. Both the *water* and *sewer* systems actual amount will vary from budget due to the nature of the items recorded in this category.
4. **Operations & Maintenance Expense:** Actual expenses¹ for *both* systems have variances from the pro-rata benchmark. The *water* system is slightly under the pro-rata benchmark for FY 2021 at 48.1%. The *sewer* system O&M expenses, at 46.1%, is less than the pro-rata benchmark.
5. **Debt Service:** *Both* systems are slightly above the pro-rata benchmark for FY 2021; the *water* system is at 50.8%; while the *sewer* system is at 51.0%. The activity is based on the payment schedules adjusted for the State Revolving Fund loans that are still being drawn down.
6. **Operating Reserve Deposit:** GLWA has established a target balance in the O&M Fund of 45 days of operating expense which works in tandem with the I&E Funds to provide liquidity to the utility. Adequate funding is in place to meet this requirement; therefore, it is expected that additional transfers to this reserve will not be required in FY 2021. The approved FY 2021 first quarter budget amendment removed the budgeted amount of \$877 thousand for the *water* system for this line item.
7. **DWSD Budget Shortfall Pending:** To the extent that the local (DWSD) system experiences budgetary shortfalls as defined by the Water & Sewer Services Agreement, the GLWA budget is impacted.² Steps to proactively detect, and ideally prevent, this shortfall scenario were put into place with the 2018 Memorandum of Understanding (dated June 27, 2018). For FY 2020, DWSD sewer ended the year with a budgetary shortfall through June 30, 2020, of \$10.8 million. The DWSD *water* system experienced a \$937 thousand budgetary shortfall through June 30, 2020. For FY 2021, the DWSD *water* system has a budgetary surplus of \$1.1 million and the DWSD *sewer* system has a budgetary shortfall of \$275 thousand through December 31, 2020. GLWA and DWSD staff are meeting regularly to discuss steps to mitigate any shortfall as outlined in the 2018 MOU.

¹The tables in this analysis reflect actual amounts spent. If this analysis was on a master bond ordinance (MBO) basis, like that used for calculating debt service coverage, O&M "expense" would equal the pro-rata budget because 1/12 of the O&M budget is transferred monthly outside the MBO trust to an O&M bank account.

² As a reminder, the monthly O&M transfer for MBO purposes is at 1/12 of the budget to a DWSD O&M bank account outside the trust. Actual budget may be less than that amount providing an actual positive variance for DWSD.

8. **Improvement & Extension (I&E) Fund Transfer Pending:** The contribution to the I&E Fund is for improvements, enlargements, extensions, or betterment of the Water System.
9. **Other Revenue Requirements:** The remaining revenue requirements for *both* systems are funded on a 1/12th basis each month in accordance with the Master Bond Ordinance.
10. **Overall:** Total revenue requirements for *both* systems are in line with the benchmark.

Table 1A – Water Revenue Requirement Budget (year-over-year) – (\$000)

	FY2020 AMENDED BUDGET	FY 2020 THRU 12/31/2019	Percent Year-to- Date	FY 2021 BOARD ADOPTED BUDGET	FY 2021 AMENDED BUDGET	FY 2021 THRU 12/31/2020	Percent Year-to- Date
Water System							
Revenues							
Suburban Wholesale Customer Charges	\$ 304,634	\$ 158,158	51.9%	\$ 314,252	\$ 313,134	\$ 163,824	52.3%
Retail Service Charges	21,296	10,648	50.0%	22,555	21,926	11,094	50.6%
Investment Earnings	8,084	4,815	59.6%	4,834	1,270	2,514	198.0%
Other Revenues	2	-	11.2%	-	-	160	0.0%
Total Revenues	\$ 334,016	\$ 173,621	52.0%	\$ 341,642	\$ 336,329	\$ 177,592	52.8%
Revenue Requirements							
Operations & Maintenance Expense	\$ 126,840	\$ 63,538	50.1%	\$ 137,127	\$ 134,127	\$ 64,555	48.1%
General Retirement System Legacy Pension	6,048	3,024	50.0%	6,048	6,048	3,024	50.0%
Debt Service	135,999	65,180	47.9%	143,190	137,436	69,784	50.8%
General Retirement System Accelerated Pension	6,268	3,134	50.0%	6,268	6,268	3,134	50.0%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	1,698	849	50.0%	1,669	1,669	835	50.0%
Lease Payment	22,500	11,250	50.0%	22,500	22,500	11,250	50.0%
Operating Reserve Deposit	3,976	-	0.0%	877	-	-	0.0%
DWSD Budget Shortfall/(Surplus) Pending Improvement & Extension Fund Transfer Pending	1,230	(1,427)	-116.0%	-	-	(1,055)	0.0%
	29,456	14,728	50.0%	23,963	28,280	14,140	50.0%
Total Revenue Requirements	\$ 334,016	\$ 160,276	48.0%	\$ 341,642	\$ 336,329	\$ 165,666	49.3%
Net Difference		\$ 13,345				\$ 11,926	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ 6,613				\$ 9,428	
Revenue Requirement Variance		6,732				2,498	
Overall Variance		\$ 13,345				\$ 11,926	

Table 1B – Sewer Revenue Requirement Budget (year-over-year) – (\$000)

	FY 2020 AMENDED BUDGET	FY 2020 THRU 12/31/2019	Percent Year-to- Date	FY 2021 BOARD ADOPTED BUDGET	FY 2021 AMENDED BUDGET	FY 2021 THRU 12/31/2020	Percent Year-to- Date
Sewer System							
Revenues							
Suburban Wholesale Customer Charges	\$ 272,324	\$ 134,205	49.3%	\$ 277,012	\$ 274,054	\$ 134,310	49.0%
Retail Service Charges	185,807	92,904	50.0%	190,112	187,960	94,428	50.2%
Industrial Waste Control Charges	7,834	4,186	53.4%	8,775	8,683	3,943	45.4%
Pollutant Surcharges	5,910	3,057	51.7%	5,263	5,208	3,225	61.9%
Investment Earnings	7,731	4,040	52.3%	5,589	987	1,631	165.2%
Other Revenues	400	247	61.6%	-	-	296	0.0%
Total Revenues	\$ 480,005	\$ 238,639	49.7%	\$ 486,751	\$ 476,891	\$ 237,833	49.9%
Revenue Requirements							
Operations & Maintenance Expense	\$ 181,926	\$ 83,639	46.0%	\$ 184,946	\$ 182,296	\$ 84,037	46.1%
General Retirement System Legacy Pension	10,824	5,412	50.0%	10,824	10,824	5,412	50.0%
Debt Service	214,691	104,497	48.7%	209,740	201,780	102,957	51.0%
General Retirement System Accelerated Pension	11,621	5,810	50.0%	11,621	11,621	5,810	50.0%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	2,403	1,202	50.0%	2,415	2,415	1,208	50.0%
Lease Payment	27,500	13,750	50.0%	27,500	27,500	13,750	50.0%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall/(Surplus) Pending Improvement & Extension Fund Transfer Pending	10,244	5,337	52.1%	-	-	275	0.0%
	20,798	10,399	50.0%	39,706	40,455	20,103	49.7%
Total Revenue Requirements	\$ 480,005	\$ 230,046	47.9%	\$ 486,751	\$ 476,891	\$ 233,552	49.0%
Net Difference		\$ 8,593				\$ 4,280	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ (1,364)				\$ (613)	
Revenue Requirement Variance		9,957				4,893	
Overall Variance		\$ 8,593				\$ 4,280	

Operations & Maintenance Budget – Major Budget Categories

The year-over-year benchmark ratio as of December 31, 2020, is 50.0% (six months). When comparing FY 2021 to FY 2020 in **Table 2 – Operations & Maintenance Budget – Major Budget Categories**, it appears that overall spending is consistent.

In addition to the four major budget categories, an internal charge cost center for employee benefits is shown in the table below. If the number is positive, it indicates that the internal cost allocation rate charges to other cost centers is not sufficient. A negative number indicates a surplus in the internal cost center. A moderate surplus is preferred as it provides a hedge for mid-year benefit program cost adjustments (premiums adjust on January 1 each year) as well as managing risk as the program is partially self-insured.

Table 2 – Operations & Maintenance Budget – Major Budget Categories – (\$000)

Major Budget Categories	FY 2020 AMENDED BUDGET	FY 2020 ACTIVITY THRU 12/31/2019	Percent Year-to- Date	FY 2021 BOARD ADOPTED BUDGET	FY 2021 AMENDED BUDGET	FY 2021 ACTIVITY THRU 12/31/2020	Percent Year-to- Date
Water	\$ 66,021	\$ 34,780	52.7%	\$ 71,966	\$ 70,820	\$ 36,218	51.1%
Sewer	115,985	53,139	45.8%	115,676	114,975	52,851	46.0%
Centralized	97,731	45,837	46.9%	102,721	100,338	45,687	45.5%
Administrative	29,028	14,177	48.8%	31,709	30,290	13,713	45.3%
Employee Benefits	-	(756)	0.0%	-	-	123	0.0%
Total O&M Budget	\$ 308,766	\$ 147,178	47.7%	\$ 322,073	\$ 316,423	\$ 148,592	47.0%

Totals may be off due to rounding

Alignment of Operations & Maintenance Budget Priorities – Expense Variance Analysis

The purpose of **Table 3 – Operations & Maintenance Expense Variance Analysis** is to evaluate whether the actual spend rate within a natural cost category is in alignment with the budget. Given the effort to develop an accurate budget, a variance is a red flag of a *potential* budget amendment or misalignment of priorities.

Total: In total, the O&M expenses are at 47.0% which is reasonably within the pro-rata benchmark of 50.0%. This positive variance equates to a dollar amount of \$9.6 million. The expense category commentary is provided below for items highlighted on Table 3.

Personnel Costs: The overall category is on target with the pro-rata benchmark; coming in at 50.0% through December 2020.

Utilities: The overall category is slightly lower than the pro-rata benchmark; coming in at 49.7% through December 2020. Variances within this category, when they occur, are not unexpected as usage varies throughout the year.

- **Electric** is higher than the benchmark, coming in at 54.6%. The first three months of GLWA's fiscal year (July, August, and September) are typically peak months for the usage of electricity. June, the last month of GLWA's fiscal year, is typically a peak month as well.
- **Gas** is coming in at 32.5% which is lower than the benchmark of 50.0%. A review of the accounts has confirmed that the usage is variable throughout the year. The gas consumption at the Wastewater Recovery Facility (WRRF) is less than budget due to a) operational changes and b) the fire that occurred in September which took Complex II offline for several weeks.
- **Sewage service** is lower than the benchmark, coming in at 42.8%. A review of this category is being conducted, however, bills for a meter for a large line at the WRRF are being estimated due to a reported fault with the meter. This issue is being addressed.
- **Water service** is lower than the benchmark, coming in at 32.8%. While usage does vary throughout the year, a review of the accounts has shown that the water service bills are coming in lower for Wastewater Operations. Utilization of the new chemical building has required changes to the operational processes which has resulted in the reduction of the use of potable water.

Chemicals: This category is higher than the pro-rate benchmark; coming in at 54.8% through December 2020. Variances within this category are not unexpected as usage varies throughout the year. While this category is being reviewed, this variance is not a concern at this time.

Supplies & Other: This category is lower than the benchmark; coming in at 39.5% through December 2020. Given that the nature of the items in this category are subject to one-time expenses that do not occur evenly throughout the year, this variance is not a concern at this time. A review of this category is being conducted.

Contractual Services: The overall category is slightly lower than the pro-rata benchmark; coming in at 47.2% through December 2020. Variances in this category, when they occur, are not unexpected as the usage of contracts varies throughout the year (projects scheduled to begin during the latter half of the year as well as contracts that are on an as needed basis). Budget amendments will be processed for those projects in which the actual start dates have been delayed from that in which they were budgeted.

Capital Program Allocation: This category is lower than the benchmark; coming in at 42.4% through December 2020. The amount in the Capital Program Allocation account is shown as negative as this is a "contra" account which represents an offset to the Personnel Costs section of the Operations & Maintenance (O&M) budget.

Shared Services: This category is higher than the benchmark; coming in at 67.3% through December 2020. The shared services reimbursement is comprised of both labor (tracked via BigTime) and expenses, such as annual fees for software licensing. Staff from both GLWA and DWSD have been working together to evaluate and refine the budget for the shared services agreements. Based on these evaluations, adjustments have been made to both the billings and accounting accruals to reflect the forecasted activity more accurately for FY 2021. A budget amendment will be entered to adjust the shared services budget to this revised FY 2021 forecast. In addition, it is important to note that some of the shared services agreements are not billed at a monthly rate of 1/12 of the annual budgeted amount.

Table 3 – Operations & Maintenance Expense Variance Analysis – (\$000)

Expense Categories	FY 2020 AMENDED BUDGET	FY 2020 ACTIVITY THRU 12/31/2019	Percent Year-to- Date at 12/31/2019	FY 2020 ACTIVITY THRU 6/30/2020	Percent Year-to- Date at 6/30/2020	FY 2021 AMENDED BUDGET	FY 2021 PRORATED BUDGET (6 MONTHS)	FY 2021 ACTIVITY THRU 12/31/2020	Percent Year-to- Date	FY 2021 PRORATED BUDGET LESS FY 2021
Entity-wide										
Salaries & Wages	\$ 64,703	\$ 32,257	49.9%	\$ 64,189	50.3%	\$ 69,842	\$ 34,921	\$ 32,600	46.7%	\$ 2,322
Workforce Development	1,271	456	35.9%	1,252	36.4%	948	474	444	46.8%	30
Overtime	7,191	3,691	51.3%	7,494	49.3%	6,988	3,494	3,848	55.1%	(354)
Employee Benefits	22,465	12,697	56.5%	25,001	50.8%	24,194	12,097	13,369	55.3%	(1,272)
Transition Services	5,872	2,677	45.6%	6,330	42.3%	6,834	3,417	3,972	58.1%	(556)
Employee Benefits Fund	-	(756)	0.0%	-	0.0%	-	-	123	0.0%	(123)
Personnel Costs	101,503	51,022	50.3%	104,267	48.9%	108,806	54,403	54,356	50.0%	47
Electric	39,549	20,994	53.1%	40,669	51.6%	39,240	19,620	21,434	54.6%	(1,814)
Gas	5,332	2,597	48.7%	5,196	50.0%	6,629	3,315	2,153	32.5%	1,161
Sewage Service	1,988	996	50.1%	2,109	47.2%	2,120	1,060	907	42.8%	153
Water Service	3,662	1,651	45.1%	3,179	51.9%	3,948	1,974	1,294	32.8%	681
Utilities	50,531	26,238	51.9%	51,153	51.3%	51,937	25,969	25,788	49.7%	180
Chemicals	14,019	7,066	50.4%	14,242	49.6%	13,420	6,710	7,358	54.8%	(648)
Supplies & Other	34,124	16,890	49.5%	35,402	47.7%	39,021	19,510	15,402	39.5%	4,108
Contractual Services	103,975	50,055	48.1%	106,372	47.1%	104,782	52,391	49,446	47.2%	2,945
Capital Program Allocation	(3,122)	(1,442)	46.2%	(3,347)	43.1%	(3,448)	(1,724)	(1,463)	42.4%	(261)
Shared Services	(4,995)	(2,651)	53.1%	(1,734)	152.9%	(3,413)	(1,706)	(2,296)	67.3%	590
Unallocated Reserve	12,731	-	0.0%	-	0.0%	5,318	2,659	-	0.0%	2,659
Total Expenses	\$ 308,766	\$ 147,178	47.7%	\$ 306,354	48.0%	\$ 316,423	\$ 158,212	\$ 148,592	47.0%	\$ 9,620



The Basic Financial Statements report includes the following four tables.

1. Statement of Net Position - All Funds Combined
2. Statement of Revenues, Expenses and Changes in Net Position – All Funds Combined
3. Supplemental Schedule of Operations & Maintenance Expenses -All Funds Combined
4. Supplemental Schedule of Nonoperating Expenses – All Funds Combined

At a macro level GLWA has two primary funds for financial reporting purposes: *Water Fund* and *Sewage Disposal Fund*. These funds represent the combined total of four sub-funds for each system that are used internally to properly account for sources and uses of funds. Those sub-funds for each system are: *Operations & Maintenance Fund*, *Improvement & Extension Fund*, *Construction Bond Fund*, and *Capital Asset Fund*.

The June 2020 comparative values shown in the tables below are presented based on final audited figures.

Statement of Net Position – All Funds Combined

Explanatory notes follow the Statement of Net Position shown in Table 1 below.

Table 1 – Statement of Net Position - All Funds Combined
As of December 31, 2020
(\$000)

	Water	Sewage Disposal	Total Business-type Activities	Comparative June 30, 2020
Assets				
Cash - unrestricted (a)	\$ 149,056	\$ 158,496	\$ 307,552	\$ 208,357
Cash - restricted (a)	81,545	96,114	177,659	114,415
Investments - unrestricted (a)	242,262	131,983	374,245	473,549
Investments - restricted (a)	28,387	60,557	88,945	157,786
Accounts Receivable	88,463	78,182	166,646	193,719
Due from (to) Other Funds (b)	(1,429)	1,429	-	-
Other Assets (c)	678,395	434,472	1,112,867	1,114,230
Cash Held FBO DWSD Advance (d)	-	10,470	10,470	-
Capital Assets, net of Depreciation	1,341,948	2,224,761	3,566,709	3,689,047
Land	292,799	123,856	416,655	416,645
Construction Work in Process (e)	175,631	218,462	394,093	303,220
Total assets	3,077,057	3,538,783	6,615,840	6,670,969
Deferred Outflows (f)	61,349	150,222	211,571	217,097
Liabilities				
Liabilities - Short-Term (g)	155,933	169,699	325,632	305,598
Due to (from) Other Funds (b)	-	-	-	-
Other Liabilities (h)	2,945	6,911	9,857	9,179
Cash Held FBO DWSD (d)	2,302	-	2,302	1,250
Liabilities - Long-Term (i)	3,018,002	3,566,212	6,584,214	6,683,741
Total liabilities	3,179,183	3,742,823	6,922,005	6,999,768
Deferred Inflows (f)	54,336	45,679	100,015	109,876
Total net position (j)	\$ (95,113)	\$ (99,497)	\$ (194,609)	\$ (221,578)

Totals may be off due to rounding

In general, the Statement of Net Position reflects a mature organization with no unexpected trends.

An ongoing challenge is the Net Position Deficit. The underlying causes took years to build (largely heavy use of debt to finance capital asset investment versus a strategic blend of debt, state revolving funds, and cash). The effect is reflected in GLWA's high debt interest expense. The GLWA is regularly updating the FY 2030 forecast which helps to provide a pathway to a positive Net Position in the future.

Footnotes to Statement of Net Position

- a. *Cash and Investments* are reported at book value. Investments at June 30, 2020 are reported at market value. The December 31, 2020 values differ from the Cash and Investment section of this Financial Report Binder due to timing of certain items recognized on a cash versus accrual basis.
- b. *Due from Other Funds* and *Due to Other Funds* are shown at gross for sub-fund activity.
- c. *Other Assets* primarily consists of the contractual obligation receivable from DWSD related to reimbursement of bonded indebtedness for local system improvements.
- d. *Cash Held FBO Advance (for benefit of) DWSD* and *Cash Held FBO DWSD* represents the net difference between DWSD retail cash received from customers and net financial commitments as outlined in the Master Bond Ordinance.
- e. *Construction Work in Process* represents the beginning balance of CWIP plus any construction spending during the fiscal year. The balance will fluctuate based on the level of spend less any capitalizations or write-offs.
- f. *Deferred Inflow* and *Deferred Outflow* relate mainly to financing activity and GLWA's share of the legacy General Retirement System (GRS) pension obligation.
- g. *Liabilities - Short-term* include accounts payable, retainage payable, and certain accrued liabilities. Some items, such as compensated absences and worker's compensation, are reviewed periodically but only adjusted in the interim if there is a material change.
- h. *Other Liabilities* account for the cash receipts set aside for the Budget Stabilization Fund and the Water Residential Assistance Program.
- i. *Liabilities – Long-term* include bonds payable, lease payable, and legacy General Retirement System pension liabilities.
- j. *Net Position Deficit* is defined by accounting standards as the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. A net deficit occurs when the liabilities and deferred inflows exceed assets and deferred outflows. GLWA's net deficit is largely driven by an increase in depreciation expense because of the increase in the acquisition valuation approach for recording capital asset values in the opening Statement of Net Position on January 2016. Efforts are underway to evaluate the net operating effect of this matter over the long term.

Statement of Revenues, Expenses and Changes in Net Position

– All Funds Combined

This statement, shown in Table 2, is presented in summary format. The accrual basis of revenues and operations and maintenance expense vary from the revenue requirement basis presented in the *Budget to Actual Analysis* and the *Wholesale Billings, Receivables & Collections* sections of the December 2020 Financial Report Binder. Prior year ending balances are provided in the June 30, 2020 column as a reference for comparative purposes. Explanatory notes follow this statement.

Water revenues presented below in Table 2 differ from those presented in *Table 1A – Water Revenue Requirement Budget* found in the *Budget to Actual Analysis* section of this report because water revenues presented in Table 1A for revenue requirement purposes are reduced by the monthly payment to the City of Flint for a license to raw water rights.

Table 2 – Statement of Revenues, Expenses and Changes in Net Position
– All Funds Combined
For the Six Months ended December 31, 2020
(\$000)

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business- Type Activities	Comparative June 30, 2020
Revenue						
Wholesale customer charges	\$ 167,150	93.7%	\$ 134,310	56.9%	\$ 301,460	\$ 578,705
Local system charges	11,094	6.2%	94,428	40.0%	105,522	207,103
Industrial waste charges		0.0%	3,943	1.7%	3,943	7,855
Pollutant surcharges		0.0%	3,225	1.4%	3,225	6,449
Other revenues	160	0.1%	296	0.1%	456	778
Total Revenues	178,404	100.0%	236,202	100.0%	414,606	800,889
Operating expenses						
Operations and Maintenance	64,554	36.2%	85,873	36.4%	150,427	309,482
Depreciation	62,056	34.8%	75,490	32.0%	137,546	280,104
Total operating expenses	126,610	71.0%	161,363	68.3%	287,973	589,586
Operating Income	51,794	29.0%	74,839	31.7%	126,633	211,303
Total Nonoperating (revenue) expense	50,497	28.3%	49,168	20.8%	99,665	232,056
Increase/(Decrease) in Net Position	1,297	0.7%	25,671	10.9%	26,968	(20,753)
Net Position (deficit), beginning of year	(96,410)		(125,168)		(221,578)	(200,825)
Net position (deficit), end of year	\$ (95,113)		\$ (99,497)		\$ (194,609)	\$ (221,578)
<i>Totals may be off due to rounding</i>						

Water Fund

- ✓ The increase in Water Fund Net Position is \$1.3 million.
- ✓ Wholesale water customer charges of \$167.1 million account for 93.7% of Water System revenues.
- ✓ Operating expenses of \$126.6 million represent 71.0% of total operating revenue. Depreciation is the largest operating expense at \$62.1 million or 49.0% of operating expense.
- ✓ Operating income after operating expenses (including depreciation) equals \$51.8 million or 29.0 % of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$42.6 million (this equates to the bonded debt interest expense less the offset from DWSD contractual obligation income).

Sewage Disposal Fund

- ✓ The increase in the Sewage Disposal Fund Net Position is \$25.7 million.
- ✓ Wholesale customer charges of \$134.3 million account for 56.9% of Sewer System revenues. Wholesale customer charges are billed one-twelfth each month based on an agreed-upon historical average “share” of each customer’s historical flows which are formally revisited on a periodic basis. The result is no revenue shortfall or overestimation.
- ✓ Local system (DWSD) charges of \$94.4 million account for 40.0% of total operating revenues. These are also billed at one-twelfth of the annual revenue requirement.
- ✓ Operating expenses of \$161.4 million represent 68.3% of total operating revenue. Depreciation is the largest operating expense at \$75.5 million or 46.8% of total operating expense.
- ✓ Operating income after operating expenses (including depreciation) equals \$74.8 million or 31.7 % of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$47.9 million (this equates to the bonded debt interest expense less the offset from DWSD contractual obligation income).

Supplemental Schedule of Operations & Maintenance Expenses – All Funds Combined

This Supplemental Schedule of Operations & Maintenance Expenses (O&M) schedule is shown below in Table 3. This accrual basis of operations and maintenance expense may vary from the revenue requirement basis presented in the *Budget to Actual Analysis* section of the December 2020 Financial Report Binder. Explanatory notes follow this schedule.

**Table 3 – Supplemental Schedule of Operations & Maintenance Expenses
– All Funds Combined
For the Six Months ended December 31, 2020
(\$000)**

	Water	Percent of Total	Sewage Disposal	Percent of Total	Total Business- Type Activities	Percent of Total
Operating Expenses						
Personnel						
Salaries & Wages	11,620	18.0%	25,396	29.6%	37,016	24.6%
Overtime	2,378	3.7%	1,470	1.7%	3,848	2.6%
Benefits	8,951	13.9%	4,541	5.3%	13,492	9.0%
Total Personnel	\$ 22,950	35.6%	\$ 31,406	36.6%	\$ 54,356	36.1%
Utilities						
Electric	14,157	21.9%	7,277	8.5%	21,434	14.2%
Gas	320	0.5%	1,833	2.1%	2,153	1.4%
Sewage	116	0.2%	791	0.9%	907	0.6%
Water		0.0%	1,293	1.5%	1,294	0.9%
Total Utilities	\$ 14,594	22.6%	\$ 11,194	13.0%	\$ 25,788	17.1%
Chemicals	3,208	5.0%	4,151	4.8%	7,358	4.9%
Supplies and other	4,414	6.8%	10,989	12.8%	15,402	10.2%
Contractual services	22,520	34.9%	28,761	33.5%	51,282	34.1%
Capital Adjustment	-	0.0%	-	0.0%	-	0.0%
Capital program allocation	(1,004)	-1.6%	(459)	-0.5%	(1,463)	-1.0%
Shared services allocation	(2,127)	-3.3%	(169)	-0.2%	(2,296)	-1.5%
Operations and Maintenance Expenses	\$ 64,554	100.0%	\$ 85,873	100.0%	\$ 150,427	100.0%

Totals may be off due to rounding

- ✓ Core expenses for water and sewage disposal systems are utilities (17.1% of total O&M expenses) and chemicals (4.9% of total O&M expenses).
- ✓ Personnel costs (36.1% of total O&M expenses) include all salaries, wages, and benefits for employees as well as staff augmentation contracts that fill a vacant position (contractual transition services).
- ✓ Contractual services (34.1%) includes:
 - Water System costs of sludge removal and disposal services at the Northeast, Southwest and Springwells Water Treatment Plants (approximately \$3.5 million);
 - Sewage Disposal System costs for the operation and maintenance of the biosolids dryer facility (approximately \$7.8 million); and
 - Centralized and administrative contractual costs allocated to both systems for information technology, building maintenance, field, planning and other services.
- ✓ Both the Capital Program Allocation and Shared Services Allocation are shown as negative amounts because they are 'contra' expense accounts representing offsets to associated costs in other Operations and Maintenance expense categories.

Supplemental Schedule of Nonoperating Expenses – All Funds Combined

The Supplemental Schedule of Nonoperating Expenses – All Funds Combined is shown in Table 4. Explanatory notes follow this schedule.

**Table 4 – Supplemental Schedule of Nonoperating Expenses – All Funds Combined
For the Six Months ended December 31, 2020
(\$000)**

	Water	Sewage Disposal	Total Business- type Activities	Comparative June 30, 2020
Nonoperating (Revenue)/Expense				
Interest income contractual obligation	\$ (12,655)	\$ (8,808)	\$ (21,463)	\$ (41,136)
Interest income DWSD Shortfall	-	(402)	(402)	(1,299)
Investment earnings	(2,532)	(1,653)	(4,185)	(19,445)
Net (increase)/decrease in fair value of investments	4,946	3,340	8,286	(5,972)
Other nonoperating revenue	(39)	(7)	(46)	(2,552)
Interest Expense				
Bonded debt	55,265	56,696	111,962	243,745
Lease obligation	8,652	10,575	19,227	38,808
Other obligations	2,372	777	3,149	6,395
Total interest expense	66,289	68,048	134,337	288,948
Other non-capital expense	-	-	-	-
Memorandum of Understanding	-	-	-	-
Capital Contribution	-	(5,948)	(5,948)	(5,960)
Amortization, issuance costs, debt	(8,005)	(6,270)	(14,274)	(10,303)
Amortization, raw water rights	1,783	-	1,783	3,567
(Gain) loss on disposal of capital assets	136	65	201	1,317
Loss on impairment of capital assets	-	-	-	1,432
Water Residential Assistance Program	574	802	1,376	3,315
Legacy pension expense	-	-	-	20,144
Total Nonoperating (Revenue)/Expense	\$ 50,497	\$ 49,167	\$ 99,665	\$ 232,056

- ✓ Interest income on contractual obligation relates to the portion of the total GLWA debt obligation attributable to DWSD. This interest income offsets the total debt interest expense paid by GLWA on behalf of both entities monthly.
- ✓ Interest income DWSD shortfall represents interest from a budgetary shortfall loan from fiscal years 2016, 2017 and 2018 and is paid in accordance with the 2018 Memorandum of Understanding (MOU).
- ✓ Investment earnings in this report are reflected at book value. Any differences between the Basic Financial report and Cash and Investment section of this Financial Report binder are due to accrued interest. FY 2020 market value adjustments for Water and Sewer totaled \$4.9 million and \$3.3 million,

respectively. FY 2021 market value adjustment will be made as part of audit preparation in June 2021.

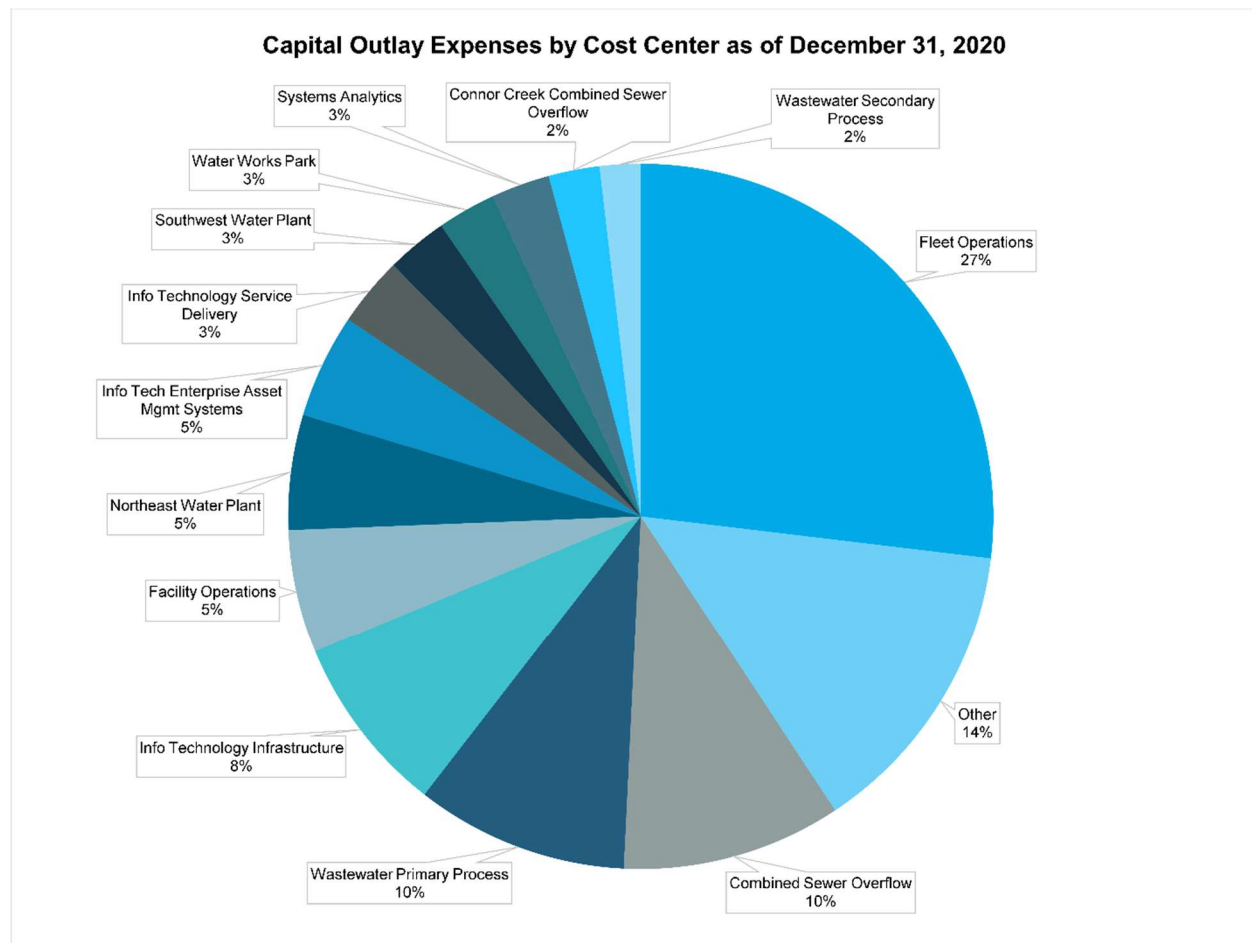
- ✓ Interest expense, the largest category of nonoperating expenses, is made up of three components:
 - Bonded debt;
 - Lease obligation for the regional assets from the City of Detroit; and
 - Other obligations such as an obligation payable to the City of Detroit for an allocation BC Notes related to assumed DWSD liabilities; acquisition of raw water rights related to the KWA Pipeline.
- ✓ The capital contribution in Nonoperating (revenue) expense represents one-half of an \$11.92 million payment made by Oakland Macomb Interceptor Drainage District (OMIDD). The payment was part of an amendment to the OMIDD Wastewater Disposal Services Contract and was split between FY 2020 and FY 2021 based on budgeted revenue requirements for those respective years.

Financial Activity Charts

Chart 1 – Capital Outlay – Water and Sewer System Combined

Capital Outlay represents purchases of equipment, software, and small facility improvement projects. It *excludes* any capital investment which is included in the monthly construction work-in-progress report related to the Capital Improvement Program. Some items span several months so the entire cost may not have been incurred yet. In addition, items are capitalized only if they meet GLWA's capitalization policy.

Through December 31, 2020, total capital outlay spend is \$8.7 million. Following this chart is a sample list of projects and purchases from the total spend of \$8.7 million:



Note: Due to rounding totals may not equal 100%.

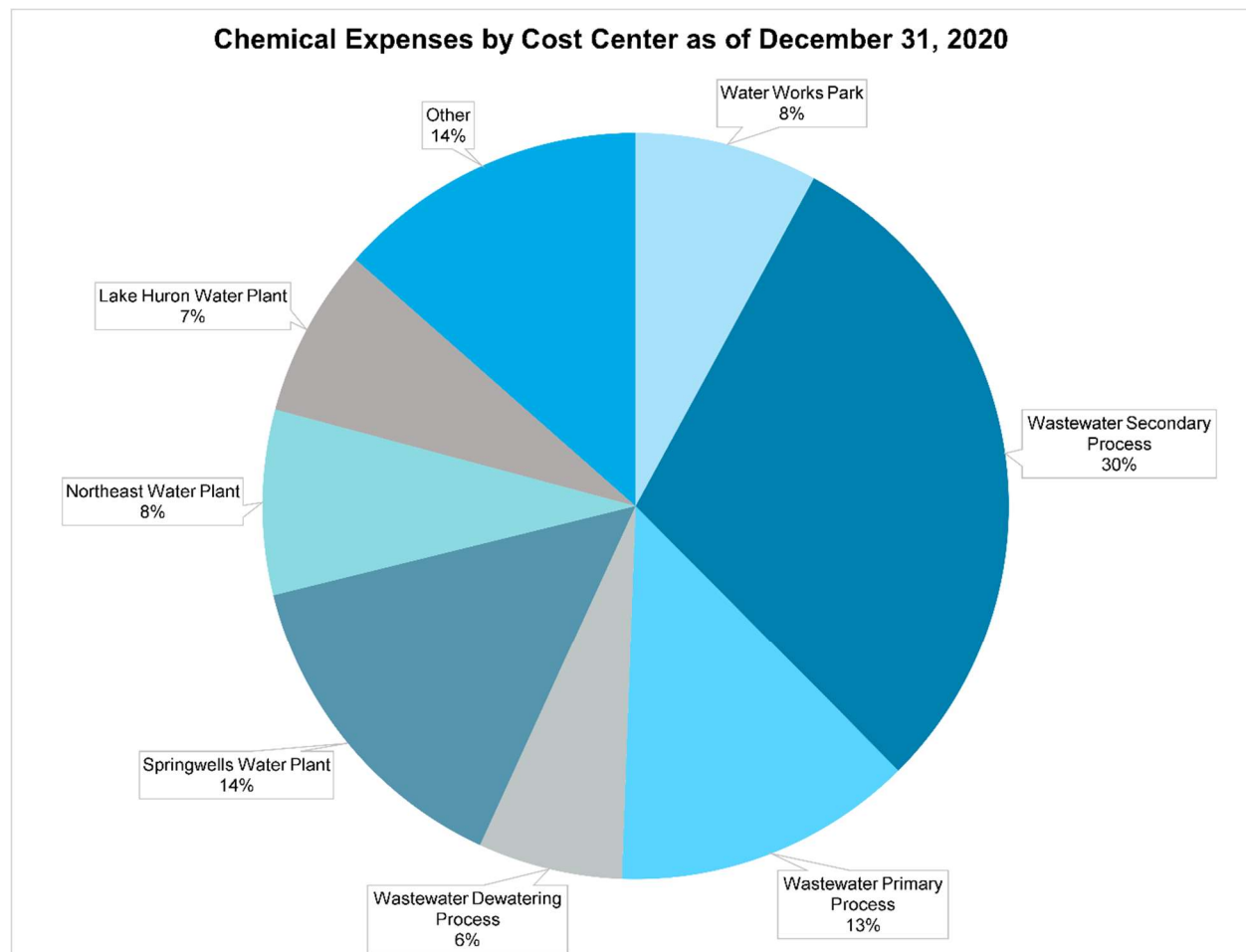
Water Operations: High-pressure water tank (\$219k); generator (\$111k); Southwest Water Plant feed system (\$110k) and evaporators (\$101k).

Wastewater Operations: Chemical containment improvements (\$879k); pump at WRRF (\$742k); level and flow instrumentation (\$163k); submersible mixers (\$135k); turbimeter, controller and process head (\$134k); magnetic drive (\$129k); actuators (\$121k); B-Houses (\$83k); Complex A Bio Solids dryer (\$68k) Camera (\$57k); and dilute water control (\$56k).

Centralized & Administrative Facilities: Trucks and vehicles (\$2.3m); IT software (\$678k); bleacher design (\$488k); datacenter modernization (\$320k); IT computers (\$188k); sewer meter support (\$139k); universal power supply (\$100k); server drives (\$61k) and CSF buildout (\$49k).

Chart 2 – Chemical Expenses – Water and Sewer System Combined

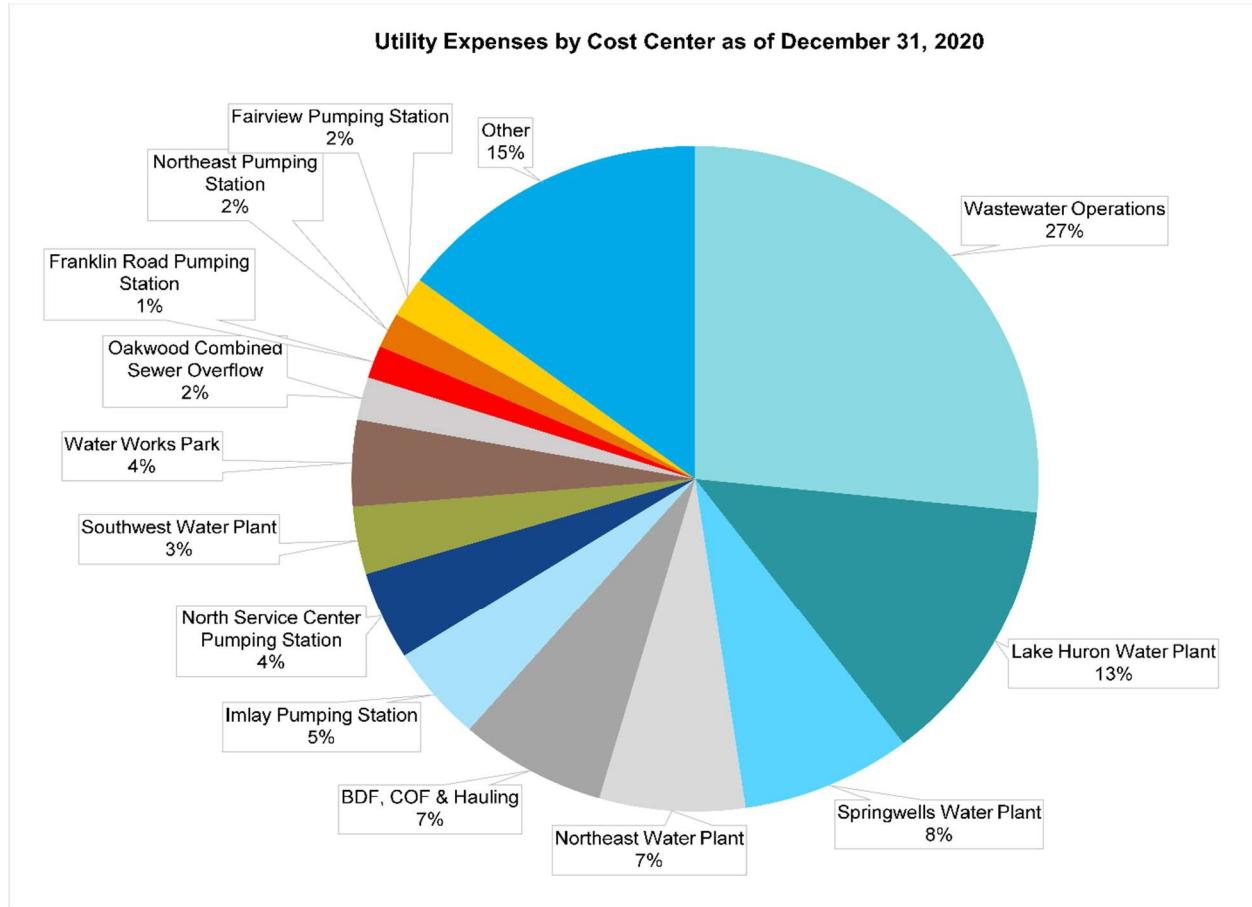
Chemical expenses are \$7.4 million through December 31, 2020. The allocation is shown in the chart below and remains consistent with prior periods.



Note: “Other” includes Combined Sewer Overflow (CSO), portions of the Wastewater process and two departments from Water. Due to rounding totals may not equal 100%.

Chart 3 – Utility Expenses – Water and Sewer System Combined

Utility expenses are \$25.8 million through December 31, 2020. The allocation is shown in the chart below and consistent with prior periods.



Note: Due to rounding totals may not equal 100%.



Financial Operations KPI

This key performance indicator shown in **Chart 1 – Bank Reconciliation Completion Status** below provides a measure of the progress made in the month-end close process which includes bank reconciliations with a completed status at month end. Through December 31, 2020 all reconciliations are up-to-date and complete.

There were no changes from November 2020.

Chart 1 – Bank Reconciliation Completion Status

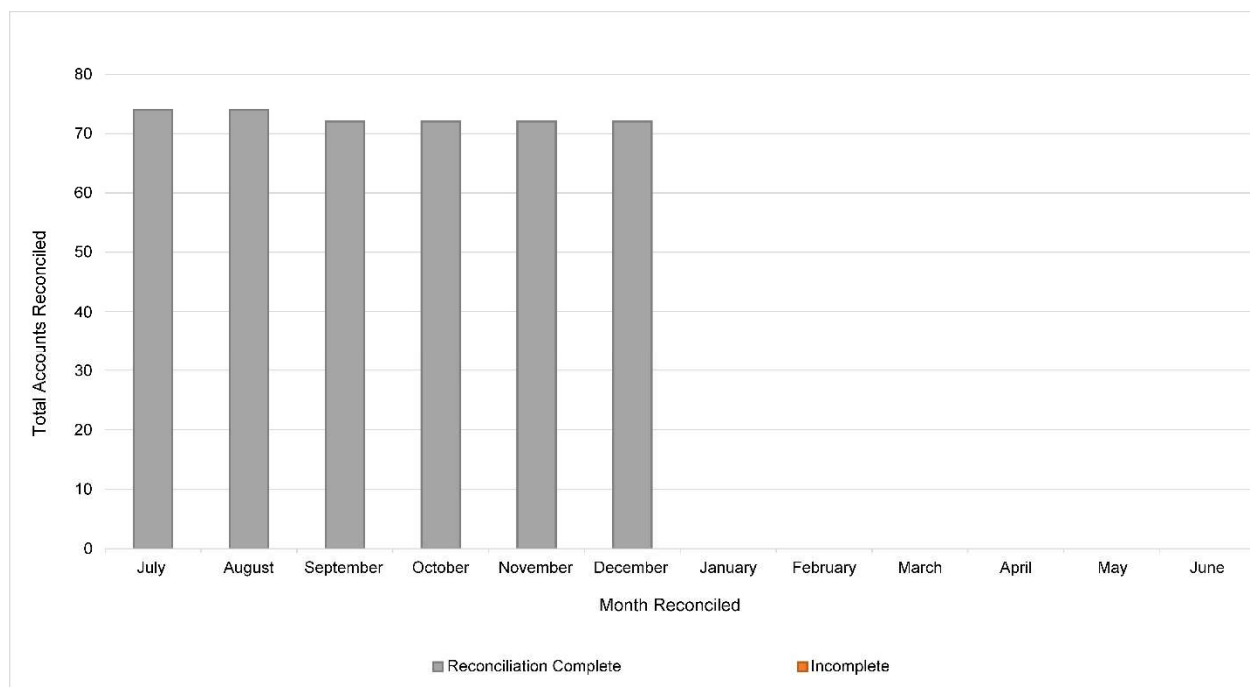


Table 1 – Fiscal Year 2021 GL Cash Account Rollforward

Total GL Cash accounts as of July 1, 2020	74
New GL Cash accounts	0
Inactivated GL Cash accounts	(2)
Total GL Cash accounts as of December 31, 2020	<u>72</u>



The monthly Budget to Financial Statements Crosswalk includes the following.

1. Crosswalk Budget Basis to Financial Reporting Basis
2. Explanatory Notes for Crosswalk

Purpose for Crosswalk: The Great Lakes Water Authority establishes a “Revenue Requirements” budget for the purposes of establishing charges for services. The financial report is prepared in accordance with Generally Accepted Accounting Policies for enterprise funds of a local government. Because the budget and the financial statements are prepared using different basis of accounting, the crosswalk reconciles the “Net Revenue Requirement Basis” from the Budget to Actual Analysis (Table 1A and Table 1B) to the “Increase/(Decrease) in Net Position” in Table 2 of the Basic Financial Statements in the monthly Financial Report.

The Authority has a Water Master Bond Ordinance and a Sewer Master Bond Ordinance (MBO). The Ordinances provide additional security for payment of the bonds. All revenues of the system are deposited into Revenue Receipts Funds which are held in trust by a trustee. The cash is moved to multiple bank accounts monthly based on 1/12th of the budget as defined in the MBO (“the flow of funds”) for all revenue requirements except for the Debt Service monthly transfer. The Debt Service monthly requirement is computed by the trustee, U.S. Bank. The cash transfer for debt is net of investment earnings that remain in the debt service accounts to be used for debt service.

The budget is prepared on a modified cash basis. The revenue requirements are determined based upon the cash needed to meet the financial commitments as required by the Master Bond Ordinance.

- Operation & Maintenance (O&M) expenses based on an accrual basis
- O&M Legacy Pension Allocation (includes administrative fee) and Accelerated Legacy Pension Allocation (includes B&C notes obligation) based on a cash basis
- Debt Service Allocation based on a cash set aside basis to provide the cash for the debt payments on the due dates
- Lease payments based on a cash basis
- Water Residential Assistance Program based on a percentage of budgeted revenue
- Regional System Improvement & Extension Fund Allocation on a cash basis

Budget: In Table 1A and Table 1B of the Budget to Actual Analysis the ‘Revenues’ section is the accrual basis revenues that are available to meet the ‘Revenue Requirements’. The “Revenue Requirements” section budget column indicates the annual cash transfers to be made.

Financial Reporting: The Authority's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Authority maintains its records on the accrual basis of accounting to conform to GAAP. Revenues from operations, investments and other sources are recorded when earned. Expenses (including depreciation) are recorded when incurred.

Table 1 – Crosswalk Budget Basis to Financial Reporting Basis provides a reconciliation of the “Net Difference” in Table 1A and Table 1B in the Budget to Actual Analysis report to the “Increase/(Decrease) in Net Position” in Table 2 of the Basic Financial Statements in this monthly Financial Report. Explanatory notes follow the Crosswalk shown in Table 1 below.

Table 1 – Crosswalk Budget Basis to Financial Reporting Basis (\$000)
For the Six Months Ended December 31, 2020

	Water	Sewer	Total
Net Revenue Requirement Budget Variance (a)	\$ 11,926	\$ 4,280	\$ 16,206
Budgetary categories adjustments to financial reporting basis			
Pension delayed accounting election adjustments			
Current year pension transfers/payments recorded as deferral (c)	5,720	10,238	15,958
Prior year pension contribution accounted for in current year (d)	-	-	-
Administrative prepaid adjustment (e)	-	-	-
Debt service (f)	27,174	55,069	82,243
Accelerated pension B&C notes obligation portion (g)	93	208	301
Lease payment (h)	2,598	3,175	5,773
WRAP (i)	261	406	667
DWSD short term allocation (j)	(1,055)	275	(780)
Operating Reserve Deposit (j)	-	-	-
Improvement & Extension Fund (j)	14,140	18,267	32,407
Nonbudgeted financial reporting categories adjustments			
Depreciation (k)	(62,056)	(75,490)	(137,546)
Amortization (k)	6,222	6,270	12,492
Other nonoperating income (k)	39	7	46
Other nonoperating expense (k)	-	-	-
Gain(loss) on disposal of capital assets (k)	(136)	(65)	(201)
Raw water rights (l)	1,299	-	1,299
Investment earnings construction fund & WRAP (m)	18	21	39
Investment earnings DWSD note receivable (m)	-	402	402
Investment earnings unrealized gain/loss (m)	(4,946)	(3,340)	(8,286)
Capital contribution (n)	-	5,948	5,948
Net Position Increase/(Decrease) per Financial Statements (b)	\$ 1,297	\$ 25,671	\$ 26,968

Table 2- Explanatory Notes for Crosswalk

- (a) Source: Budget to Actual Table 1A and Table 1B in Monthly Financial Binder
- (b) Source: Basic Financial Statements Table 2 in Monthly Financial Binder
- (c) Current year pension payments are an expense for budget purposes but not for financial reporting purposes.

- (d) Prior year pension payments are accounted for in the current year financial statements.
- (e) The administrative fee is part of the O&M Legacy Pension shown as an expense for budget purposes. For financial reporting purposes part of the administrative fee is considered prepaid based on the prior year General Retirement System audit information and therefore not an expense for the current year financial reporting. The prepaid portion is adjusted in June each year.
- (f) Debt service (principal and interest payments) are shown as an expense for budget purposes. Most of the adjustment relates to principal payments which are not an expense for financial reporting purposes. A portion of the adjustment relates to interest expense variances on state revolving fund debt due to the timing of payment draws. The cash set aside basis for interest expense generally is the same as the accrual basis for financial reporting.
- (g) The accelerated pension payment includes the obligation payable for the B&C notes. The pension portion is included in item (c) above. This adjustment relates to the B&C note obligation payments. The principal and interest cash basis payments are treated as an expense for budget purposes. The principal portion is not an expense for financial reporting purposes. For financial reporting purposes interest is expensed on an accrual basis which is different from the cash basis.
- (h) The lease payment is included as an expense for budget and includes both principal and interest payments. Most of the adjustment relates to the principal payments which are not an expense for financial reporting purposes. A portion of the adjustment relates to interest expense which is recorded on an accrual basis for financial reporting which is different from the cash basis.
- (i) WRAP is shown as an expense for budget purposes. For financial reporting purposes the expense is not recognized until the funds have been transferred to the WRAP administrator. The adjustment shown is the amount of current year transfers that have not been transferred to the WRAP administrator. Note that there are funds from the prior year that have not been transferred to the WRAP administrator.
- (j) The DWSD short term allocation, Operating Reserve Deposit, and Improvement & Extension Fund transfers are shown as an expense for budget purposes but not for financial reporting purposes. For FY 2021, the Sewer Improvement and Extension Fund adjustments also reflect \$1.8 million in Sewer Improvement and Extension Fund expenses relating to repairs paid for through the Sewer Improvement and Extension Fund. These are consolidated expenses for financial reporting purposes but are not reflected in the current Operations and Maintenance budget expenses.

- (k) Certain nonoperating income and expenses are reported in financial statements only.
- (l) The water service contract with Flint includes a license for raw water rights which has been recorded as an asset and liability by the Authority. The contract provides a credit to Flint as Flint satisfies its monthly bond payment obligation to KWA. This KWA credit is treated as a noncash payment of principal and interest on the liability recorded for the raw water rights. For budget, wholesale customer charges are net of the anticipated KWA credits to Flint as that is the cash that will be received and available to meet the budgeted revenue requirements. For financial reporting basis the Flint wholesale charges are recorded at the total amount billed. When the KWA credit is issued, the receivable from Flint is reduced and the principal and interest payments on the liability for the raw water rights are recorded as a noncash transaction. Most of the adjustment shown relates to the principal reduction made for the credits applied which are not an expense for financial reporting basis.
- (m) Investment earnings from the construction fund are not shown as revenue in the budget and are shown as revenue in the financial statements. Construction fund investment earnings are excluded from the definition of revenue for budget purposes as they are used for construction costs and are not used to meet the revenue requirements in the budget. Interest on the DWSD note receivable is budgeted as part of the Sewer improvement and extension fund and is transferred directly to that fund as payments are made. Unrealized gains and losses are recorded annually as required for financial reporting purposes but do not reflect actual investment earnings and are not included in cash basis reporting.
- (n) The capital contribution is a one-time payment of \$11.92 million made to GLWA by the Oakland Macomb Interceptor Drainage District (OMIDD) as part of an amendment to the OMIDD Wastewater Disposal Services Contract. This contribution is associated with revenue requirements for FY 2020 and 2021 so one-half of the contribution (or \$5.96 million) was recognized in FY 2020 and the remaining \$5.96 million is recognized as a capital contribution in FY 2021.



The Monthly Capital Improvement Plan Financial Summary includes the following.

1. Water System Capital Improvement Plan Spend Incurred to date
2. Sewer System Capital Improvement Plan Spend Incurred to date

Capital Improvement Plan Financial Summary

Great Lakes Water Authority (GLWA) capital improvement projects generally span two or more years due to size and complexity. Therefore, the GLWA Board of Directors adopts a five-year capital improvement plan (CIP). The CIP is a five-year, rolling plan which is updated annually and formally adopted by the GLWA Board of Directors. In addition, the Board of Directors adopts a capital spending ratio assumption (SRA) which allows the realities of capital program delivery to align with the financial plan. The SRA is an analytical approach to bridge the total dollar amount of projects in the CIP with what can realistically be spent due to limitations beyond GLWA's control and/or delayed for nonbudgetary reasons. Those limitations, whether financial or non-financial, necessitate the SRA for budgetary purposes, despite the prioritization established.

This report presents quarterly and monthly CIP spending against the prorated CIP in total and the CIP adjusted for the SRA. The prorated CIP is calculated by dividing the total fiscal year 2021 board-approved CIP plan by twelve equal months. It should be noted that for operational purposes, GLWA utilizes Primavera P6 for refined monthly projections for cash management and project management.

Beginning January 1, 2021 GLWA has intentionally depleted Bond funds and has moved to solely using I&E and State Revolving Loans to fund CIP expenditures to lower the cost of debt. It is expected that the I&E funds will be sufficient to fund the capital program through FY 2022 including an allowance to provide flexibility in the timing of future bond issues.

Chart 1 – Water System Capital Improvement Plan Spend Incurred to Date

As of December 2020, the Water system incurred over \$ 59 million of construction costs to date. This is 80% of the fiscal year 2021 prorated CIP through December and 106% of the financial plan which is labeled as the FY 2021 CIP w/SRA in the chart below.

Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date

As of December 2020, the Sewer system incurred nearly \$ 41 million of construction costs to date. This is 75% of the fiscal year 2021 prorated CIP through December and 99% of the financial plan which is labeled as the FY 2021 CIP w/SRA in the chart below.

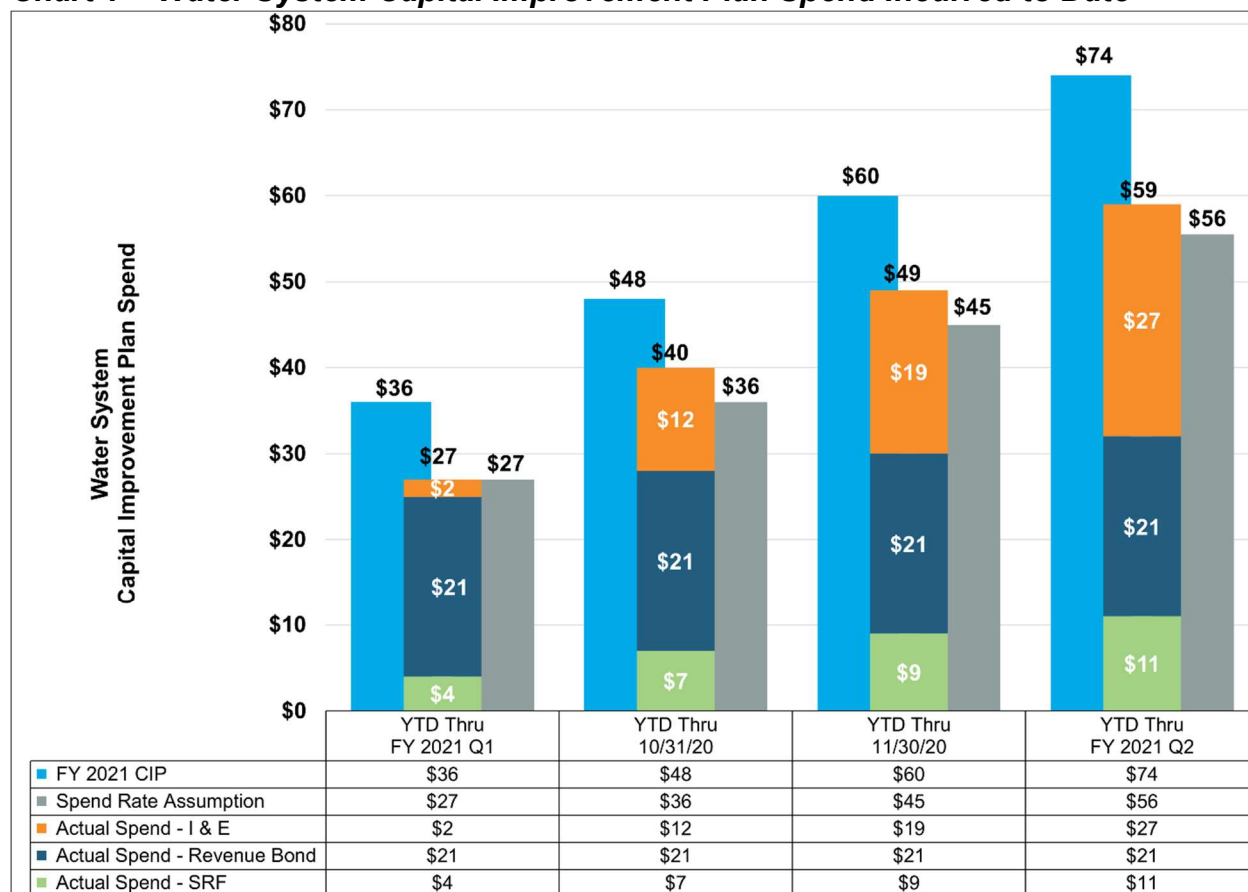
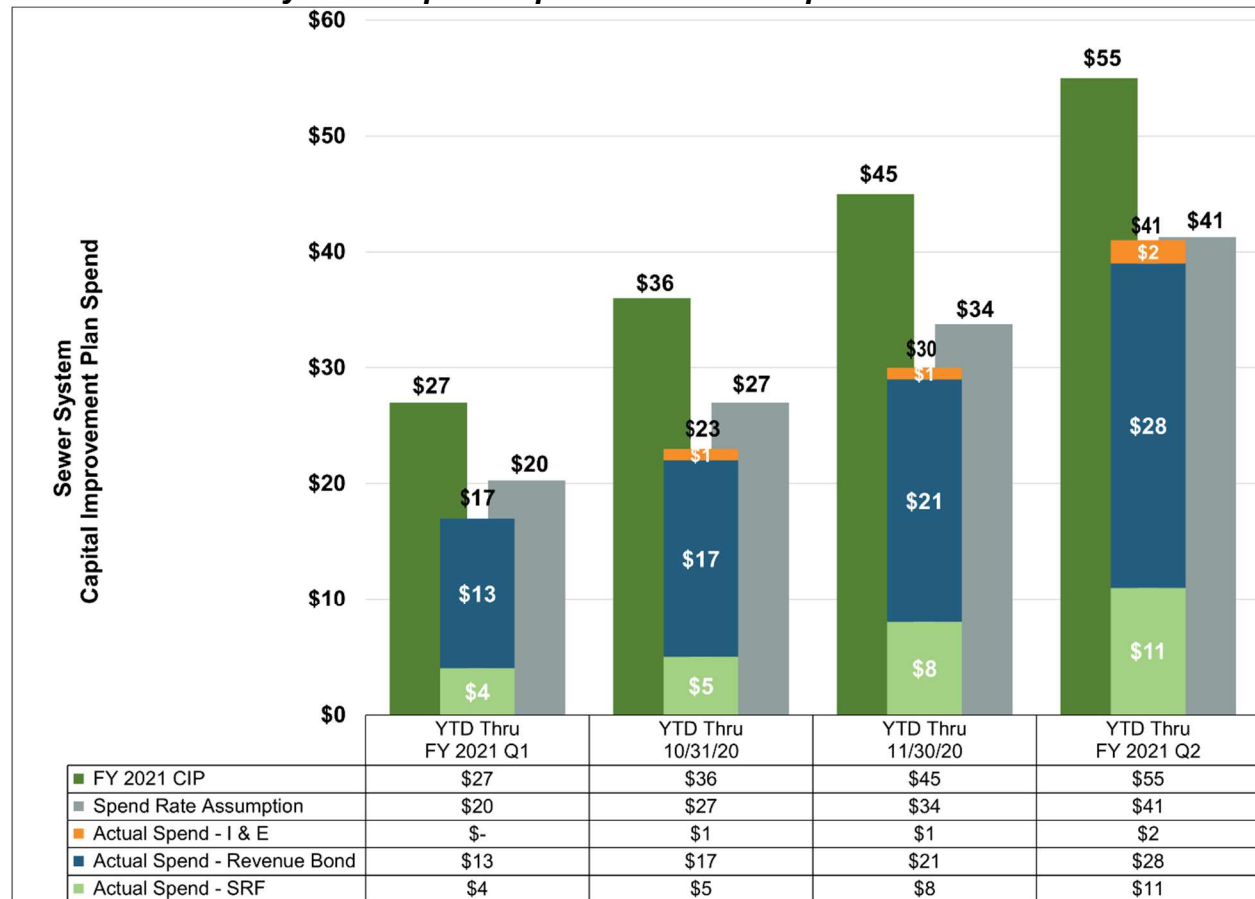
Chart 1 – Water System Capital Improvement Plan Spend Incurred to Date


Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date




This report includes the following.

1. Master Bond Ordinance (MBO) Required Transfers to Accounts Held by GLWA
2. Master Bond Ordinance (MBO) Required Transfers to Accounts Held by DWSD

MBO Transfers to Accounts Held by GLWA

GLWA Transfers: The Treasury team completes required MBO transfers on the first business day of each month. These transfers are completed in accordance with the Great Lakes Water Authority (GLWA) and Detroit Water & Sewerage Department (DWSD) budgets as approved and adopted by the GLWA Board of Directors and DWSD Board of Water Commissioners annually.

Monthly transfers for Operations & Maintenance (O&M), Pension, and Water Residential Assistance Program (WRAP) are one-twelfth of the annual, budgeted amount. Budget stabilization should not require additional funding due to new, baseline funding levels established as part of the June 2018 Memorandum of Understanding but is included to reflect historical activity. Transfers to the Extraordinary Repair & Replacement (ER&R) fund are completed annually based on budget and year-end fund status.

Table 1 – GLWA FY 2021 Water MBO Transfers reflects the required transfers for FY 2021 completed through December 1, 2020. MBO transfers for water totaling \$77.3 million have been transferred to GLWA accounts. The total transfer amount for December is different than the prior month due to adjustments to reflect 1st Quarter budget amendments approved at the October 2020 GLWA Board meeting.

Table 2 – GLWA FY 2021 Sewer MBO Transfers reflects the required transfers for FY 2021 completed through December 1, 2020. MBO transfers for sewer totaling \$106.4 million have been transferred to GLWA accounts. The total transfer amount for December is different than the prior month due to adjustments to reflect 1st Quarter budget amendments approved at the October 2020 GLWA Board meeting.

Table 3 – GLWA MBO Transfer History reflects historical transfers for FY 2016 through FY 2021 to date.

Table 1 – GLWA FY 2021 Water MBO Transfers

WATER							
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Water
FY 2021							
July 2020	\$ 11,160,517	\$504,000	\$891,308	\$192,608	-	-	\$12,748,433
August 2020	11,160,517	504,000	891,308	192,608	-	-	12,748,433
September 2020	11,160,517	504,000	891,308	192,608	-	-	12,748,433
October 2020	11,160,517	504,000	891,308	192,608	-	-	12,748,433
November 2020	11,994,307	504,000	891,308	197,988	-	-	13,587,603
December 2020	11,177,275	504,000	891,308	193,684	-	-	12,766,267
Total FY 2021	\$ 67,813,650	\$3,024,000	\$5,347,848	\$1,162,104	\$ -	\$ -	\$77,347,602

Table 2 – GLWA FY 2021 Sewer MBO Transfers

SEWER							
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Sewer
FY 2021							
July 2020	\$ 15,194,175	\$902,000	\$1,223,950	\$313,500	-	-	\$17,633,625
August 2020	15,194,175	902,000	1,223,950	313,500	-	-	17,633,625
September 2020	15,194,175	902,000	1,223,950	313,500	-	-	17,633,625
October 2020	15,194,175	902,000	1,223,950	313,500	-	-	17,633,625
November 2020	15,842,491	902,000	1,223,950	314,455	-	-	18,282,896
December 2020	15,191,333	902,000	1,223,950	313,691	-	-	17,630,974
Total FY 2021	\$91,810,524	\$5,412,000	\$7,343,700	\$1,882,146	\$ -	\$ -	\$106,448,370

Table 3 – GLWA MBO Transfer History

GLWA MBO Transfer History							
WATER							
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Water
Total FY 2016	\$71,052,000	\$6,037,100	\$10,297,200	\$1,983,300	\$2,326,900	\$606,000	\$92,302,500
Total FY 2017	111,879,600	6,037,200	10,297,200	2,077,200	360,000	-	130,651,200
Total FY 2018	121,562,604	6,048,000	10,695,696	2,159,400	-	-	140,465,700
Total FY 2019	121,562,604	6,048,000	10,695,696	2,061,000	-	-	140,367,300
Total FY 2020	126,840,204	6,048,000	10,695,683	1,980,804	-	-	145,564,691
Total FY 2021 (6 months)	67,813,650	3,024,000	5,347,848	1,162,104	-	-	77,347,602
Life to Date	\$620,710,662	\$33,242,300	\$58,029,323	\$11,423,808	\$2,686,900	\$606,000	\$726,698,993
SEWER							
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Sewer
Total FY 2016	\$100,865,600	\$10,838,400	\$14,025,800	\$2,523,400	\$5,591,700	\$779,600	\$134,624,500
Total FY 2017	175,858,800	10,838,400	14,026,800	2,654,400	2,654,400	-	206,032,800
Total FY 2018	191,079,396	10,824,000	14,687,496	2,760,804	-	-	219,351,696
Total FY 2019	191,079,396	10,824,000	14,687,496	2,870,992	-	-	219,461,884
Total FY 2020	181,925,800	10,824,000	14,687,517	2,887,300	-	-	210,324,617
Total FY 2021 (6 months)	91,810,524	5,412,000	7,343,700	1,882,146	-	-	106,448,370
Life to Date	\$932,619,516	\$59,560,800	\$79,458,809	\$15,579,042	\$8,246,100	\$779,600	\$1,096,243,867

MBO Required and Lease Payment Transfers to DWSD

DWSD Transfers: The GLWA Treasury team completes the required MBO transfers on the first business day of each month. These transfers are completed in accordance with the GLWA and DWSD budgets as approved and adopted by the GLWA Board of Directors and DWSD Board of Water Commissioners annually. Transfers are coordinated with other areas of GLWA Financial Services in advance of the first business day of each month. GLWA Treasury sends confirmation of transfers made to DWSD Treasury.

Monthly transfers for O&M and O&M Pension are one-twelfth of the annual, budgeted amount. The annual lease payment, as stated in the Water & Sewer Lease Agreements, is \$22,500,000 for Water and \$27,500,000 for Sewer. The monthly lease transfer is one-twelfth of the amount as stated in the Lease agreements unless otherwise designated by DWSD. Per Section 3.5 of the Lease, the Lease payment may be used for (a) bond principal and interest for Local System Improvements, (b) bond principal and interest for the City's share of common-to-all System Improvements, and (c) Local System improvements.

Table 4 – DWSD FY 2021 Water MBO Transfers reflects the required transfers for FY 2021 completed through December 1, 2020. MBO transfers for Water totaling \$27.2 million have been transferred to accounts held by DWSD. The I&E transfer amount for December is different than the prior month due to adjustments to reflect 1st Quarter budget amendments approved at the October 2020 GLWA Board meeting. For FY 2021, DWSD has requested that \$8,278,300 of the lease payment be utilized to offset a portion of debt service.

Table 5 – DWSD FY 2021 Sewer MBO Transfers reflects the required transfers for FY 2021 completed through December 1, 2020. MBO transfers for Sewer totaling \$48.5 million have been transferred to accounts held by DWSD. The I&E transfer amount for December is different than the prior month due to adjustments to reflect 1st Quarter budget amendments approved at the October 2020 GLWA Board meeting. For FY 2021, DWSD has requested that \$3,257,200 of the lease payment be utilized to offset a portion of debt service.

Table 6 – DWSD Water MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2021 to date.

Table 7 – DWSD Sewer MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2021 to date.

Table 4 – DWSD FY 2021 Water MBO Transfers

	WATER			
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Water</u>
FY 2021				
July 2020	\$2,986,158	\$356,000	\$1,139,808	\$4,481,966
August 2020	2,986,158	356,000	1,139,808	4,481,966
September 2020	2,986,158	356,000	1,139,808	4,481,966
October 2020	2,986,158	356,000	1,139,808	4,481,966
November 2020	2,986,158	356,000	1,366,478	4,708,636
December 2020	2,986,158	356,000	1,185,142	4,527,300
Total FY 2021	\$17,916,948	\$2,136,000	\$7,110,852	\$27,163,800

Table 5 – DWSD FY 2021 Sewer MBO Transfers

	SEWER			
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Sewer</u>
FY 2021				
July 2020	\$5,826,308	\$238,000	\$2,109,017	\$8,173,325
August 2020	5,826,308	238,000	2,109,017	8,173,325
September 2020	5,826,308	238,000	2,109,017	8,173,325
October 2020	5,826,308	238,000	2,109,017	8,173,325
November 2020	5,826,308	238,000	1,665,102	7,729,410
December 2020	5,826,308	238,000	2,020,234	8,084,542
Total FY 2021	\$34,957,848	\$1,428,000	\$12,121,404	\$48,507,252

Table 6 – DWSD Water MBO and Lease Payment Transfer History

Transfers to DWSD				
WATER				
	Operations & Maintenance	Operations & Maintenance Pension	Lease Payment (I&E Fund)	Total Water
FY 2016 *				
MBO/Lease Requirement	\$26,185,600	\$4,262,700	\$22,500,000	\$52,948,300
Offset to Debt Service	-	-	(2,326,900)	(2,326,900)
Net MBO Transfer	26,185,600	4,262,700	20,173,100	50,621,400
FY 2017				
MBO/Lease Requirement	33,596,400	4,262,400	22,500,000	60,358,800
Offset to Debt Service	-	-	-	-
Net MBO Transfer	33,596,400	4,262,400	22,500,000	60,358,800
FY 2018				
MBO/Lease Requirement	35,059,704	4,272,000	22,500,000	61,831,704
Offset to Debt Service	-	-	(1,875,000)	(1,875,000)
Net MBO Transfer	35,059,704	4,272,000	20,625,000	59,956,704
FY 2019				
MBO/Lease Requirement	35,484,300	4,272,000	22,500,000	62,256,300
Offset to Debt Service	-	-	(3,972,200)	(3,972,200)
Net MBO Transfer	35,484,300	4,272,000	18,527,800	58,284,100
FY 2020				
MBO/Lease Requirement	34,662,400	4,272,000	22,500,000	61,434,400
Offset to Debt Service	-	-	(3,548,000)	(3,548,000)
Net MBO Transfer	34,662,400	4,272,000	18,952,000	57,886,400
FY 2021 (6 months)				
MBO/Lease Requirement	17,916,948	2,136,000	11,250,000	31,302,948
Offset to Debt Service	-	-	(4,139,148)	(4,139,148)
Net MBO Transfer	17,916,948	2,136,000	7,110,852	27,163,800
Life-to-Date				
MBO/Lease Requirement	182,905,352	23,477,100	123,750,000	330,132,452
Offsets	-	-	(15,861,248)	(15,861,248)
Total Water	182,905,352	23,477,100	107,888,752	314,271,204

Table 7 – DWSD Sewer MBO and Lease Payment Transfer History

	SEWER			
	Operations & Maintenance	Operations & Maintenance Pension	Lease Payment (I&E Fund)	Total Sewer
FY 2016 *				
MBO/Lease Requirement	\$19,774,300	\$2,861,800	\$27,500,000	\$50,136,100
Offset to Debt Service	-	-	(19,991,500)	(19,991,500)
Total MBO Transfer	19,774,300	2,861,800	7,508,500	30,144,600
FY 2017				
MBO/Lease Requirement	41,535,600	2,862,000	27,500,000	71,897,600
Offset to Debt Service	-	-	-	-
Total MBO Transfer	41,535,600	2,862,000	27,500,000	71,897,600
FY 2018				
MBO/Lease Requirement	60,517,992	2,856,000	27,500,000	90,873,992
Offset to Debt Service	-	-	(9,166,664)	(9,166,664)
Total MBO Transfer	60,517,992	2,856,000	18,333,336	81,707,328
FY 2019				
MBO/Lease Requirement	56,767,920	2,856,000	27,500,000	87,123,920
Offset to Debt Service	-	-	(4,415,000)	(4,415,000)
Total MBO Transfer	56,767,920	2,856,000	23,085,000	82,708,920
FY 2020				
MBO/Lease Requirement	62,343,500	2,856,000	27,500,000	92,699,500
Offset to address shortfall	(7,100,000)	-	-	(7,100,000)
Offset to Debt Service	-	-	(5,032,700)	(5,032,700)
Total MBO Transfer	55,243,500	2,856,000	22,467,300	80,566,800
FY 2021 (6 months)				
MBO/Lease Requirement	34,957,848	1,428,000	13,750,000	50,135,848
Offset to Debt Service	-	-	(1,628,596)	(1,628,596)
Total MBO Transfer	34,957,848	1,428,000	12,121,404	48,507,252
Life-to-Date				
MBO/Lease Requirement	275,897,160	15,719,800	151,250,000	442,866,960
Offsets	(7,100,000)	-	(40,234,460)	(47,334,460)
Total Sewer	268,797,160	15,719,800	111,015,540	395,532,500

* Note: FY 2016 lease transfer amounts shown do not include prepayment on the lease amount for the 6 months period before bifurcation.



This report includes the following:

1. Monthly Cash Balances Compared to Investment Income
2. Cash Balance Detail

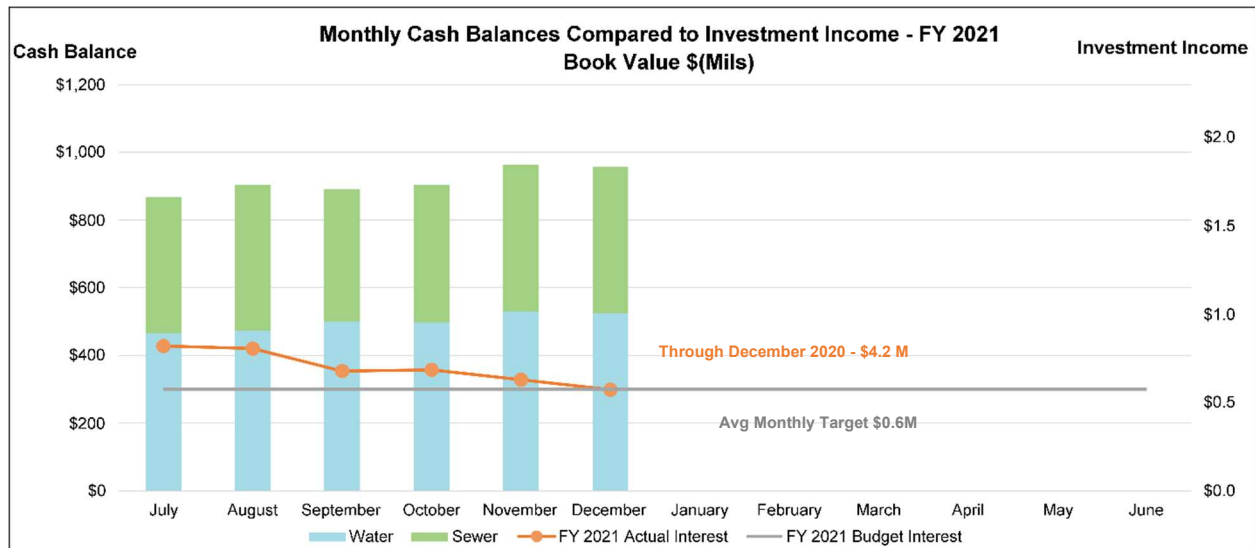
Monthly Cash Balances Compared to Investment Income

GLWA's investment holdings comply with the requirements of Public Act 20 of 1948, as amended and the GLWA Investment Policy. The cash balances shown in this report include bank deposits, money market funds, a local government investment pool, U.S. Treasuries, Federal Agencies, and commercial paper.

Cash and investment balances change each month based on Master Bond Ordinance (MBO) funding requirements, operational needs, capital spending pace, and mandatory debt payments. Investment income fluctuates monthly based on cash and investment balances as well as market conditions and investment strategy. For the month of December 2020, GLWA earned investment income of \$0.6 million and the cumulative FY 2021 earnings through December is \$4.2 million. Total investment income reported includes earnings from revenue requirement funds as well as construction bond funds.

Investment earnings for the remainder of the fiscal year are expected to decline due to maturities of existing investments being reinvested into lower, current market rate investments. Investment earnings projections included in Chart 1 below were updated in December 2020 based on review of the investment portfolio with the GLWA investment advisor as reported in the most recent Quarterly Investment Report. GLWA continues to refine cash flows and work with its investment advisor to identify strategies to maximize future investment income while meeting the objectives of safety and liquidity.

Chart 1 – Monthly Cash Balances Compared to Investment Income – Through December 2020



\$(Mils)	July	August	September	October	November	December	January	February	March	April	May	June
Water	\$464	\$473	\$499	\$497	\$530	\$525	-	-	-	-	-	-
Sewer	\$403	\$431	\$391	\$406	\$433	\$431	-	-	-	-	-	-
Total	\$867	\$904	\$890	\$903	\$963	\$956	-	-	-	-	-	-
Investment Income	\$0.8	\$0.8	\$0.7	\$0.7	\$0.6	\$0.6	-	-	-	-	-	-

Cash Balance Detail

Funds Held By GLWA: GLWA cash balances are held in accounts as defined by the Master Bond Ordinance. The accounts are funded by monthly transfers, as stipulated in the MBO, on the first business day of each month. The “operations and maintenance” (O&M) fund transfer amounts are based upon the annual O&M budget approved by the GLWA Board of Directors for the regional systems and by the Board of Water Commissioners for the Detroit Water & Sewerage Department (DWSD) local system budgets. The water and sewer funds held by GLWA and their purpose, as defined by the MBO, are listed below.

Funds Held Within Trust:

- Receiving – all retail and wholesale revenues collected which are distributed in subsequent month(s)
- Debt Service – funds set aside for debt service and debt reserve requirements
- Pension Obligation – funds set aside to meet GLWA’s annual funding requirements for the legacy General Retirement System Pension Plan
- Water Residential Assistance Program (WRAP) – funds set aside to be used to provide financial assistance to qualified residents throughout the local and regional water system as directed by program guidelines
- Budget Stabilization – funds held by GLWA on behalf of DWSD that can be applied against shortfalls in retail revenues
- Emergency Repair & Replacement (ER&R) – funds set aside to pay the costs for major unanticipated repairs and replacements of the local and regional systems
- Improvement & Extension (I&E) – funds set aside to be used for the improvements, enlargements, and extensions of the regional system

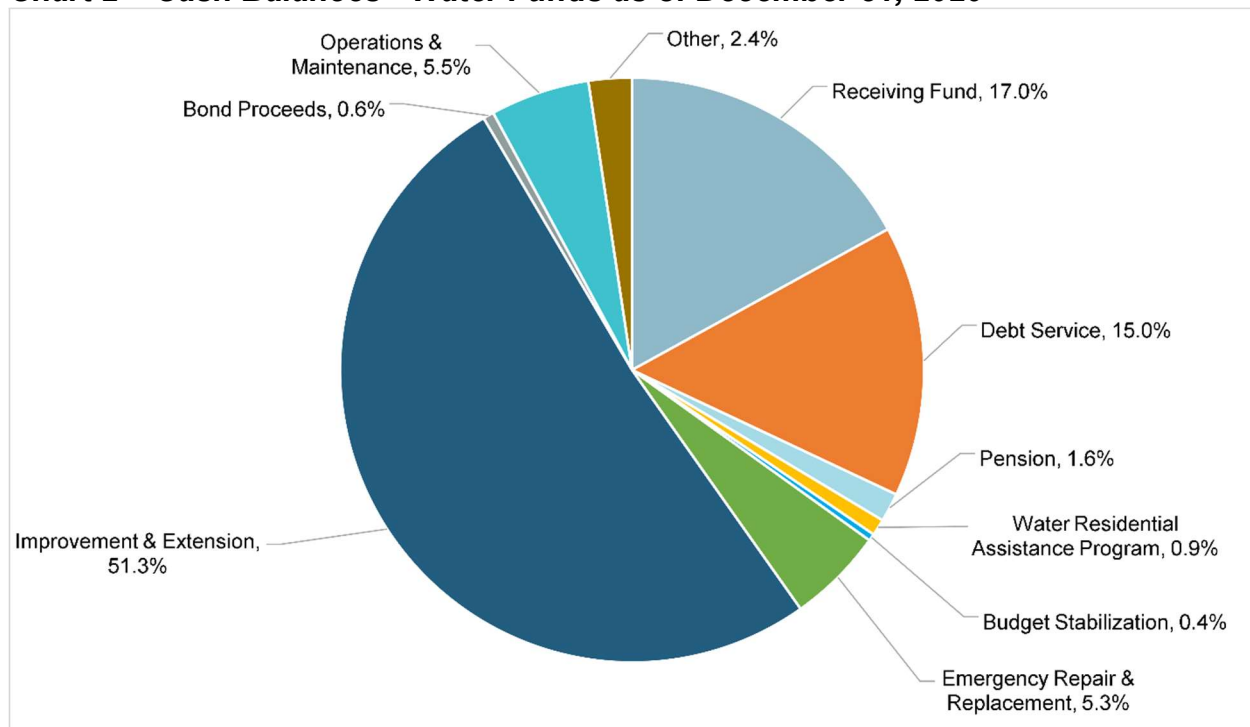
Funds Held Outside Trust:

- Bond Proceeds – funds raised from debt issuance used for costs of repairs, construction, and improvements of the regional system
- Operations & Maintenance (O&M) – funds used to meet the operational and maintenance requirements of the regional system
- Other – retainage funds held on behalf of contractors and security deposit funds held on behalf of the City of Flint

A [chart](#) depicting the follow of funds is online at glwater.org as well as the [MBO](#) documents.

Chart 2 – Cash Balances - Water Funds as of December 2020 - Shows the allocation of the balance among the different categories defined in the section above. The total cash balance for Water Funds as of December 31, 2020 is \$525 million. The allocation of balances among the I&E, bond proceeds, and debt service reserve funds reflects GLWA's commitment to funding capital improvements and meeting debt reserve requirements while simultaneously increasing I&E resources to fund pay-as-you-go capital funding to reduce long-term debt in the future.

Chart 2 – Cash Balances - Water Funds as of December 31, 2020

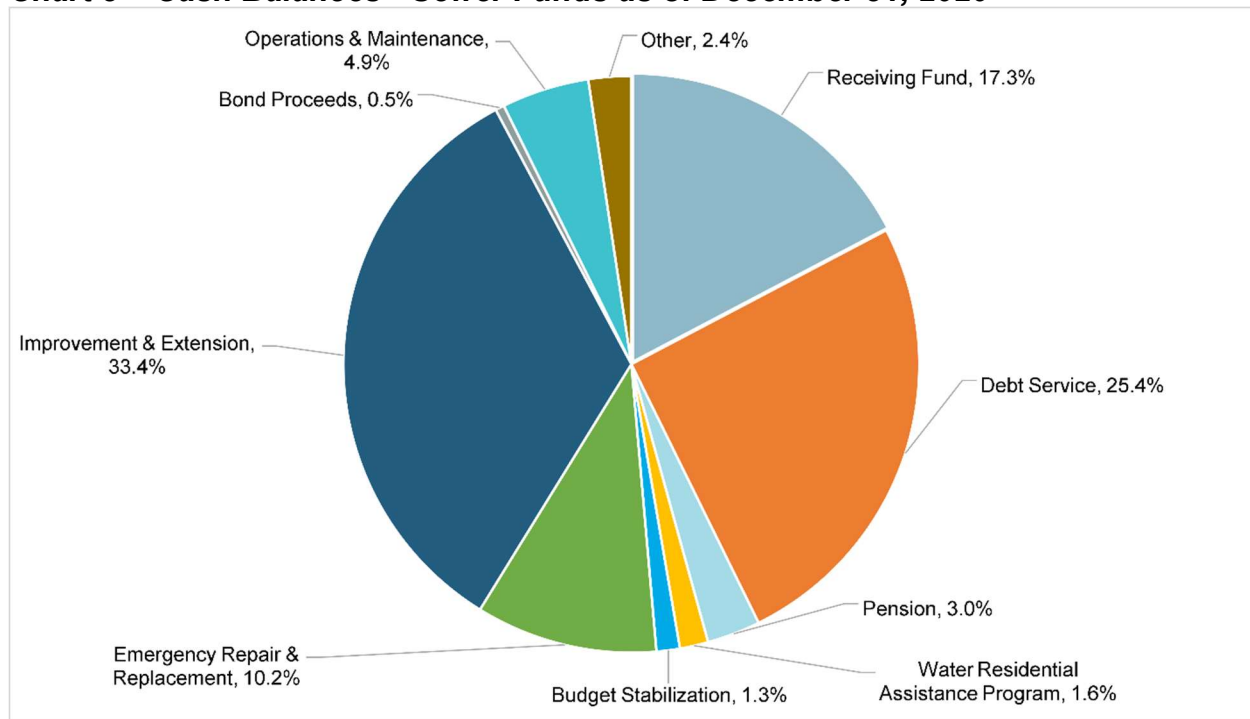


Note: Due to rounding totals may not equal 100%.

Chart 3 – Cash Balances - Sewer Funds as of December 2020 - Shows the allocation of the balance among the different funds defined in the section above. The total cash balance for Sewer Funds as of December 31, 2020 is \$431 million. Like the Water Funds, the allocation of balances among the I&E, bond proceeds, and debt service reserve funds reflects GLWA's commitment to funding capital improvements and meeting debt reserve requirements while simultaneously increasing I&E resources to fund pay-as-you-go capital funding to reduce long-term debt in the future.

The pace for Sewer I&E deposits has been less than anticipated due to a budget shortfall over multiple years by DWSD. Beginning in February 2019, DWSD began making payments which will replenish the I&E fund.

Chart 3 – Cash Balances - Sewer Funds as of December 31, 2020



Note: Due to rounding totals may not equal 100%.



for the Month Ended December 31, 2020

Retail Revenues, Receivables, and Collections: Pursuant to the terms of the lease agreement between the City of Detroit and the Great Lakes Water Authority (GLWA), the Detroit Water & Sewerage Department (DWSD) serves as GLWA's agent for billing activities for the City of Detroit retail customer class. All water and sewer service collections from DWSD customers are deposited in a trust account and are administered in accordance with the GLWA Master Bond Ordinance.

The Monthly Retail Revenues, Receivables, & Collections Report includes the following.

1. DWSD Retail Water Revenue Billings and Collections
2. DWSD Retail Sewer Revenue Billings and Collections
3. DWSD Retail Water & Sewer System Accounts Receivable Aging Report

Note: Wholesale customer revenues are billed by the Great Lakes Water Authority.

DWSD Retail Water Billings and Collections

Retail Billing Basis: DWSD bills retail customers monthly. Customers are billed throughout the month in cycles based on a meter reading schedule beginning with residential accounts and ending with commercial and industrial customers.

Table 1 - DWSD Retail Billings shows the FY 2021 water usage and billed revenue which are provided by DWSD staff. As of December 31, 2020, the DWSD usage was at 93.07% of the budget and billed revenue was at 94.01% of budget.

DWSD Retail Water Collections: The collections represent payments made by DWSD retail customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

Table 2 - Retail Water Collections shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods.

Table 1 – DWSD Retail Water Billing

RETAIL WATER CUSTOMERS								
Month (1)	FY 2021 - Original Budget		FY 2021 - Actual		FY 2021 - Variance		FY 2020 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	273,700	10,099,621	265,796	9,747,518	(7,904)	(352,103)	267,054	9,802,572
August	263,300	9,828,389	250,308	9,378,385	(12,992)	(450,004)	259,489	9,601,097
September	239,800	9,215,509	218,840	8,544,457	(20,960)	(671,052)	228,961	8,811,834
October	228,800	8,928,629	197,362	7,978,833	(31,438)	(949,796)	217,031	8,578,738
November	208,200	8,391,381	194,648	7,952,436	(13,552)	(438,945)	200,432	7,879,694
December	208,900	8,409,637	197,125	7,985,955	(11,775)	(423,682)	201,225	7,811,106
January	210,200	8,443,541					205,993	7,981,382
February	214,600	8,558,293					196,490	7,748,377
March	216,500	8,607,845					198,483	7,755,210
April	211,700	8,482,661					191,691	7,550,074
May	221,300	8,733,029					207,387	7,929,281
June	261,800	9,789,269					248,085	8,951,538
Total	2,758,800	107,487,800	1,324,079	51,587,584	(98,621)	(3,285,580)	2,622,321	100,400,903
Subtotals ytd	1,422,700	54,873,164	1,324,079	51,587,584	(98,621)	(3,285,580)		
Achievement of Budget			93.07%	94.01%				

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.

(2) Retail Revenues include Miscellaneous Revenues and Penalties

Table 2 – DWSD Retail Water Collections

Water				
Month	Current Year	Prior Year	Variance	Ratio
January	9,076,091	8,158,817	917,274	11.24%
February	8,281,985	7,927,299	354,686	4.47%
March	6,948,308	8,707,578	(1,759,270)	-20.20%
April	5,956,105	8,475,657	(2,519,552)	-29.73%
May	8,109,469	8,415,767	(306,298)	-3.64%
June	7,821,791	7,554,457	267,334	3.54%
July	8,017,490	8,093,394	(75,904)	-0.94%
August	7,135,456	8,671,848	(1,536,392)	-17.72%
September	9,031,966	8,610,801	421,165	4.89%
October	9,079,199	9,619,977	(540,778)	-5.62%
November	10,803,009	7,067,667	3,735,342	52.85%
December	7,409,888	8,597,558	(1,187,670)	-13.81%
Rolling, 12-Month Total	97,670,757	99,900,820		
Rolling, 12-Month Average	8,139,230	8,325,068		

DWSD Retail Sewer Billings and Collections

Retail billing basis: DWSD bills retail customers monthly. Customers are billed throughout the month in cycles based on a meter reading schedule beginning with residential accounts and ending with commercial and industrial customers.

Table 3 - DWSD Retail Sewer Billings shows the FY 2021 sewer billed revenue which are provided by DWSD staff. As of December 31, 2020, the DWSD usage was at 92.96% of the budget and billed revenue was at 97.95% of budget.

DWSD Retail Sewer Collections: The collections represent payments made by DWSD retail customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

Table 4 – DWSD Retail Sewer Collections shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods.

Table 3 - DWSD Retail Sewer Billings

RETAIL SEWER CUSTOMERS								
Month (1)	FY 2021 - Original Budget		FY 2021 - Actual		FY 2021 - Variance		FY 2020 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	252,700	29,612,070	252,929	29,802,377	229	190,307	244,810	28,049,707
August	252,900	29,624,420	240,390	29,261,344	(12,510)	(363,076)	246,989	28,076,649
September	219,800	27,736,625	206,880	27,232,400	(12,920)	(504,225)	215,119	26,430,710
October	245,700	29,214,479	188,816	26,230,683	(56,884)	(2,983,796)	238,202	27,549,787
November	192,400	26,173,181	184,240	25,933,888	(8,160)	(239,293)	188,779	24,726,161
December	192,600	26,184,593	187,397	26,628,891	(5,203)	444,298	186,917	24,853,335
January	195,700	26,361,479					190,230	24,857,510
February	195,300	26,338,655					187,219	24,524,288
March	192,100	26,279,396					186,521	24,784,918
April	188,900	25,973,471					180,397	24,538,664
May	195,300	26,338,655					192,362	25,035,540
June	245,560	29,206,491					238,679	27,572,637
Total	2,568,960	329,043,516	1,260,652	165,089,583	(95,448)	(3,455,786)	2,496,224	310,999,906
<i>Subtotals ytd</i>	<i>1,356,100</i>	<i>168,545,369</i>	<i>1,260,652</i>	<i>165,089,583</i>		<i>(3,455,786)</i>		
<i>Achievement of Budget/Goal</i>				<i>92.96%</i>		<i>97.95%</i>		

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.

(2) Retail Revenues include Miscellaneous Revenues and Penalties

Table 4 – DWSD Retail Sewer Collections

Sewer				
Month	Current Year	Prior Year	Variance	Ratio
January	23,512,702	21,140,835	2,371,867	11.22%
February	22,682,982	20,624,039	2,058,943	9.98%
March	19,325,377	22,111,691	(2,786,314)	-12.60%
April	17,105,146	20,930,511	(3,825,365)	-18.28%
May	23,639,652	22,807,283	832,369	3.65%
June	22,558,827	20,426,151	2,132,676	10.44%
July	20,652,159	20,940,157	(287,998)	-1.38%
August	22,395,220	23,175,643	(780,423)	-3.37%
September	26,463,387	21,972,754	4,490,633	20.44%
October	26,683,109	26,321,010	362,099	1.38%
November	28,730,139	17,546,180	11,183,959	63.74%
December	22,856,217	25,889,823	(3,033,606)	-11.72%
Rolling 12-Month Total	276,604,917	263,886,077		
Rolling, 12-Month Average	23,050,410	21,990,506		

DWSD Retail Water and Sewer Accounts Receivable Aging Report

The DWSD detailed accounts receivable aging is categorized by customer category.

Table 5 is a summary of the total, current and non-current Water and Sewer receivables by category as of December 31, 2020 with comparative totals from December 31, 2019.

Table 5 – DWSD Retail Accounts Receivable Aging Report – Water & Sewer Combined

Sales Class	# of Accounts	Avg. Balance	Current	> 30 Days	> 60 Days	> 180 Days	Balance
Residential	210,189	\$ 473.03	\$ 11,760,000	\$ 6,776,000	\$ 20,182,000	\$ 60,708,000	\$ 99,426,000
			11.8%	6.8%	20.3%	61.1%	100.0%
Commercial	21,731	1,310.13	7,056,000	2,564,000	5,325,000	13,526,000	28,470,000
			24.8%	9.0%	18.7%	47.5%	100.0%
Industrial	2,314	4,985.64	3,207,000	1,071,000	1,466,000	5,793,000	11,537,000
			27.8%	9.3%	12.7%	50.2%	100.0%
Tax Exempt	4,051	829.54	463,000	175,000	528,000	2,195,000	3,360,000
			13.8%	5.2%	15.7%	65.3%	100.0%
Government	59,592	350.14	3,291,000	2,639,000	4,247,000	10,688,000	20,866,000
			15.8%	12.6%	20.4%	51.2%	100.0%
Drainage	37,251	728.23	2,411,000	2,489,000	4,321,000	17,906,000	27,127,000
			8.9%	9.2%	15.9%	66.0%	100.0%
Subtotal - Active Accounts	335,128	\$ 569.29	\$ 28,187,000	\$ 15,714,000	\$ 36,069,000	\$ 110,816,000	\$ 190,787,000
			14.8%	8.2%	18.9%	58.1%	100.0%
Inactive Accounts	290,062	105.23	11,000	(81,000)	371,000	30,224,000	30,524,000
			0.0%	(0.3%)	1.2%	99.0%	100.0%
Total	625,190	\$ 353.99	\$ 28,198,000	\$ 15,633,000	\$ 36,440,000	\$ 141,041,000	\$ 221,311,000
% of Total A/R			12.7%	7.1%	16.5%	63.7%	100.0%
Water Fund	220,549	188.70	\$ 6,029,000	\$ 2,500,000	\$ 6,132,000	\$ 26,956,000	\$ 41,617,000
Sewer Fund	269,515	666.73	\$ 22,169,000	\$ 13,133,000	\$ 30,307,000	\$ 114,084,000	\$ 179,694,000
Total December 31, 2020 (a)	625,190	353.99	\$ 28,198,000	\$ 15,633,000	\$ 36,440,000	\$ 141,041,000	\$ 221,311,000
Water Fund- Allowance							\$ (29,577,000)
Sewer Fund- Allowance							\$ (118,045,000)
Total Bad Debt Allowance							\$ (147,622,000)
Comparative - December 2019 (b)	605,266	334.48	\$ 29,821,000	\$ 13,580,000	\$ 32,787,000	\$ 126,260,000	\$ 202,448,000
Difference (a) - (b)	19,924	19.51	\$ (1,623,000)	\$ 2,052,000	\$ 3,653,000	\$ 14,780,000	\$ 18,863,000



The Monthly Wholesale Billings, Receivables, & Collections Report includes the following.

1. Wholesale Water Billings and Collections
2. Wholesale Sewer Billings and Collections
3. City of Highland Park Billings and Collections
4. Wholesale Water & Sewer Accounts Receivable Aging Report

Wholesale Water Billings and Collections

Wholesale Water Contracts: Great Lakes Water Authority (GLWA) provides wholesale water service to 87 member-partners through a variety of service arrangements.

Service Arrangement Type

Model Contract	82
Emergency	1
Older Contracts	4
Total	<u>87</u>

Note: Services are provided to the Detroit Water & Sewerage Department (DWSD) via a Water and Sewer Services Agreement (WSSA). See the "Retail Revenues, Receivables, and Collections Report" section of this monthly report.

Wholesale Water Billing Basis: Beginning with FY 2016, wholesale water charges were restructured to create a more stable revenue stream by using a historical rolling average to project customer volumes which accounts for 40% of the monthly charges and 60% of the annual customer revenue requirement as a monthly fixed charge.

Table 1 - Wholesale Water Billings shows the FY 2021 water billed usage and revenues. As of December 31, 2020, the billed usage was at 105.79% of budget and billed revenue at 102.93% of budget. Billings and usage from the City of Flint are included as they were assumed in the FY 2021 Budget. This schedule has been updated to reflect the most recent, Board-approved budget amendments.

Wholesale Water Collections: The collections represent payments made by wholesale customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

Table 2 - Wholesale Water Collections shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods. The year-over-year rolling average from FY 2020 to FY 2021 reflects the increased usage billed and collected for FY 2021 to date.

Table 1 – FY 2021 Wholesale Water Billings Report

WHOLESALE WATER CHARGES								
Month (1)	FY 2021 - Original Budget		FY 2021 - Amended Budget		FY 2021 - Actual		FY 2021 - Variance	
	Volume	Revenue	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	1,639,200	31,200,300	1,639,200	31,200,500	1,862,791	33,583,619	223,591	2,383,119
August	1,491,400	29,822,200	1,491,400	29,826,800	1,622,324	31,230,027	130,924	1,403,227
September	1,331,600	27,852,100	1,331,600	27,851,500	1,313,440	27,836,560	(18,160)	(14,940)
October	1,034,400	25,773,900	1,034,400	25,055,600	1,070,660	25,454,840	36,260	399,240
November	901,700	24,557,700	901,700	23,897,700	956,542	24,390,303	54,842	492,603
December	982,100	25,189,000	982,100	24,506,200	981,770	24,600,202	(330)	94,002
January	985,300	25,260,100	985,300	25,263,400				
February	884,200	24,344,600	884,200	24,348,400				
March	984,200	25,208,400	984,200	25,213,400				
April	912,200	24,593,900	912,200	24,594,700				
May	1,032,900	25,895,100	1,032,900	25,896,800				
June	1,373,700	29,502,100	1,373,700	29,463,900				
Total	13,552,900	319,199,400	13,552,900	317,118,900	7,807,527	167,095,551	427,127	4,757,251
Subtotals ytd	7,380,400	164,395,200	7,380,400	162,338,300	7,807,527	167,095,551	427,127	4,757,251
Achievement of Budget					105.79%	102.93%		

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.

(2) Water Revenues differ from Table 1A because amounts are reduced by the monthly payment to the City of Flint for a license to raw water right Contract in Table 1A

Table 2 - Wholesale Water Collections

Water				
Month	Current Year	Prior Year	Variance	Ratio
January	25,470,795	23,430,974	2,039,821	8.71%
February	24,629,768	26,147,082	(1,517,314)	-5.80%
March	25,017,989	24,967,264	50,725	0.20%
April	17,856,644	23,045,654	(5,189,010)	-22.52%
May	24,811,582	20,749,943	4,061,639	19.57%
June	27,098,783	25,676,458	1,422,325	5.54%
July	25,080,575	23,212,979	1,867,596	8.05%
August	26,241,018	28,808,254	(2,567,236)	-8.91%
September	26,078,015	28,336,152	(2,258,137)	-7.97%
October	29,292,690	25,786,774	3,505,916	13.60%
November	32,218,822	29,245,969	2,972,853	10.17%
December	29,609,061	23,292,382	6,316,679	27.12%
Rolling 12-Month Total	313,405,742	302,699,885		
Rolling, 12-Month Average	26,117,145	25,224,990		

Wholesale Sewer Billings and Collections

Wholesale Sewer Contracts: GLWA provides wholesale sewer service to 18 member-partners via multiple service arrangements.

Service Arrangement Type

Model Contract	11
Emergency	0
Older Contracts	7
Total	<u>18</u>

Note: Services are provided to the Detroit Water & Sewerage Department via a Water and Sewer Services Agreement (WSSA). See the “Retail Revenues, Receivables, and Collections Report” section of the monthly report.

Wholesale Sewer Billing Basis: Beginning in FY 2015, the “sewer rate simplification” initiative was applied which provides for a stable revenue stream and predictability for our member partners. Wholesale sewer customers are billed a fixed monthly fee based upon the annual revenue requirement.

Table 3 - Wholesale Sewer Billings shows the FY 2021 sewer billed revenue. As of December 31, 2020 the billed revenue is at 100.00% of budget. This schedule has been updated to reflect the most recent, Board-approved budget amendments.

Wholesale Sewer Collections: The collections represent payments made by wholesale customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA’s Master Bond Ordinance.

Table 4 - Wholesale Sewer Collections shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods. The year-over-year rolling average from FY 2020 to FY 2021 remains consistent.

The shift in wholesale sewer collection patterns is largely attributable to the timing of payments received. There are several large accounts whose payments swing between the end of the current month and the beginning of the next month.

Table 3 – FY 2021 Wholesale Sewer Billings Report

WHOLESALE SEWER CHARGES								
Month (1)	FY 2021 - Original Budget		FY 2021 - Amended Budget		FY 2021 - Actual		FY 2021 - Variance	
	Volume (2)	Revenue	Volume (2)	Revenue	Volume (2)	Revenue	Volume (2)	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	N/A	22,323,183	N/A	22,323,183	N/A	22,323,183	N/A	-
August	N/A	22,323,183	N/A	22,323,183	N/A	22,323,183	N/A	-
September	N/A	22,323,183	N/A	22,323,183	N/A	22,323,183	N/A	-
October	N/A	22,323,183	N/A	22,323,183	N/A	22,323,183	N/A	-
November	N/A	22,323,183	N/A	22,323,183	N/A	22,323,183	N/A	-
December	N/A	22,323,183	N/A	22,323,183	N/A	22,323,183	N/A	-
January	N/A	23,005,800	N/A	22,633,025	N/A		N/A	
February	N/A	23,005,800	N/A	22,633,025	N/A		N/A	
March	N/A	23,005,800	N/A	22,633,025	N/A		N/A	
April	N/A	23,005,800	N/A	22,633,025	N/A		N/A	
May	N/A	23,005,800	N/A	22,633,025	N/A		N/A	
June	N/A	23,005,800	N/A	22,633,025	N/A		N/A	
Total		271,973,898		269,737,248		133,939,098		-
Subtotals ytd		133,939,098		133,939,098		133,939,098		-
Achievement of Budget						100.00%		

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.

(2) Not tracked as part of the wholesale sewer charges.

Table 4 - Wholesale Sewer Collections

Sewer				
Month	Current Year	Prior Year	Variance	Ratio
January	17,121,812	26,874,927	(9,753,115)	-36.29%
February	23,284,737	13,895,100	9,389,637	67.58%
March	21,108,100	22,388,600	(1,280,500)	-5.72%
April	10,024,575	23,203,703	(13,179,128)	-56.80%
May	21,189,047	9,284,000	11,905,047	128.23%
June	28,598,467	32,639,436	(4,040,969)	-12.38%
July	22,297,737	27,222,400	(4,924,663)	-18.09%
August	25,354,280	35,153,500	(9,799,220)	-27.88%
September	19,593,613	18,833,257	760,356	4.04%
October	16,853,983	29,833,760	(12,979,777)	-43.51%
November	18,966,208	19,428,000	(461,792)	-2.38%
December	25,232,649	19,999,642	5,233,007	26.17%
Rolling 12-Month Total	249,625,208	278,756,325		
Rolling, 12-Month Average	20,802,101	23,229,694		

City of Highland Park Billings and Collections

The City of Highland Park is provided water service pursuant to an emergency service basis. Sewer service is provided pursuant to a 1982 amended contract which indicates that the parties are guided in their legal relationship by a Michigan Supreme Court decision from 1949.

As of December 31, 2020, Highland Park had a delinquent balance of \$45.8 million, including \$34.9 million for wastewater treatment services, \$1.8 million for industrial waste control services, and \$9.1 million for water supply services.

Table 5 - City of Highland Park Billings and Collections provides a life-to-date balance summary of the billing and collection history for Highland Park with detail provided for fiscal year 2021 through December 31, 2020. Please note the numbers below reflect the month the billing was sent and not the month the service was provided. A life-to-date summary is provided as an appendix to this monthly financial report.

Table 5 - City of Highland Park Billings and Collections

	Water	Sewer	IWC	Total
January 31, 2020 Balance	8,062,660	32,557,275	1,702,982	42,322,917
February 2020 Billing	93,589	472,500	3,892	569,981
February 2020 Payments	-	-	-	-
February 28, 2020 Balance	8,156,249	33,029,775	1,706,874	42,892,898
March 2020 Billing	92,950	472,500	3,906	569,356
March 2020 Payments	-	-	-	-
March 31, 2020 Balance	8,249,199	33,502,275	1,710,780	43,462,254
April 2020 Billing	94,738	472,500	3,905	571,143
April 2020 Payments	-	-	-	-
April 30, 2020 Balance	8,343,937	33,974,775	1,714,685	44,033,397
May 2020 Billing	92,674	472,500	3,824	568,998
May 2020 Payments	-	(807,648)	-	(807,648)
May 31, 2020 Balance	8,436,611	33,639,627	1,718,509	43,794,747
June 2020 Billing	97,073	472,500	3,831	573,404
June 2020 Payments	-	-	-	-
June 30, 2020 Balance	8,533,684	34,112,127	1,722,340	44,368,151
July 2020 Billing	100,390	472,500	3,831	576,721
July 2020 Payments	-	(926,053)	-	(926,053)
July 31, 2020 Balance	8,634,074	33,658,574	1,726,171	44,018,819
August 2020 Billing	104,325	472,500	3,835	580,660
August 2020 Payments	-	(560,097)	-	(560,097)
August 31, 2020 Balance	8,738,399	33,570,977	1,730,006	44,039,382
September 2020 Billing	105,628	472,500	3,835	581,963
September 2020 Payments	-	(296,930)	-	(296,930)
September 30, 2020 Balance	8,844,027	33,746,547	1,733,841	44,324,415
October 2020 Billing	105,071	472,500	3,862	581,433
October 2020 Payments	-	-	-	-
October 31, 2020 Balance	8,949,098	34,219,047	1,737,703	44,905,848
November 2020 Billing	98,963	472,500	3,929	575,392
November 2020 Payments	-	-	-	-
November 30, 2020 Balance	9,048,061	34,691,547	1,741,632	45,481,240
December 2020 Billing	96,582	472,500	3,929	573,011
December 2020 Payments	-	(227,283)	-	(227,283)
December 31, 2020 Balance	9,144,643	34,936,764	1,745,561	45,826,968

Wholesale Water & Sewer Accounts Receivable Aging Report

The detailed accounts receivable aging is in the Appendix to this monthly report. This report reflects the wholesale receivables only and does not include DWSD.

Table 6 - Wholesale Accounts Receivable Aging Report Summary is a summary of the total, current and non-current receivables by category as of December 31, 2020.

Table 7 - Wholesale Accounts Receivable Aging Report, Net of Highland Park is the same summary *without* the past due balances for the City of Highland Park. One member partner contract dispute accounts for \$1.29 million of the current water past due balance.

Remaining water past due balances relate to several member partner communities that are still catching up from COVID business interruptions as well as noticeable delays in mail service. GLWA staff is working with each member partner to identify the source of the delay and resolve. The GLWA Treasury team is also exploring possible payment method alternatives to address current mail service challenges.

The \$4.7 million sewer balance was associated with one member partner account and paid in January. The pollutant surcharge past due includes \$28 thousand related to a bankruptcy that is currently pending further court action. GLWA staff continue to focus on collection efforts for these customers as appropriate in the current pandemic environment.

Table 6 - Wholesale Accounts Receivable Aging Report Summary

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 40,429,865.73	\$ 30,088,137.91	\$ 1,414,950.43	\$ 188,378.17	\$ 8,738,399.22
Sewer	\$ 58,938,101.45	\$ 19,805,137.04	\$ 5,141,200.00	\$ 472,500.00	\$ 33,519,264.41
IWC	\$ 2,232,927.63	\$ 495,234.56	\$ (949.78)	\$ 8,636.61	\$ 1,730,006.24
Pollutant Surcharge	\$ 600,900.10	\$ 495,917.15	\$ 63,452.20	\$ 6,698.19	\$ 34,832.56
Total	\$ 102,201,794.91	\$ 50,884,426.66	\$ 6,618,652.85	\$ 676,212.97	\$ 44,022,502.43
	100.00%	49.79%	6.48%	0.66%	43.07%

Table 7 - Wholesale Accounts Receivable Aging Report, Net of Highland Park

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 31,285,222.49	\$ 29,892,592.70	\$ 1,309,879.19	\$ 82,750.60	\$ -
Sewer	\$ 24,001,337.04	\$ 19,332,637.04	\$ 4,668,700.00	\$ -	\$ -
IWC	\$ 487,366.63	\$ 487,376.06	\$ (949.78)	\$ 940.35	\$ -
Pollutant Surcharge	\$ 600,900.10	\$ 495,917.15	\$ 63,452.20	\$ 6,698.19	\$ 34,832.56
Total	\$ 56,374,826.26	\$ 50,208,522.95	\$ 6,041,081.61	\$ 90,389.14	\$ 34,832.56
	100.00%	89.06%	10.72%	0.16%	0.06%

Note: percentages vary from 100% due to rounding.



The Monthly Trust Receipts & Disbursements Report includes the following.

1. GLWA Trust Receipts & Disbursements – Net Cash Flows and Receipts
2. DWSD Trust Receipts & Disbursements – Net Cash Flows, Receipts & Loan Receivable
3. Combined System Trust Receipts & Disbursements – Net Cash Flows

GLWA Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e. Great Lakes Water Authority or GLWA) and local retail (i.e. Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

This report provides an ongoing status of the net cash flow of both organizations (GLWA and DWSD) to fund their allocated share of Master Bond Ordinance requirements in accordance with the leases for the regional systems.

Table 1 – GLWA Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year as well as a total of all activity for GLWA since inception at January 1, 2016. Fiscal year 2021 reflects six months of activity to date.

Water fund receipts exceeded required disbursements by 17% through December 31, 2020 with a historical ratio of receipts exceeding required disbursements by 15% since January 1, 2016.

Sewer fund receipts exceeded required disbursements by 5% through December 31, 2020 with a historical ratio of receipts exceeding required disbursements by 6% since January 1, 2016.

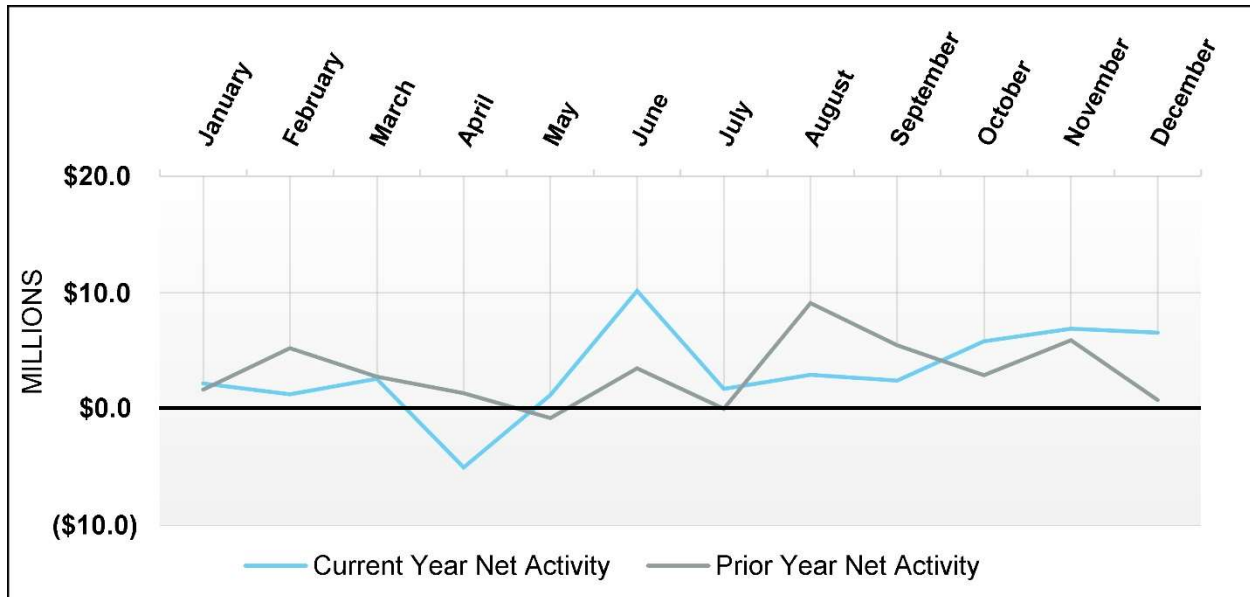
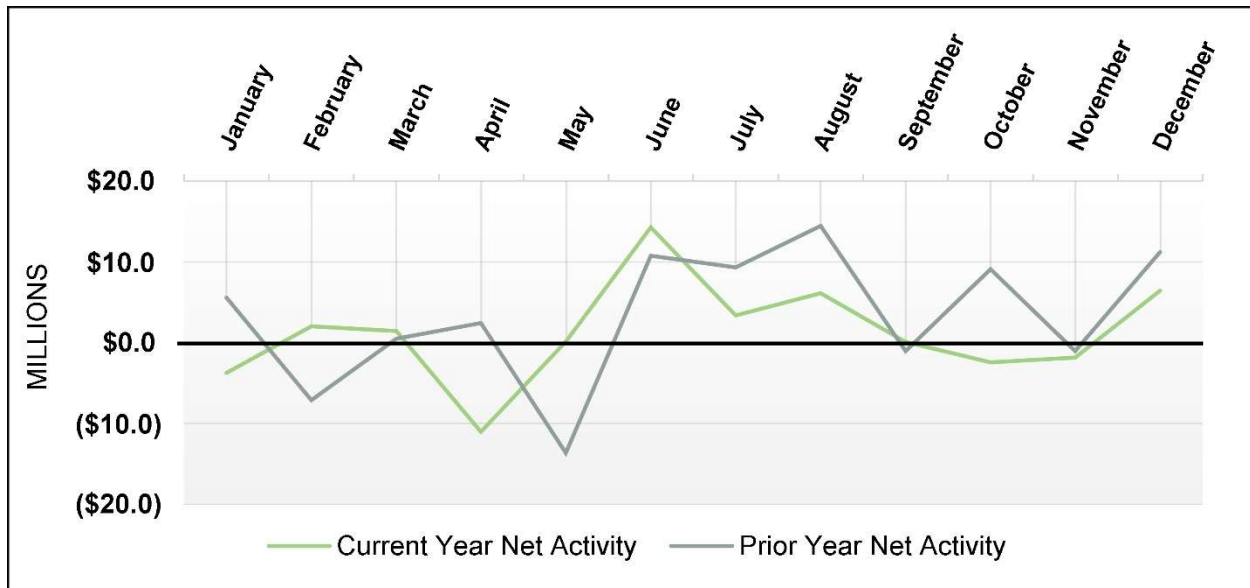
Chart 1 – GLWA 12-Month Net Receipts – Water outlines monthly cash receipt trends across two points of reference for the regional water system—current year and prior year. The black line at the zero highlights the minimum goal for net receipts.

Chart 2 – GLWA 12-Month Net Receipts – Sewer outlines monthly cash receipt trends across two points of reference for the regional sewer system—current year and prior year. The black line at the zero highlights the minimum goal for net receipts.

Table 1 – GLWA Net Cash Flows from Trust Receipts & Disbursements

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021 Thru Dec 31	Life-to-Date Total
Water							
1 Receipts	\$ 149,688,711	\$ 352,941,909	\$ 338,452,001	\$ 336,594,234	\$ 332,606,196	\$ 182,539,603	\$ 1,692,822,654
2 MOU Adjustments	-	-	-	-	-	-	-
3 Adjusted Receipts	149,688,711	352,941,909	338,452,001	336,594,234	332,606,196	182,539,603	1,692,822,654
4 Disbursements	(146,256,185)	(288,777,985)	(297,064,810)	(289,230,481)	(296,190,425)	(156,268,231)	(1,473,788,117)
5 Receipts Net of Required	3,432,526	64,163,924	41,387,191	47,363,753	36,415,771	26,271,372	219,034,537
6 I&E Transfer	-	-	(25,739,700)	(47,695,000)	(25,719,751)	(15,519,759)	(114,674,210)
7 Net Receipts	\$ 3,432,526	\$ 64,163,924	\$ 15,647,491	\$ (331,247)	\$ 10,696,020	\$ 10,751,613	\$ 104,360,327
8 Ratio of Receipts to Required Disbursements (Line 3/Line 4)	102%	122%	114%	116%	112%	117%	115%
Sewer							
9 Receipts	\$ 232,377,715	\$ 469,788,882	\$ 476,269,761	\$ 467,743,744	\$ 490,461,356	\$ 232,577,895	\$ 2,369,219,353
10 MOU Adjustments	-	-	-	-	-	-	-
11 Adjusted Receipts	232,377,715	469,788,882	476,269,761	467,743,744	490,461,356	232,577,895	2,369,219,353
12 Disbursements	(219,538,325)	(441,443,340)	(458,903,335)	(453,406,636)	(445,604,952)	(220,947,756)	(2,239,844,344)
13 Receipts Net of Required	12,839,390	28,345,542	17,366,426	14,337,108	44,856,404	11,630,139	129,375,009
14 I&E Transfer	-	-	(22,698,100)	(22,547,700)	(19,096,200)	(18,557,565)	(82,899,565)
15 DWSD Shortfall Advance	(1,285,466)	(28,014,534)	(24,113,034)	-	-	-	(53,413,034)
16 Shortfall Repayment (principal)	-	-	-	9,367,355	17,542,669	9,018,674	35,928,699
17 Net Receipts	\$ 11,553,924	\$ 331,008	\$ (29,444,708)	\$ 1,156,763	\$ 43,302,873	\$ 2,091,248	\$ 28,991,109
18 Ratio of Receipts to Required Disbursements (Line 11/Line 12)	106%	106%	104%	103%	110%	105%	106%
Combined							
19 Receipts	\$ 382,066,426	\$ 822,730,791	\$ 814,721,762	\$ 804,337,978	\$ 823,067,552	\$ 415,117,498	\$ 4,062,042,007
20 MOU Adjustments	-	-	-	-	-	-	-
21 Adjusted Receipts	382,066,426	822,730,791	814,721,762	804,337,978	823,067,552	415,117,498	4,062,042,007
22 Disbursements	(365,794,510)	(730,221,325)	(755,968,145)	(742,637,117)	(741,795,377)	(377,215,987)	(3,713,632,461)
23 Receipts Net of Required	16,271,916	92,509,466	58,753,617	61,700,861	81,272,175	37,901,511	348,409,546
24 I&E Transfer	-	-	(48,437,800)	(70,242,700)	(44,815,951)	(34,077,324)	(197,573,775)
25 Shortfall Advance	(1,285,466)	(28,014,534)	(24,113,034)	-	-	-	(53,413,034)
26 Shortfall Repayment	-	-	-	9,367,355	17,542,669	9,018,674	35,928,699
27 Net Receipts	\$ 14,986,450	\$ 64,494,932	\$ (13,797,217)	\$ 825,516	\$ 53,998,893	\$ 12,842,861	\$ 133,351,436
28 Ratio of Receipts to Required Disbursements (Line 21/Line 22)	104%	113%	108%	108%	111%	110%	109%

MOU Adjustments applies to DWSD and is shown here for consistency.

Chart 1 – GLWA 12-Month Net Receipts – Water

Chart 2 – GLWA 12-Month Net Receipts – Sewer


DWSD Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e. Great Lakes Water Authority or GLWA) and local retail (i.e. Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

This report provides an ongoing status of the net cash flow of both organizations (GLWA and DWSD) to fund their allocated share of Master Bond Ordinance requirements in accordance with the leases for the regional systems.

Table 2 – DWSD Net Cash Flows from Trust Receipts & Disbursements

provides a summary of cash receipt collections and required MBO transfers by fiscal year as well as a total of all activity for DWSD since inception at January 1, 2016. Fiscal year 2021 reflects six months of activity to date.

Water fund receipts exceeded required disbursements by 2% through December 31, 2020 with a historical ratio of net receipts exceeding required disbursements by 2% since January 1, 2016.

Sewer fund receipts fell short of required disbursements by 0% through December 31, 2020 with a historic ratio of receipts falling short of required disbursements by 5% since January 1, 2016.

Both DWSD Water and Sewer funds closed fiscal year 2020 with shortfalls. However, agreed-upon terms under the April 2018 Memorandum of Understanding (MOU) state that DWSD has until June 30, 2021 to resolve this shortfall prior to establishment of a loan receivable with GLWA. This topic is discussed with executive leadership at quarterly Reconciliation Committee meetings and at regularly scheduled internal DWSD and GLWA management meetings. DWSD is working to address this shortfall resulting largely from this unforeseen COVID-19 pandemic using tax liens on commercial and industrial past due balances and the distribution of CARES Act funding from the State of Michigan.

Table 3 – FY 2017 DWSD Loan Receivable - Sewer provides an activity summary of the loan receivable established under the terms of the April 2018 MOU addressing the cash shortfall from FY 2016 and FY 2017.

Table 4 – FY 2017 DWSD Loan Receivable Payments - Sewer provides an activity summary of loan receivable payments to date on the FY 2017 Sewer Loan Receivable including the interest on the loan. This payment is transferred directly to GLWA Sewer Improvement & Extension fund monthly.

The Reconciliation Committee monitors this balance and repayment progress as part of its quarterly meetings.

Table 5 – FY 2018 DWSD Loan Receivable - Sewer provides an activity summary of the loan receivable established under the terms of the April 2018 MOU addressing the cash shortfall from FY 2018.

Table 6 – FY 2018 DWSD Loan Receivable Payments - Sewer provides an activity summary of loan receivable payments to date on the FY 2018 Sewer Loan Receivable including the interest on the loan. This payment is transferred directly to GLWA Sewer Improvement & Extension fund monthly.

The Reconciliation Committee monitors this balance and repayment progress as part of its quarterly meetings.

Table 7 – Total DWSD Loan Receivable Balance – Sewer provides a summary of the FY 2017 and FY 2018 loan receivable balances in a combined total.

Chart 3 – DWSD 12-Month Net Receipts – Water outlines monthly activity trends across two points of reference for the local water system—current year and prior year. The black line at the zero highlights the breakeven goal for net receipts.

Chart 4 – DWSD 12-Month Net Receipts – Sewer outlines monthly activity trends across two points of reference for the local sewer system—current year and prior year. The black line at the zero highlights the breakeven goal for net receipts.

Table 2 – DWSD Net Cash Flows from Trust Receipts & Disbursements

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021 Thru Dec 31	Life-to-Date Total
Water							
1 Receipts	\$ 26,201,881	\$ 96,451,105	\$ 101,233,147	\$ 99,868,219	\$ 96,885,723	\$ 51,477,724	\$ 472,117,799
2 MOU Adjustments	18,446,100	-	-	-	-	-	18,446,100
3 Adjusted Receipts	44,647,981	96,451,105	101,233,147	99,868,219	96,885,723	51,477,724	490,563,899
4 Disbursements	(47,809,552)	(93,066,144)	(93,049,457)	(97,694,600)	(97,823,097)	(50,423,005)	(479,865,855)
5 Receipts Net of Required	(3,161,571)	3,384,961	8,183,690	2,173,619	(937,374)	1,054,719	10,698,044
6 I&E Transfer	-	-	-	(8,407,080)	-	-	(8,407,080)
7 Net Receipts	\$ (3,161,571)	\$ 3,384,961	\$ 8,183,690	\$ (6,233,461)	\$ (937,374)	\$ 1,054,719	\$ 2,290,964
8 Ratio of Receipts to Required Disbursements (Line 3/Line 4)	93%	104%	109%	102%	99%	102%	102%
Sewer							
9 Receipts	\$ 65,256,734	\$ 233,723,367	\$ 242,104,791	\$ 265,339,797	\$ 264,689,559	\$ 147,780,349	\$1,218,894,597
10 MOU Adjustments	55,755,100	-	-	6,527,200	-	-	62,282,300
11 Adjusted Receipts	121,011,834	233,723,367	242,104,791	271,866,997	264,689,559	147,780,349	1,281,176,897
12 Disbursements	(122,297,300)	(261,963,973)	(266,217,825)	(271,018,306)	(275,507,374)	(148,055,602)	(1,345,060,380)
13 Receipts Net of Required	(1,285,466)	(28,240,606)	(24,113,034)	848,691	(10,817,815)	(275,253)	(63,883,483)
14 I&E Transfer	-	-	-	-	-	-	-
15 Shortfall Advance from GLWA	1,285,466	28,014,534	24,113,034	-	-	-	53,413,034
16 Net Receipts (a)	\$ -	\$ (226,072)	\$ -	\$ 848,691	\$ (10,817,815)	\$ (275,253)	\$ (10,470,449)
17 Ratio of Receipts to Required Disbursements (Line 11/Line 12)	99%	89%	91%	100%	96%	100%	95%
Combined							
18 Receipts	\$ 91,458,615	\$ 330,174,472	\$ 343,337,938	\$ 365,208,016	\$ 361,575,282	\$ 199,258,073	\$1,691,012,396
19 MOU Adjustments	74,201,200	-	-	6,527,200	-	-	80,728,400
20 Adjusted Receipts	165,659,815	330,174,472	343,337,938	371,735,216	361,575,282	199,258,073	1,771,740,796
21 Disbursements	(170,106,852)	(355,030,117)	(359,267,282)	(368,712,906)	(373,330,471)	(198,478,607)	(1,824,926,235)
22 Receipts Net of Required	(4,447,037)	(24,855,645)	(15,929,344)	3,022,310	(11,755,189)	779,466	(53,185,439)
23 I&E Transfer	-	-	-	(8,407,080)	-	-	(8,407,080)
24 Shortfall Advance from GLWA	1,285,466	28,014,534	24,113,034	-	-	-	53,413,034
25 Net Receipts	\$ (3,161,571)	\$ 3,158,889	\$ 8,183,690	\$ (5,384,770)	\$ (11,755,189)	\$ 779,466	\$ (8,179,485)
26 Ratio of Receipts to Required Disbursements (Line 20/Line 21)	97%	93%	96%	101%	97%	100%	97%

(a) The \$226,072 difference in FY 2017 is due to the June IWC payment from DWSD that was not past due at yearend and the \$12,272 rounding difference on the loan receivable.

Note 1: The \$29,300,000 for the DWSD loan receivable balance is calculated as follows.

(1,285,466)	FY 2016 Shortfall
(28,240,606)	FY 2017 Shortfall
(29,526,072)	Subtotal
238,264	June IWC not due until July
(29,287,808)	FY 2017 Shortfall-to-Date

29,300,000 FY 2017 Shortfall-to-Date, Rounded

Table 3 – FY 2017 DWSD Loan Receivable – Sewer

Date	Transaction	Amount	Balance
06-30-18	Record Loan Receivable		29,300,000
02-08-19	Payment for July - Dec 2018	4,635,462	24,664,538
02-22-19	Payment for Jan - Mar 2019	2,353,768	22,310,770
04-15-19	Payment for the Apr 2019	789,990	21,520,780
05-08-19	Payment for May 2019	792,705	20,728,075
06-07-19	Payment for June 2019	795,430	19,932,645
07-05-19	Payment for July 2019	798,164	19,134,480
08-08-19	Payment for August 2019	800,908	18,333,572
09-06-19	Payment for September 2019	803,661	17,529,911
10-02-19	Payment for October 2019	806,424	16,723,487
11-04-19	Payment for November 2019	809,196	15,914,291
12-03-19	Payment for December 2019	811,978	15,102,314
01-06-20	Payment for January 2020	814,769	14,287,545
02-04-20	Payment for February 2020	817,570	13,469,975
03-03-20	Payment for March 2020	820,380	12,649,595
04-15-20	Payment for April 2020	823,200	11,826,395
05-06-20	Payment for May 2020	826,030	11,000,366
06-02-20	Payment for June 2020	828,869	10,171,497
07-07-20	Payment for July 2020	831,718	9,339,778
08-04-20	Payment for August 2020	834,577	8,505,201
09-02-20	Payment for September 2020	837,446	7,667,754
10-05-20	Payment for October 2020	840,325	6,827,429
11-03-20	Payment for November 2020	843,214	5,984,216
12-03-20	Payment for December 2020	846,112	5,138,103
		24,161,897	5,138,103

Table 4 – FY 2017 DWSD Loan Receivable Payments – Sewer

Date	Transaction	Principal	Interest	Total Paid
02-08-19	Payment for July - Dec 2018	4,635,462	564,636	5,200,098
02-22-19	Payment for Jan - Mar 2019	2,353,768	246,280	2,600,049
04-15-19	Payment for the Apr 2019	789,990	76,693	866,683
05-08-19	Payment for May 2019	792,705	73,978	866,683
06-07-19	Payment for June 2019	795,430	71,253	866,683
07-05-19	Payment for July 2019	798,164	68,518	866,683
08-08-19	Payment for August 2019	800,908	65,775	866,683
09-06-19	Payment for September 2019	803,661	63,022	866,683
10-02-19	Payment for October 2019	806,424	60,259	866,683
11-04-19	Payment for November 2019	809,196	57,487	866,683
12-03-19	Payment for December 2019	811,978	54,705	866,683
01-06-20	Payment for January 2020	814,769	51,914	866,683
02-04-20	Payment for February 2020	817,570	49,113	866,683
03-03-20	Payment for March 2020	820,380	46,303	866,683
04-15-20	Payment for April 2020	823,200	43,483	866,683
05-06-20	Payment for May 2020	826,030	40,653	866,683
06-02-20	Payment for June 2020	828,869	37,814	866,683
07-07-20	Payment for July 2020	831,718	34,965	866,683
08-04-20	Payment for August 2020	834,577	32,105	866,683
09-02-20	Payment for September 2020	837,446	29,237	866,683
10-05-20	Payment for October 2020	840,325	26,358	866,683
11-03-20	Payment for November 2020	843,214	23,469	866,683
12-03-20	Payment for December 2020	846,112	20,571	866,683
		24,161,897	1,838,592	26,000,488

Table 5 – FY 2018 DWSD Loan Receivable – Sewer

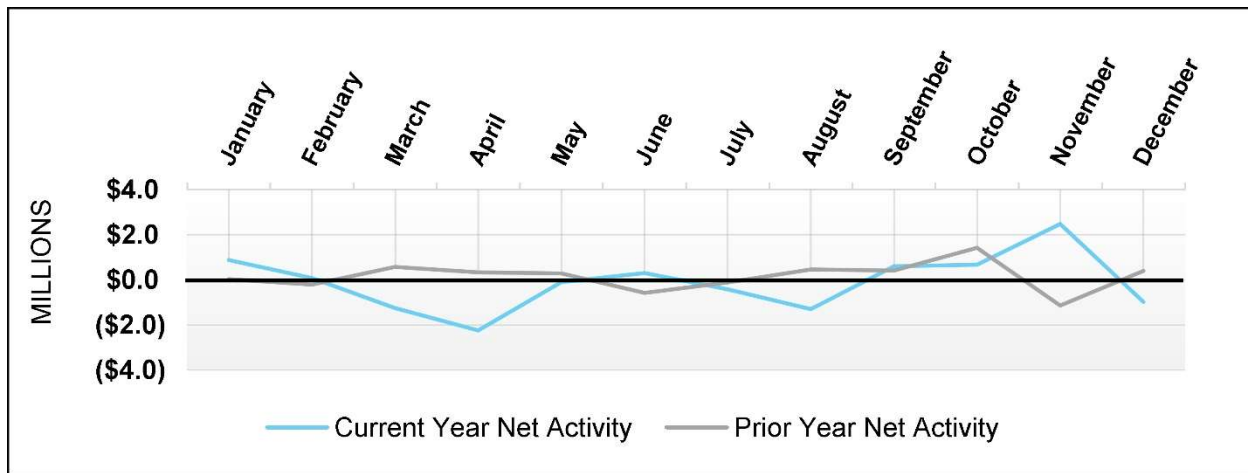
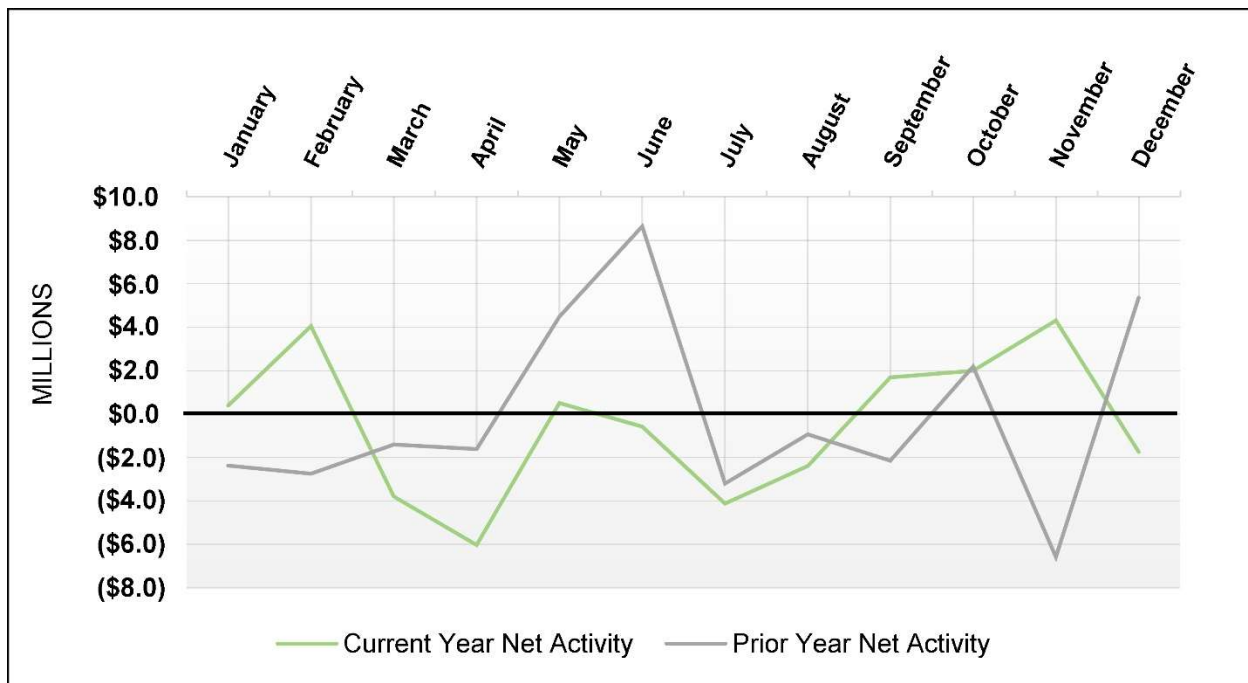
Date	Transaction	Amount	Balance
06-30-19	Record Loan Receivable		24,113,034
07-15-19	Payment for July 2019	638,978	23,474,056
08-08-19	Payment for August 2019	640,686	22,833,370
09-06-19	Payment for September 2019	642,400	22,190,970
10-02-19	Payment for October 2019	644,118	21,546,852
11-04-19	Payment for November 2019	645,840	20,901,012
12-03-19	Payment for December 2019	647,567	20,253,445
01-06-20	Payment for January 2020	649,299	19,604,146
02-04-20	Payment for February 2020	651,035	18,953,111
03-03-20	Payment for March 2020	652,776	18,300,335
04-15-20	Payment for April 2020	654,522	17,645,813
05-06-20	Payment for May 2020	656,272	16,989,541
06-02-20	Payment for June 2020	658,027	16,331,514
07-07-20	Payment for July 2020	659,787	15,671,727
08-04-20	Payment for August 2020	661,551	15,010,176
09-02-20	Payment for September 2020	663,320	14,346,855
10-05-20	Payment for October 2020	665,094	13,681,761
11-03-20	Payment for November 2020	666,873	13,014,888
12-03-20	Payment for December 2020	668,656	12,346,232
		11,766,802	12,346,232

Table 6 – FY 2018 DWSD Loan Receivable Payments – Sewer

Date	Transaction	Principal	Interest	Total Paid
07-15-19	Payment for July 2019	638,978	64,482	703,460
08-08-19	Payment for August 2019	640,686	62,774	703,460
09-06-19	Payment for September 2019	642,400	61,060	703,460
10-02-19	Payment for October 2019	644,118	59,342	703,460
11-04-19	Payment for November 2019	645,840	57,620	703,460
12-03-19	Payment for December 2019	647,567	55,893	703,460
01-06-20	Payment for January 2020	649,299	54,161	703,460
02-04-20	Payment for February 2020	651,035	52,425	703,460
03-03-20	Payment for March 2020	652,776	50,684	703,460
04-15-20	Payment for April 2020	654,522	48,938	703,460
05-06-20	Payment for May 2020	656,272	47,188	703,460
06-02-20	Payment for June 2020	658,027	45,433	703,460
07-07-20	Payment for July 2020	659,787	43,673	703,460
08-04-20	Payment for August 2020	661,551	41,909	703,460
09-02-20	Payment for September 2020	663,320	40,140	703,460
10-05-20	Payment for October 2020	665,094	38,366	703,460
11-03-20	Payment for November 2020	666,873	36,587	703,460
12-03-20	Payment for December 2020	668,656	34,804	703,460
		11,766,802	895,478	12,662,280

Table 7 – Total DWSD Loan Receivable Balance – Sewer

Date	FY17 Loan Balance	FY18 Loan Balance	Total
06-30-18	29,300,000	-	29,300,000
07-31-18	29,300,000	-	29,300,000
08-31-18	29,300,000	-	29,300,000
09-30-18	29,300,000	-	29,300,000
10-31-18	29,300,000	-	29,300,000
11-30-18	29,300,000	-	29,300,000
12-31-18	29,300,000	-	29,300,000
01-31-19	29,300,000	-	29,300,000
02-28-19	24,664,538	-	24,664,538
03-31-19	22,310,770	-	22,310,770
04-30-19	21,520,780	-	21,520,780
05-31-19	20,728,075	-	20,728,075
06-30-19	19,932,645	24,113,034	44,045,679
07-31-19	19,134,480	23,474,056	42,608,537
08-31-19	18,333,572	22,833,370	41,166,942
09-30-19	17,529,911	22,190,970	39,720,881
10-31-19	16,723,487	21,546,852	38,270,340
11-30-19	15,914,291	20,901,012	36,815,303
12-31-19	15,102,314	20,253,445	35,355,759
01-31-20	14,287,545	19,604,146	33,891,691
02-29-20	13,469,975	18,953,111	32,423,086
03-31-20	12,649,595	18,300,335	30,949,930
04-30-20	11,826,395	17,645,813	29,472,208
05-31-20	11,000,366	16,989,541	27,989,906
06-30-20	10,171,497	16,331,514	26,503,010
07-31-20	9,339,778	15,671,727	25,011,505
08-31-20	8,505,201	15,010,176	23,515,376
09-30-20	7,667,754	14,346,855	22,014,610
10-31-20	6,827,429	13,681,761	20,509,190
11-30-20	5,984,216	13,014,888	18,999,104
12-31-20	5,138,103	12,346,232	17,484,336

Chart 3 – DWSD 12-Month Net Receipts – Water

Chart 4 – DWSD 12-Month Net Receipts – Sewer


Combined System Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e. Great Lakes Water Authority or GLWA) and local retail (i.e. Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

Table 8 – Combined Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year as well as a total of all activity for GLWA since inception at January 1, 2016. Fiscal year 2021 reflects six months of activity to date.

Water fund net receipts exceeded required disbursements by 13% through December 31, 2020 with a historical ratio of receipts exceeding required disbursements by 12% since January 1, 2016.

Sewer fund receipts exceeded required disbursements by 3% through December 31, 2020 and with a historical ratio of receipts exceeding required disbursements by 2% since January 1, 2016.

Table 8 – Combined Net Cash Flows from Trust Receipts & Disbursements

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021 Thru Dec 31	Life-to-Date Total
Water							
1 Receipts	\$ 175,890,592	\$ 449,393,014	\$ 439,685,148	\$ 436,462,453	\$ 429,491,919	\$ 234,017,327	\$2,164,940,453
2 MOU Adjustments	18,446,100	-	-	-	-	-	18,446,100
3 Adjusted Receipts	194,336,692	449,393,014	439,685,148	436,462,453	429,491,919	234,017,327	2,183,386,553
4 Disbursements	(194,065,737)	(381,844,129)	(390,114,267)	(386,925,081)	(394,013,522)	(206,691,236)	(1,953,653,972)
5 Receipts Net of Required	270,955	67,548,885	49,570,881	49,537,372	35,478,397	27,326,091	229,732,581
6 I&E Transfer	-	-	(25,739,700)	(56,102,080)	(25,719,751)	(15,519,759)	(123,081,290)
7 Net Receipts	\$ 270,955	\$ 67,548,885	\$ 23,831,181	\$ (6,564,708)	\$ 9,758,646	\$ 11,806,332	\$ 106,651,291
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	100%	118%	113%	113%	109%	113%	112%
Sewer							
9 Receipts	\$ 297,634,449	\$ 703,512,249	\$ 718,374,552	\$ 733,083,541	\$ 755,150,915	\$ 380,358,244	\$3,588,113,950
10 MOU Adjustments	55,755,100	-	-	6,527,200	-	-	62,282,300
11 Adjusted Receipts	353,389,549	703,512,249	718,374,552	739,610,741	755,150,915	380,358,244	3,650,396,250
12 Disbursements	(341,835,625)	(703,407,313)	(725,121,160)	(724,424,942)	(721,112,326)	(369,003,358)	(3,584,904,724)
13 Receipts Net of Required	11,553,924	104,936	(6,746,608)	15,185,799	34,038,589	11,354,886	65,491,526
14 I&E Transfer	-	-	(22,698,100)	(22,547,700)	(19,096,200)	(18,557,565)	(82,899,565)
15 Shortfall Advance	-	-	-	-	-	-	-
16 Shortfall Repayment (principal)	-	-	-	9,367,355	17,542,669	9,018,674	35,928,699
17 Net Receipts	\$ 11,553,924	\$ 104,936	\$ (29,444,708)	\$ (7,361,901)	\$ 32,485,058	\$ 1,815,995	\$ 18,520,660
18 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	103%	100%	99%	102%	105%	103%	102%
Combined							
19 Receipts	\$ 473,525,041	\$1,152,905,263	\$1,158,059,700	\$1,169,545,994	\$1,184,642,834	\$ 614,375,571	\$5,753,054,403
20 MOU Adjustments	74,201,200	-	-	6,527,200	-	-	80,728,400
21 Adjusted Receipts	547,726,241	1,152,905,263	1,158,059,700	1,176,073,194	1,184,642,834	614,375,571	5,833,782,803
22 Disbursements	(535,901,362)	(1,085,251,442)	(1,115,235,427)	(1,111,350,023)	(1,115,125,848)	(575,694,594)	(5,538,558,696)
23 Receipts Net of Required	11,824,879	67,653,821	42,824,273	64,723,171	69,516,986	38,680,977	295,224,107
24 I&E Transfer	-	-	(48,437,800)	(78,649,780)	(44,815,951)	(34,077,324)	(205,980,855)
25 Shortfall Advance	-	-	-	-	-	-	-
26 Shortfall Repayment	-	-	-	9,367,355	17,542,669	9,018,674	35,928,699
27 Net Receipts	\$ 11,824,879	\$ 67,653,821	\$ (5,613,527)	\$ (4,559,254)	\$ 42,243,704	\$ 13,622,327	\$ 125,171,951
28 <i>Ratio of Receipts to Required Disbursements (Line 21/Line 22)</i>	102%	106%	104%	106%	106%	107%	105%

APPENDIX

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$216,846.90	\$216,846.90	\$0.00	\$0.00	\$0.00
ALMONT VILLAGE	\$18,250.37	\$ (2,877.97)	\$21,128.34	\$0.00	\$0.00
ASH TOWNSHIP	\$66,039.20	\$66,039.20	\$0.00	\$0.00	\$0.00
BELLEVILLE	\$25,478.35	\$25,478.35	\$0.00	\$0.00	\$0.00
BERLIN TOWNSHIP	\$57,666.13	\$57,666.13	\$0.00	\$0.00	\$0.00
BROWNSTOWN TOWNSHIP	\$278,641.40	\$278,641.40	\$0.00	\$0.00	\$0.00
BRUCE TOWNSHIP	\$23,882.20	\$23,882.20	\$0.00	\$0.00	\$0.00
BURTCHVILLE TOWNSHIP	\$28,467.12	\$28,467.12	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$792,205.18	\$792,205.18	\$0.00	\$0.00	\$0.00
CENTER LINE	\$38,335.24	\$38,335.24	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$685,020.70	\$685,020.70	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$553,441.83	\$553,441.83	\$0.00	\$0.00	\$0.00
COMMERCE TOWNSHIP	\$613,769.71	\$613,769.71	\$0.00	\$0.00	\$0.00
DEARBORN	\$2,995,903.19	\$1,704,516.75	\$1,208,635.84	\$82,750.60	\$0.00
DEARBORN HEIGHTS	\$292,088.14	\$292,088.14	\$0.00	\$0.00	\$0.00
EASTPOINTE	\$127,247.79	\$127,247.79	\$0.00	\$0.00	\$0.00
ECORSE	\$111,402.79	\$111,402.79	\$0.00	\$0.00	\$0.00
FARMINGTON	\$80,500.07	\$80,500.07	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$1,378,760.28	\$1,378,760.28	\$0.00	\$0.00	\$0.00
FERNDAL	\$163,939.21	\$163,939.21	\$0.00	\$0.00	\$0.00
FLAT ROCK	\$100,950.98	\$100,950.98	\$0.00	\$0.00	\$0.00
FLINT	\$307,665.05	\$307,665.05	\$0.00	\$0.00	\$0.00
FRASER	\$94,712.71	\$94,712.71	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
GARDEN CITY	\$131,948.16	\$131,948.16	\$0.00	\$0.00	\$0.00
GIBRALTAR	\$26,685.34	\$26,685.34	\$0.00	\$0.00	\$0.00
GROSSE ILE TOWNSHIP	\$83,966.16	\$83,966.16	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$371,887.25	\$234,275.73	\$137,611.52	\$0.00	\$0.00
GROSSE POINTE SHORES	\$96,584.67	\$96,584.67	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$89,802.41	\$89,802.41	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$73,167.61	\$73,167.61	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$140,796.51	\$135,998.89	\$4,797.62	\$0.00	\$0.00
HARRISON TWP	\$124,013.87	\$124,013.87	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$118,802.87	\$118,802.87	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$9,144,643.24	\$195,545.21	\$105,071.24	\$105,627.57	\$8,738,399.22
HURON TOWNSHIP	\$116,785.07	\$116,785.07	\$0.00	\$0.00	\$0.00
IMLAY CITY	\$245,930.01	\$245,930.01	\$0.00	\$0.00	\$0.00
IMLAY TOWNSHIP	\$1,319.04	\$1,319.04	\$0.00	\$0.00	\$0.00
INKSTER	\$ (62,294.13)	\$0.00	\$ (62,294.13)	\$0.00	\$0.00
KEEGO HARBOR	\$47,368.46	\$47,368.46	\$0.00	\$0.00	\$0.00
LAPEER	\$124,787.57	\$124,787.57	\$0.00	\$0.00	\$0.00
LENOX TOWNSHIP	\$46,635.21	\$46,635.21	\$0.00	\$0.00	\$0.00
LINCOLN PARK	\$192,719.99	\$192,719.99	\$0.00	\$0.00	\$0.00
LIVONIA	\$852,433.70	\$852,433.70	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$939,027.97	\$939,027.97	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MAYFIELD TOWNSHIP	\$3,024.59	\$3,024.59	\$0.00	\$0.00	\$0.00
MELVINDALE	\$51,340.29	\$51,340.29	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$28,858.29	\$28,858.29	\$0.00	\$0.00	\$0.00
NOCWA	\$1,689,112.16	\$1,689,112.16	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$136,644.42	\$136,644.42	\$0.00	\$0.00	\$0.00
NORTHVILLE TOWNSHIP	\$409,660.06	\$409,660.06	\$0.00	\$0.00	\$0.00
NOVI	\$671,551.92	\$671,551.92	\$0.00	\$0.00	\$0.00
OAK PARK	\$111,312.32	\$111,312.32	\$0.00	\$0.00	\$0.00
OAKLAND CO DR COM	\$8,152.65	\$8,152.65	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$82,937.74	\$82,937.74	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$327,184.38	\$327,184.38	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$252,551.85	\$252,551.85	\$0.00	\$0.00	\$0.00
RIVER ROUGE	\$115,658.79	\$115,658.79	\$0.00	\$0.00	\$0.00
RIVERVIEW	\$70,209.39	\$70,209.39	\$0.00	\$0.00	\$0.00
ROCKWOOD	\$23,032.38	\$23,032.38	\$0.00	\$0.00	\$0.00
ROMEO	\$19,689.71	\$19,689.71	\$0.00	\$0.00	\$0.00
ROMULUS	\$342,320.92	\$342,320.92	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$233,294.32	\$233,294.32	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$31,737.51	\$31,737.51	\$0.00	\$0.00	\$0.00
SHELBY TOWNSHIP	\$1,109,924.47	\$1,109,924.47	\$0.00	\$0.00	\$0.00
SOCWA	\$3,596,132.26	\$3,596,132.26	\$0.00	\$0.00	\$0.00
SOUTH ROCKWOOD	\$9,323.89	\$9,323.89	\$0.00	\$0.00	\$0.00
SOUTHGATE	\$172,706.31	\$172,706.31	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ST. CLAIR COUNTY-GREENWOOD T	\$41,549.32	\$41,549.32	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$245,053.27	\$245,053.27	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$1,211,603.38	\$1,211,603.38	\$0.00	\$0.00	\$0.00
SUMPTER TOWNSHIP	\$56,040.07	\$56,040.07	\$0.00	\$0.00	\$0.00
SYLVAN LAKE	\$19,225.96	\$19,225.96	\$0.00	\$0.00	\$0.00
TAYLOR	\$365,581.14	\$365,581.14	\$0.00	\$0.00	\$0.00
TRENTON	\$133,194.63	\$133,194.63	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$1,033,723.56	\$1,033,723.56	\$0.00	\$0.00	\$0.00
UTICA	\$41,766.22	\$41,766.22	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$269,909.47	\$269,909.47	\$0.00	\$0.00	\$0.00
WALLED LAKE	\$127,538.53	\$127,538.53	\$0.00	\$0.00	\$0.00
WARREN	\$809,517.24	\$809,517.24	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$169,160.30	\$169,160.30	\$0.00	\$0.00	\$0.00
WAYNE	\$267,801.15	\$267,801.15	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (C-O)	\$1,571,007.44	\$1,571,007.44	\$0.00	\$0.00	\$0.00
WESTLAND	\$495,797.76	\$495,797.76	\$0.00	\$0.00	\$0.00
WIXOM	\$190,212.85	\$190,212.85	\$0.00	\$0.00	\$0.00
WOODHAVEN	\$267,152.31	\$267,152.31	\$0.00	\$0.00	\$0.00
YCUA	\$1,659,444.99	\$1,659,444.99	\$0.00	\$0.00	\$0.00
TOTAL WATER ACCOUNTS	\$40,429,865.73	\$30,088,137.91	\$1,414,950.43	\$188,378.17	\$8,738,399.22

GLWA Aged Accounts Receivable- SEWER ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CENTER LINE	\$86,099.50	\$86,099.50	\$0.00	\$0.00	\$0.00
DEARBORN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EVERGREEN-FARMINGTON	\$2,903,300.00	\$2,903,300.00	\$0.00	\$0.00	\$0.00
FARMINGTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$302,000.00	\$151,000.00	\$151,000.00	\$0.00	\$0.00
HAMTRAMCK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$18,300.00	\$18,300.00	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$34,936,764.41	\$472,500.00	\$472,500.00	\$472,500.00	\$33,519,264.41
MELVINDALE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
OAKLAND COUNTY GWK DD	\$3,772,000.00	\$3,772,000.00	\$0.00	\$0.00	\$0.00
OMID	\$5,814,437.54	\$5,814,437.54	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ROUGE VALLEY	\$9,027,000.00	\$4,513,500.00	\$4,513,500.00	\$0.00	\$0.00
WAYNE COUNTY N.E.	\$2,069,800.00	\$2,069,800.00	\$0.00	\$0.00	\$0.00
WAYNE COUNTY-AREA #3	\$8,400.00	\$4,200.00	\$4,200.00	\$0.00	\$0.00
TOTAL SEWER ACCOUNTS	\$58,938,101.45	\$19,805,137.04	\$5,141,200.00	\$472,500.00	\$33,519,264.41

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$3,065.66	\$3,065.66	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O)	\$10,892.05	\$10,892.05	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O) ADMIN	\$1,883.00	\$1,883.00	\$0.00	\$0.00	\$0.00
AUBURN HILLS (E-F)	\$366.73	\$366.73	\$0.00	\$0.00	\$0.00
BERKLEY	\$3,004.82	\$3,004.82	\$0.00	\$0.00	\$0.00
BEVERLY HILLS	\$ (949.78)	\$0.00	\$ (949.78)	\$0.00	\$0.00
BINGHAM FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BIRMINGHAM (E-F)	\$2,322.06	\$2,322.06	\$0.00	\$0.00	\$0.00
BIRMINGHAM (SEOC)	\$5,316.74	\$5,316.74	\$0.00	\$0.00	\$0.00
BLOOMFIELD HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BLOOMFIELD TOWNSHIP	\$7,157.15	\$7,157.15	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$81.12	\$81.12	\$0.00	\$0.00	\$0.00
CENTER LINE	\$3,501.68	\$3,501.68	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$11,848.59	\$11,848.59	\$0.00	\$0.00	\$0.00
CITY OF FARMINGTON (E-F)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CITY OF FERNDALE	\$16,933.80	\$16,933.80	\$0.00	\$0.00	\$0.00
CITY OF ROCHESTER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLARKSTON (C-O) ADMIN	\$65.94	\$65.94	\$0.00	\$0.00	\$0.00
CLAWSON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$49,729.94	\$49,729.94	\$0.00	\$0.00	\$0.00
DEARBORN	\$35,146.93	\$35,146.93	\$0.00	\$0.00	\$0.00
DEARBORN HEIGHTS	\$8,632.52	\$8,632.52	\$0.00	\$0.00	\$0.00
DETROIT METRO WC AIRPORT	\$101.40	\$101.40	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
EASTPOINTE	\$6,158.36	\$6,158.36	\$0.00	\$0.00	\$0.00
FARMINGTON	\$3,829.54	\$3,829.54	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FRASER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GARDEN CITY	\$5,896.41	\$5,896.41	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$1,123.85	\$1,123.85	\$0.00	\$0.00	\$0.00
GROSSE POINTE SHORES	\$324.48	\$324.48	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$3,968.12	\$3,968.12	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$3,554.07	\$3,554.07	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$6,070.48	\$6,070.48	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$3,161.99	\$3,161.99	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$1,745,561.00	\$7,858.50	\$0.00	\$7,696.26	\$1,730,006.24
HUNTINGTON WOODS	\$544.18	\$544.18	\$0.00	\$0.00	\$0.00
INDEPENDENCE (C-O) ADMIN	\$2,343.60	\$2,343.60	\$0.00	\$0.00	\$0.00
INKSTER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LAKE ORION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LATHRUP	\$1,336.79	\$1,336.79	\$0.00	\$0.00	\$0.00
LENOX TOWNSHIP	\$309.27	\$309.27	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
LIVONIA	\$38,420.46	\$38,420.46	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$196.04	\$196.04	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MELVINDALE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$584.74	\$584.74	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$3,388.45	\$3,388.45	\$0.00	\$0.00	\$0.00
NOVI	\$16,829.02	\$16,829.02	\$0.00	\$0.00	\$0.00
OAK PARK	\$6,729.58	\$6,729.58	\$0.00	\$0.00	\$0.00
OAKLAND TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ORCHARD LAKE VILLAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ORION TOWNSHIP (C-O)	\$3,753.49	\$3,753.49	\$0.00	\$0.00	\$0.00
ORION TOWNSHIP (C-O) ADMIN	\$1,852.37	\$912.02	\$0.00	\$940.35	\$0.00
OXFORD TOWNSHIP	\$1,027.52	\$1,027.52	\$0.00	\$0.00	\$0.00
OXFORD VILLAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PLEASANT RIDGE	\$260.26	\$260.26	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$260.26	\$260.26	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$14,015.29	\$14,015.29	\$0.00	\$0.00	\$0.00
ROCHESTER HILLS	\$17,616.56	\$17,616.56	\$0.00	\$0.00	\$0.00
ROMULUS	\$880.49	\$880.49	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$13,913.77	\$13,913.77	\$0.00	\$0.00	\$0.00
ROYAL OAK	\$13,205.66	\$13,205.66	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
SHELBY TOWNSHIP	\$13,907.01	\$13,907.01	\$0.00	\$0.00	\$0.00
SOUTHFIELD (E-F)	\$54,304.77	\$54,304.77	\$0.00	\$0.00	\$0.00
SOUTHFIELD (SEOC)	\$7,632.04	\$7,632.04	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$11,409.19	\$11,409.19	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$30,239.17	\$30,239.17	\$0.00	\$0.00	\$0.00
TROY (E-F)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UTICA	\$2,881.45	\$2,881.45	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$3,684.20	\$3,684.20	\$0.00	\$0.00	\$0.00
VILLAGE OF FRANKLIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WATERFORD TOWNSHIP DPW (ADMI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WAYNE	\$4,770.87	\$4,770.87	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (E-F)	\$6,121.18	\$6,121.18	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP. (C-O) P	\$225.63	\$225.63	\$0.00	\$0.00	\$0.00
WESTLAND	\$21,535.67	\$21,535.67	\$0.00	\$0.00	\$0.00
TOTAL IWC ACCOUNTS	\$2,232,927.63	\$495,234.56	\$ (949.78)	\$8,636.61	\$1,730,006.24

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
3M COMPANY	\$5,473.11	\$3,593.46	\$1,879.65	\$0.00	\$0.00
A & R PACKING CO., LLC	\$2,348.60	\$2,348.60	\$0.00	\$0.00	\$0.00
AACTRON	\$344.35	\$85.54	\$0.00	\$0.00	\$258.81
ACADEMY PACKING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ACME RUSTPROOF	\$62.24	\$62.24	\$0.00	\$0.00	\$0.00
ADORING PET FUNERAL HOME	\$189.97	\$189.97	\$0.00	\$0.00	\$0.00
AEVITAS SPECIALITY SERVICES	\$777.42	\$777.42	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALL CHEM CORP, LLC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALPHA STAMPING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AMERICAN WASTE TECH INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AMERITI MFG. CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ATWATER IN THE PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AUTOMOTIVE FINISH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AXLE BREWING COMPANY, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B. NEKTAR MEADERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BAFFIN BREWING COMPANY	\$ (1,827.21)	\$0.00	\$ (1,827.21)	\$0.00	\$0.00
BARON INDUSTRIES	\$2,003.41	\$1,316.13	\$0.00	\$0.00	\$687.28
BARTZ BAKERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BATCH BREWING COMPANY	\$554.40	\$0.00	\$184.80	\$0.00	\$369.60
BAYS MICHIGAN CORPORATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BEIRUT BAKERY, INC.	\$37.00	\$37.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
BETTER MADE SNACK FOOD	\$29,527.65	\$29,527.65	\$0.00	\$0.00	\$0.00
BLACK LOTUS BREWING CO.	\$61.25	\$0.00	\$0.00	\$0.00	\$61.25
BOZEK'S MARKET	\$59.77	\$59.77	\$0.00	\$0.00	\$0.00
BREW DETROIT	\$7,220.97	\$4,495.68	\$2,725.29	\$0.00	\$0.00
BROADWAY MKT CORNED BEEF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BROOKS BREWING, LLC.	\$92.31	\$0.00	\$71.31	\$0.00	\$21.00
BROWN IRON BREWHOUSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CADILLAC STRAITS BREWING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CANTON BREW WORKS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CAPITAL REPRODUCTIONS	\$ (1.51)	\$0.00	\$ (1.51)	\$0.00	\$0.00
CF BURGER CREAMERY	\$19,683.43	\$19,683.43	\$0.00	\$0.00	\$0.00
CHILANGO'S BAKERY	\$1,818.37	\$35.39	\$16.09	\$17.69	\$1,749.20
CINTAS CORP. - MACOMB TWP.	\$33,058.54	\$0.00	\$33,058.54	\$0.00	\$0.00
CINTAS CORPORATION	\$36,291.68	\$36,291.68	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$11,969.80	\$11,969.80	\$0.00	\$0.00	\$0.00
CITY LAUNDRY, INC.	\$8.26	\$8.26	\$0.00	\$0.00	\$0.00
CLASSIC CONTAINER CORP.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COCA-COLA REFRESHMENTS USA,	\$1,945.26	\$1,945.26	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
COUNTRY FRESH DAIRY CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CROSS CHEMICAL COMPANY, INC.	\$2,629.09	\$2,629.09	\$0.00	\$0.00	\$0.00
DARLING INGREDIENTS, INC.	\$17,034.32	\$17,034.32	\$0.00	\$0.00	\$0.00
DAVE'S SAUSAGE FACTORY 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN BREWING	\$87.30	\$0.00	\$30.49	\$0.00	\$56.81
DEARBORN SAUSAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN SAUSAGE CO., INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT BEER CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT LINEN SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT METRO WC AIRPORT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT RIVERTOWN BREWERY CC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT SAUSAGES CO INC	\$2.85	\$2.85	\$0.00	\$0.00	\$0.00
DETRONIC INDUSTRIES, INC.	\$36.75	\$36.75	\$0.00	\$0.00	\$0.00
DIFCO LABORATORIES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DIVERSIFIED CHEM TECH. INC.	\$182.15	\$182.15	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$4,946.55	\$4,946.55	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$1,899.67	\$1,899.67	\$0.00	\$0.00	\$0.00
DOWNEY BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E.W. GROBBEL'S SONS, INC.	\$5,171.02	\$5,171.02	\$0.00	\$0.00	\$0.00
EASTERN MARKET BREWING COMP	\$93.14	\$0.00	\$93.14	\$0.00	\$0.00
ENVIROSOLIDS, L.L.C.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$1,586.90	\$1,586.90	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$17,961.29	\$17,961.29	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
EQ DETROIT, INC.	\$78.88	\$78.88	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ETON ST BREWERY- GRIFFIN CLA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EXTRUDE HONE CORPORATION	\$356.77	\$356.77	\$0.00	\$0.00	\$0.00
EXTRUDEHODE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FARMINGTON BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FAYGO BEVERAGES, INC.	\$29,286.94	\$29,286.94	\$0.00	\$0.00	\$0.00
FIVES CINETIC CORP.	\$3,907.53	\$0.00	\$3,907.53	\$0.00	\$0.00
FORD NEW MODEL PROGRAM	\$1,180.08	\$1,180.08	\$0.00	\$0.00	\$0.00
FOUNDERS BREWING COMPANY	\$106.67	\$0.00	\$44.21	\$0.00	\$62.46
FRESH-PAK	\$289.78	\$289.78	\$0.00	\$0.00	\$0.00
FRESH-PAK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
G2O ENERGY, LLC	\$3,213.46	\$3,213.46	\$0.00	\$0.00	\$0.00
GENERAL LINEN SUPPLY CO.	\$5,949.96	\$5,949.96	\$0.00	\$0.00	\$0.00
GLOBAL TITANIUM, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$ (21.89)	\$0.00	\$0.00	\$0.00	\$ (21.89)
GRANITE CITY FOOD & BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$ (44.60)	\$0.00	\$ (44.60)	\$0.00	\$0.00
GREAT BARABOO BREWING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HACIENDA MEXICAN FOODS	\$2,499.90	\$1,012.43	\$635.25	\$652.26	\$199.96
HENKEL CORPORATION	\$ (127.92)	\$0.00	\$ (127.92)	\$0.00	\$0.00
HOME STYLE FOOD INC.	\$352.73	\$352.73	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
HOMEGROWN BREWING COMPANY	\$100.62	\$0.00	\$50.31	\$0.00	\$50.31
HOODS CLEANERS	\$211.33	\$0.00	\$0.00	\$0.00	\$211.33
HOUGHTON INTERNATIONAL INC.	\$1,134.53	\$465.45	\$170.39	\$498.69	\$0.00
HOUGHTON INTERNATIONAL INC.	\$1,861.77	\$922.57	\$457.13	\$482.07	\$0.00
HOUGHTON INTERNATIONAL INC.	\$19,344.96	\$11,827.23	\$3,615.49	\$3,902.24	\$0.00
HUNTINGTON CLEANERS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
IDP, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDUSTRIAL METAL COATING	\$1,171.45	\$660.44	\$421.03	\$89.98	\$0.00
ISLAMIC SLAUGHTER HOUSE	\$1,259.69	\$1,259.69	\$0.00	\$0.00	\$0.00
ITALIAN BUTTER BREAD STICKS	\$11.27	\$1.61	\$1.61	\$3.22	\$4.83
JAMEX BREWING CO.	\$115.06	\$0.00	\$38.50	\$0.00	\$76.56
KAR NUT PRODUCTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
KOWALSKI SAUSAGES, CO.	\$761.47	\$761.47	\$0.00	\$0.00	\$0.00
KUHNHENN BREWING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$428.22	\$428.22	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$51.05	\$51.05	\$0.00	\$0.00	\$0.00
LEAR CORPORATION DBA EAGLE C	\$3,539.46	\$3,539.46	\$0.00	\$0.00	\$0.00
LIBERTY STREET PROD. BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LIFE TECHNOLOGIES	\$34,623.88	\$19,955.13	\$14,668.75	\$0.00	\$0.00
LILY'S SEAFOOD GRILL & BREWE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MACDERMID, INC.	\$1,682.33	\$1,682.33	\$0.00	\$0.00	\$0.00
MCCLURE'S PICKLES	\$661.32	\$331.80	\$322.60	\$6.92	\$0.00
MCNICHOLS POLISHING & ANODIZ	\$18.72	\$18.72	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MELLO MEATS INC, - KUBISCH S	\$85.34	\$85.34	\$0.00	\$0.00	\$0.00
METROPOLITAN BAKERY	\$349.05	\$349.05	\$0.00	\$0.00	\$0.00
MIBA HYDRAMECHANICA CORP.	\$386.31	\$230.37	\$118.14	\$37.80	\$0.00
MICHIGAN DAIRY	\$103,970.04	\$103,970.04	\$0.00	\$0.00	\$0.00
MICHIGAN PROD. MACHINING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MICHIGAN SOY PRODUCTS CO.	\$592.71	\$0.00	\$592.71	\$0.00	\$0.00
MIDWEST WIRE PRODUCTS, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MILANO BAKERY	\$ (666.77)	\$0.00	\$ (666.77)	\$0.00	\$0.00
MILTON CHILI CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MINNIE MARIE BAKERS, INC	\$1,845.03	\$1,845.03	\$0.00	\$0.00	\$0.00
MISTER UNIFORM & MAT RENTALS	\$2.43	\$2.43	\$0.00	\$0.00	\$0.00
MOTOR CITY BREWING WORKS	\$1,741.92	\$0.00	\$161.88	\$752.50	\$827.54
NATIONAL CHILI COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NEAPCO DRIVELINES	\$2,247.77	\$2,247.77	\$0.00	\$0.00	\$0.00
NORTH CENTER BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTHERN LAKES SEAFOOD & MEAT	\$50.50	\$30.15	\$20.35	\$0.00	\$0.00
OAKWOOD BAKERY	\$285.75	\$285.75	\$0.00	\$0.00	\$0.00
PARKER'S HILLTOP BREWER & SE	\$ (11.64)	\$0.00	\$0.00	\$0.00	\$ (11.64)
PELLERITO FOODS INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PEPSI COLA, INC.	\$34,156.22	\$34,156.22	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
PERDUE PREMIUM MEAT COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PERSONAL UNIFORM SERVICE, IN	\$ (48.94)	\$ (48.94)	\$0.00	\$0.00	\$0.00
PETRO ENVIRON TECH, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PINE TREE ACRES, INC.	\$18,676.70	\$18,676.70	\$0.00	\$0.00	\$0.00
PLATING SPEC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
POWER VAC OF MICHIGAN, INC.	\$361.25	\$190.66	\$0.00	\$170.59	\$0.00
PREMIER PLATING, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PRODUCTION SPRING, LLC.	\$ (202.76)	\$0.00	\$0.00	\$0.00	\$ (202.76)
QUALA SERVICES, LLC	\$882.06	\$882.06	\$0.00	\$0.00	\$0.00
RAY'S ICE CREAM CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RED SPOT PAINT #409139	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RIVER ROUGE BREWING COMPANY	\$773.22	\$0.00	\$773.22	\$0.00	\$0.00
ROAK BREWING CO. LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS BEER COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS PROD BREWERY	\$2,831.27	\$0.00	\$1,894.40	\$0.00	\$936.87
ROYAL OAK BREWERY	\$ (654.14)	\$0.00	\$0.00	\$0.00	\$ (654.14)
RTT	\$27,772.36	\$0.00	\$0.00	\$0.00	\$27,772.36
SEAFARE FOODS, INC.	\$90.75	\$90.75	\$0.00	\$0.00	\$0.00
SHERWOOD BREWING COMPANY	\$1,162.13	\$0.00	\$31.50	\$0.00	\$1,130.63
SMITH-WATKINS, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SPRAYTEK, INC.	\$14.52	\$0.00	\$0.00	\$0.00	\$14.52
SUPERNATURAL SPIRITS & BREWI	\$124.84	\$0.00	\$60.38	\$0.00	\$64.46
SWEETHEART BAKERY, INC.	\$1,393.91	\$143.77	\$75.52	\$84.23	\$1,090.39

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
TOM LAUNDRY CLEANERS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TRAFFIC JAM & SNUG	\$ (31.16)	\$0.00	\$0.00	\$0.00	\$ (31.16)
TURRI'S ITALIAN FOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TURRI'S ITALIAN FOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
U-METCO, INC.	\$2,049.89	\$2,049.89	\$0.00	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$60,901.32	\$60,901.32	\$0.00	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$1,780.78	\$1,780.78	\$0.00	\$0.00	\$0.00
UNIQUE LINEN SERVICES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNITED FISH DISTRIBUTORS	\$6.49	\$6.49	\$0.00	\$0.00	\$0.00
UNITED LINEN SERVICE, LLC.	\$453.48	\$453.48	\$0.00	\$0.00	\$0.00
UNITED MEAT & DELI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
URBANREST BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
US ECOLOGY MICHIGAN	\$723.99	\$723.99	\$0.00	\$0.00	\$0.00
US ECOLOGY ROMULUS, INC.	\$2,296.92	\$2,296.92	\$0.00	\$0.00	\$0.00
USHER OIL SERVICES	\$3,874.31	\$3,874.31	\$0.00	\$0.00	\$0.00
VALICOR ENVIROMENTAL SERVICE	\$702.28	\$702.28	\$0.00	\$0.00	\$0.00
VAUGHAN INDUSTRIES, INC.	\$29.05	\$29.05	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS	\$737.63	\$737.63	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS, INC.	\$213.88	\$213.88	\$0.00	\$0.00	\$0.00
VERNOR FOOD PRODUCTS	\$ (36.26)	\$0.00	\$0.00	\$0.00	\$ (36.26)
WIGLEY'S MEAT PROCESS	\$597.64	\$597.64	\$0.00	\$0.00	\$0.00
WINTER SAUSAGE MFG. CO.	\$1,104.21	\$1,104.21	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 12/31/20

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
WINTER SAUSAGE MFG. CO.	\$224.83	\$224.83	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO	\$6,562.57	\$6,562.57	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO.	\$3,016.66	\$3,016.66	\$0.00	\$0.00	\$0.00
WOODWARD AVENUE BREWERS	\$144.24	\$0.00	\$0.00	\$0.00	\$144.24
TOTAL POLLUTANT SURCHARGE ACCOUNTS	\$600,900.10	\$495,917.15	\$63,452.20	\$6,698.19	\$34,832.56

City of Highland Park Billings and Collections

	Water	Sewer	IWC	Cumulative Total
June 30, 2012 Balance	\$ -	\$ 10,207,956	\$ 852,987	\$ 11,060,943
FY 2013 Billings	485,887	4,987,635	154,444	5,627,966
FY 2013 Payments	(65,652)	(2,206,211)	-	(2,271,863)
				-
June 30, 2013 Balance	\$ 420,235	\$ 12,989,380	\$ 1,007,431	\$ 14,417,046
FY 2014 Billings	1,004,357	6,980,442	161,951	8,146,750
FY 2014 Payments	-	(1,612,633)	-	(1,612,633)
				-
June 30, 2014 Balance	\$ 1,424,592	\$ 18,357,189	\$ 1,169,382	\$ 20,951,163
FY 2015 Billings	1,008,032	5,553,123	165,739	6,726,894
FY 2015 Payments	-	(1,444,623)	-	(1,444,623)
				-
June 30, 2015 Balance	\$ 2,432,625	\$ 22,465,689	\$ 1,335,121	\$ 26,233,435
FY 2016 Billings	1,157,178	5,612,167	106,431	6,875,776
FY 2016 Payments	-	(2,022,335)	-	(2,022,335)
				-
June 30, 2016 Balance	\$ 3,589,803	\$ 26,055,521	\$ 1,441,551	\$ 31,086,875
FY 2017 Billings	1,245,267	5,802,000	101,999	7,149,265
FY 2017 Payments	-	(2,309,186)	-	(2,309,186)
				-
June 30, 2017 Balance	\$ 4,835,070	\$ 29,548,335	\$ 1,543,550	\$ 35,926,954
FY 2018 Billings	1,277,179	5,657,101	80,472	7,014,752
FY 2018 Payments	-	(4,108,108)	-	(4,108,108)
				-
June 30, 2018 Balance	\$ 6,112,248	\$ 31,097,327	\$ 1,624,022	\$ 38,833,597
FY 2019 Billings	1,238,797	5,617,100	51,220	6,907,117
FY 2019 Payments	-	(5,241,583)	-	(5,241,583)
				-
June 30, 2019 Balance	\$ 7,351,045	\$ 31,472,844	\$ 1,675,243	\$ 40,499,132
FY 2020 Billings	1,182,639	5,665,400	47,097	6,895,136
FY 2020 Payments	-	(3,026,117)	-	(3,026,117)
				-
June 30, 2020 Balance	\$ 8,533,684	\$ 34,112,127	\$ 1,722,340	\$ 44,368,151
FY 2021 Billings (6 Months)	610,959	2,835,000	23,221	3,469,180
FY 2021 Payments (6 Months)	-	(2,010,363)	-	(2,010,363)
				-
Balance as of December 31, 2020	\$ 9,144,643	\$ 34,936,764	\$ 1,745,561	\$ 45,826,968



Financial Services Audit Committee Communication

Date: March 26, 2021

To: Great Lakes Water Authority Audit Committee

From: Andrew Sosnoski, Manager, Construction Accounting & Financial Reporting

Re: FY 2021 Q2 Construction Work-in-Progress Report through December 31, 2020
(Unaudited)

Background: The quarterly construction work-in-progress (CWIP) provides information and analysis related to the execution of the Great Lakes Water Authority capital improvement program (CIP).

Analysis: The attached documents summarize the FY 2021 Q2 CWIP positions and provides a detailed snapshot to inform decision makers and stakeholders.

Proposed Action: Receive and file this report.



**Construction Work-in-Progress Quarterly Report
(Unaudited)**

As of December 31, 2020

For questions, please contact:

Andrew Sosnoski, CCIFP

Construction Accounting and Financial Reporting Manager

Phone: 313.999.2585

Email: Andrew.Sosnoski@glwater.org

Issued 3.18.2021



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March 26, 2021**To Our Stakeholders:**

The contents of this report represent the financial presentation of construction work-in-progress activity for the Great Lakes Water Authority (GLWA) as of December 31, 2020. The information in this report presents a detailed snapshot and is important as we track the execution of the FY 2022–2026 Capital Improvement Plan (CIP) and look to inform decision makers as we draft the FY 2023–2027 CIP.

As we continue to refine this report to better communicate pertinent information to inform decision makers and stakeholders, content and formatting may be changed. With the summary of active projects now regularly being reported to the Capital Planning Committee the project highlights previously being reported have been removed from this report.

Report Contents and Organization

This report is divided into two sections: one for the Water System and one for the Wastewater System as identified in the table of contents. Each section includes analysis and reporting of the following:

Executive Summary: Presentation of spend information is necessary to report our progress on CIP projects.

Construction Work-in-Progress Rollforward: This table provides a list of all projects in the CIP along with financial activity. This table may be used to revisit priorities, workload, and phasing.

Project Amendment Summary: The award of CIP contracts and the related execution thereof may result in deviations from the amount and timing of project activity. Project amendments are prepared to fund the related increase or decrease with either an adjustment to Capital Reserve or Program / Allowance accounts to amend the board approved fiscal year CIP accordingly and to inform decision makers in the development of future Capital Improvement Plans.

Financial Information

All project amounts are unaudited. This means that direct contractor costs are generally included in these totals with most pay estimates entered through December 31, 2020. There may, however, be some pay estimates that lag. The totals do not include indirect overhead.

Budget vs. Plan

Generally, GLWA's CIP projects span two or more fiscal years. The GLWA Board of Directors adopts a biennial "budget" and a five-year capital improvement "plan".

- ✓ The adopted **budget** relates to operations and maintenance expense, annual fixed commitments such as debt service, and incremental adjustments to reserves. The budget provides authority to spend within defined amounts. The budget is also referred to as the "revenue requirement" for the utility.
- ✓ After contracts are awarded at amounts variant from the CIP plan and more reliable anticipated spend data becomes available, the amended budget for the current fiscal year may increase or decrease by way of "Capital Reserve" budget amendments.
- ✓ The five-year capital improvement **plan** is a rolling plan that is updated at an administrative tracking level as projects move from estimated to actual bid numbers. An updated mid-cycle CIP would be presented to the Board for approval if the prioritization strategy was revised and/or the plan was in need of material revisions.
- ✓ In addition, the Board of Directors adopts a capital spending ratio assumption (SRA) which allows the realities of capital program delivery to align with the financial plan. The SRA is an analytical approach to bridge the total dollar amount of projects in the CIP with what can realistically be spent due to limitations beyond GLWA's control and/or delayed for nonbudgetary reasons. Those limitations, whether financial or non-financial, necessitate the SRA for budgetary purposes, despite the prioritization established.

WATER SYSTEM

Executive Summary

The rate of spend is a key performance indicator. The development of the FY 2021-2025 and related CIP Plan for FY 2021 were based on anticipation of FY 2021 activity resulting in 75% of planned spend. The Water System spend for the period ending December 31, 2020 is 80.4% of the FY 2021 pro-rated board approved CIP, 79.4% of the pro-rated FY 2021 board approved CIP with project amendments, and 107.3% of the FY 2021 Capital Spending Rate Assumption (SRA). Detailed analysis of the projects for which FY 2021 Board Approved CIP was amended from \$147,564,000 to \$149,542,001 is provided in the subsequent Project Amendment Summary section of this report.

Water System Projects		FY 2020	FY 2020 Activity	FY 2020 Percentage	FY 2021	FY 2021 Prorated (Six Months)	FY 2021 Activity (Unaudited)	FY 2021 Percentage
FY 2020 Board Approved CIP	\$	143,247,000	\$	76,542,465	53.4%			
FY 2020 Board Approved CIP With Project Amendments		124,916,757		76,542,465	61.3%			
FY 2020 Capital Spend Rate Assumption (SRA)		107,435,250		76,542,465	71.2%			
FY 2021 Board Approved CIP					\$ 147,564,000	\$ 73,782,000	\$ 59,348,762	80.4%
FY 2021 Board Approved CIP With Project Amendments					149,542,001	74,771,000	59,348,762	79.4%
FY 2021 Capital Spend Rate Assumption (SRA)					110,673,000	55,336,500	59,348,762	107.3%

Construction Work-in-Progress Rollforward

The purpose of the construction work-in-progress (CWIP) rollforward is to analyze the current year activity for each project in relation to the overall capital improvement program as well as the project portfolio overall.

As part of our project life cycle review the CA&FR team identifies when it is appropriate for projects to be capitalized. Projects are to be capitalized when they have been completed in totality or are inclusive of identifiable assets that have been placed in service. Capitalization of project cost occurred in the FY 2021 2nd quarter for the following projects:

<u>Project</u>	<u>Contract</u>	<u>Description</u>
111002	CON-212	LHWTP Backflow Replacement
171501	1803483	Roof Replacements - Var Facilities Program
341001	SOQ-135a	Security Infrastructure Improvements

\$172.9 million is in CWIP as of December 31, 2020 as shown in the table beginning on the next page.

The order of the report on the subsequent pages is in ascending order by CIP project number.

Great Lakes Water Authority
Water System Construction Work-in-Progress (CWIP) FY 2020 Rollforward
Unaudited Activity For the Fiscal Quarter Ended December 31, 2020

Water System
Construction Work-in-Progress Quarterly Report
 As of December 31, 2020

Project	Project Name	Total Project Plan Estimate from FY 2022 - 2026 CIP	CWIP Balance July 1, 2020	FY 2021 Board Approved CIP	FY 2021 Board Approved CIP With Project Amendments	FY 2021 Activity through December 31, 2020	Life to date Capitalization/ Expense Through December 31, 2020	CWIP Balance December 31, 2020	Life to date Activity Through December 31, 2020	Life to date Activity / Total Project Plan Estimate
111001	Energy Management: Lake Huron Water Treatment Plant Low Lift Pumping Improvements	\$ 57,178,250	\$ 212,034	\$ 1,636,000	\$ 1,636,000	\$ 810,118	\$ -	\$ 1,022,152	\$ 1,022,152	2%
111002	LHWTP Backflow Replacement	8,705,313	8,529,804	41,000	41,000	32,616	8,717,768	-	8,717,768	100%
111004	Electrical Tunnel Rehabilitation at Lake Huron WTP	3,892,689	390	-	-	(390)	3,892,299	-	3,892,299	100%
111006	Replacement of Filter Instrumentation and Raw Water Flow Metering Improvements at Lake	16,789,745	1,073,466	235,000	235,000	137,286	-	1,210,751	1,210,751	7%
111007	Lake Huron WTP-Raw Sludge Clarifier and Raw Sludge Pumping System Improvements	9,181,107	5,887,651	3,392,000	3,392,000	1,705,161	-	7,592,812	7,592,812	83%
111008	LHWTP Architectural Programming - Lab	1,196,283	110	-	-	(110)	-	-	-	0%
111009	Lake Huron WTP-35 MGD HLP, Flow Meters	30,480,734	116,755	1,856,000	1,142,460	11,437	-	128,192	128,192	0%
111010	Lake Huron Water Treatment Plant -Filtration and Pretreatment Improvements	42,206,783	-	-	-	-	-	-	-	0%
111011	Lake Huron WTP Pilot Plant	3,247,998	-	-	2,200,000	-	-	-	-	0%
111012	LHWTP-Flocculation Improvements	26,538,016	-	-	-	-	-	-	-	0%
112002	Low Lift Pumping Plant Caisson Rehabilitation at Northeast WTP	1,172,880	2,918	-	-	(2,918)	1,169,962	-	1,169,962	100%
112003	NE WTP High Lift Pumping Electrical	71,545,621	5,785	-	-	60,087	-	65,871	65,871	0%
112005	Northeast Water Treatment Plant - Replacement of Covers for Process Water Conduits	1,088,655	438,463	1,096,000	1,096,000	165,560	-	604,023	604,023	55%
112006	Northeast Water Treatment Plant Flocculator Replacements	11,316,013	186,274	2,773,000	2,773,000	52,476	-	238,750	238,750	2%
113001	Southwest Water Treatment Plant, Sludge Treatment & Waste Wash water Treatment Facility	-	341,324	-	-	-	-	341,324	341,324	100%
113002	High Lift Pump Discharge Valve Actuators Replacement at Southwest WTP	6,728,375	5,272,232	1,094,000	1,094,000	462,104	-	5,734,336	5,734,336	85%
113003	Replacement of Butterfly Valves	21,811,953	110	-	-	-	-	110	110	0%
113004	Residual Handling Facility's Decant Flow Modifications at Southwest WTP	-	1,822	-	-	-	853,219	1,822	855,041	100%
113006	SW WTP Chloring Scrubber	7,330,660	129,973	260,000	260,000	43,730	-	173,704	173,704	2%
113007	Architectural and Building Mechanical	3,167,022	-	-	-	-	-	-	-	0%
114001	Springwells Water Treatment Plant 1958 Filter Rehabilitation and Auxiliary Facilities	80,828,071	-	-	-	(0)	99,764,892	(0)	99,764,892	123%
114002	Springwells Water Treatment Plant - Low Lift and High Lift Pump Station	224,221,541	5,496,115	7,113,000	8,087,759	3,555,635	-	9,051,750	9,051,750	4%
114003	Water Production Flow Metering Improvements at NE, SW, and SPW WTP	8,155,919	8,185,528	-	-	21,488	-	8,207,016	8,207,016	101%
114005	Springwells WTP Admin Building Improvements	9,259,571	943,973	2,302,000	2,302,000	138,139	-	1,082,112	1,082,112	12%
114006	Replacement of Rapid Mix Units at Springwells WTP 1958 Process Train	-	9,390	-	-	-	1,021,039	9,390	1,030,429	100%
114007	Powder Activated Carbon Systems	4,020,591	-	-	-	-	-	-	-	0%

Great Lakes Water Authority
Water System Construction Work-in-Progress (CWIP) FY 2020 Rollforward
Unaudited Activity For the Fiscal Quarter Ended December 31, 2020

Water System
Construction Work-in-Progress Quarterly Report
 As of December 31, 2020

Project	Project Name	Total Project Plan Estimate from FY 2022 - 2026 CIP	CWIP Balance July 1, 2020	FY 2021 Board Approved CIP	FY 2021 Board Approved CIP With Project Amendments	FY 2021 Activity through December 31, 2020	Life to date Capitalization/ Expense Through December 31, 2020	CWIP Balance December 31, 2020	Life to date Activity Through December 31, 2020	Life to date Activity / Total Project Plan Estimate
114008	1930 Sedimentation Basin Sluice Gates, Guides & Hoists Improvements at Springwells WTP	13,923,254	3,381,909	10,327,000	10,327,000	4,387,827	-	7,769,736	7,769,736	56%
114010	Yard Piping Improvements	200,471,687	241,135	1,000	1,000	90,111	-	331,247	331,247	0%
114011	Steam, Condensate Return, and Compressed Air Piping Improvements at Springwells WTP	25,540,354	10,083,734	6,932,000	6,932,000	5,623,362	-	15,707,096	15,707,096	61%
114012	Springwells Water Treatment Plant 1930 Filter Building-Roof Replacement	3,911,148	-	-	-	-	3,911,148	-	3,911,148	100%
114013	Springwells Reservoir Fill Line Improvements	4,923,914	3,586,056	-	-	363,635	-	3,949,691	3,949,691	80%
114016	Springwells Water Treatment Plant 1958 Settled Water Conduits Concrete Pavement Replacement	2,280,781	94,862	1,663,000	1,663,000	22,633	-	117,496	117,496	5%
114017	Springwells Water Treatment Plant Flocculator Drive Replacement	12,358,115	1,071	315,000	456,782	12,344	-	13,415	13,415	0%
114018	Springwells Water Treatment Plant - Service Building Electrical Substation and Miscellaneous Improvements	1,544,706	-	-	-	2,154	-	2,154	2,154	0%
115001	Yard Piping, Valves and Venturi Meters Replacement at Water Works Park	54,815,232	2,839,127	5,462,000	4,837,000	834,340	-	3,673,467	3,673,467	7%
115003	Comprehensive Condition Assessment at Waterworks Park WTP	514,004	-	-	-	-	-	-	-	0%
115004	Water Works Park WTP Chlorine System Upgrade	6,892,656	-	-	-	9,563	6,957,032	9,563	6,966,596	101%
115005	WWP WTP Building Ventilation Improvements	4,923,595	1,126	1,999,000	1,999,000	88,289	-	89,415	89,415	2%
115006	Water Works Park Site/Civil Improvements	5,881,718	-	-	-	-	-	-	-	0%
115007	Water Works Park High Lift Pumping Station Modernization	88,946,247	-	-	-	-	-	-	-	0%
116002	Pennsylvania, Springwells and Northeast Raw Water Supply Tunnel Improvements based on	94,880,203	18,513,669	14,138,000	14,138,000	3,441,096	-	21,954,765	21,954,765	23%
116005	Belle Isle Seawall Rehabilitation	1,831,677	-	-	-	-	-	-	-	0%
116006	Belle Isle Intake System Rehabilitation and Improvements	350,000	-	-	-	-	-	-	-	0%
122003	New Waterworks Park to Northeast Transmission Main	143,217,044	5,190,146	11,703,000	11,703,000	5,684,966	-	10,875,111	10,875,111	8%
122004	96-inch Main Relocation, Isolation Valves Installations, and New Parallel Main	144,852,077	1,816,305	5,267,000	5,267,000	4,058,472	-	5,874,777	5,874,777	4%
122005	Replacement Schoolcraft Watermain	15,325,893	1,381,778	13,141,000	13,141,000	1,901,316	-	3,283,094	3,283,094	21%
122006	Transmission System Water Main Work-Wick Road Parallel Water Main	22,419,614	5,902,921	9,975,000	9,975,000	7,883,240	-	13,786,161	13,786,161	61%
122007	Design and Construction of a new Newburgh Road 24" Main along Newburgh Road between Ch	22,154,359	1,805	-	-	-	-	1,805	1,805	0%

Great Lakes Water Authority
 Water System Construction Work-in-Progress (CWIP) FY 2020 Rollforward
 Unaudited Activity For the Fiscal Quarter Ended December 31, 2020

Water System
Construction Work-in-Progress Quarterly Report
 As of December 31, 2020

Project	Project Name	Total Project Plan Estimate from FY 2022 - 2026 CIP	CWIP Balance July 1, 2020	FY 2021 Board Approved CIP	FY 2021 Board Approved CIP With Project Amendments	FY 2021 Activity through December 31, 2020	Life to date Capitalization/ Expense Through December 31, 2020	CWIP Balance December 31, 2020	Life to date Activity Through December 31, 2020	Life to date Activity / Total Project Plan Estimate
122011	Park-Merriman Water Main-Final Phase	9,600,066	5,221,921	2,163,000	2,163,000	2,236,562	-	7,458,482	7,458,482	78%
122012	36-inch Water Main in Telegraph Road	9,870,398	-	-	-	-	9,986,284	-	9,986,284	101%
122013	Lyon Township Transmission Main Extension Project	105,180,009	3,642,904	1,194,000	1,194,000	3,750,449	-	7,393,354	7,393,354	7%
122016	Downriver Transmission Loop	37,067,100	224,909	1,748,000	1,748,000	797,489	-	1,022,398	1,022,398	3%
122017	7 Mile/Nevada Transmission Main Rehab and Carrie/Nevada Flow Control Station	60,188,759	3,414	1,794,000	1,794,000	5,879	-	9,293	9,293	0%
122018	Garland, Hurlbut, Bewick Water Transmission System Rehabilitation	54,102,536	-	1,717,000	1,717,000	-	-	-	-	0%
132003	Isolation Gate Valves for Line Pumps for West Service Center Pumping Station	1,961,708	1,712	65,000	65,000	35,823	1,742,479	37,535	1,780,014	91%
132006	Pressure and Control Improvements at the Electric, Ford Road, Michigan, and West Chica	3,363,699	1,883,902	987,000	987,000	644,029	-	2,527,931	2,527,931	75%
132007	Energy Management: Freeze Protection Pump Installation at Imlay Pumping Station	5,187,314	167,665	4,211,000	4,211,000	282,987	-	450,653	450,653	9%
132008	Needs Assessment Study for all Water Booster Pumping Stations	1,675,441	-	-	-	-	-	-	-	0%
132010	West Service Center/Duval Rd Division Valve Upgrades	45,142,158	2,460,032	4,323,000	4,323,000	1,179,942	-	3,639,974	3,639,974	8%
132012	Ypsilanti PS Improvements	35,393,046	333,589	846,000	846,000	330,284	-	663,874	663,874	2%
132014	Adams Road Booster Pumping Improvements	52,864,694	83,262	-	-	-	-	83,262	83,262	0%
132015	Newburgh BPS	45,044,000	350,454	973,000	973,000	68,791	-	419,245	419,245	1%
132016	North Service Center BPS Improvements	68,255,116	266,392	-	-	80,002	-	346,394	346,394	1%
132018	Schoolcraft BPS	47,317	47,317	-	-	-	-	47,317	47,317	100%
132019	Wick Road BPS - Switchgear	9,358,231	56,912	-	-	-	-	56,912	56,912	1%
132020	Franklin BPS - Isolation Gate Valves	2,544,535	93,160	-	-	-	-	93,160	93,160	4%
132021	Imlay BPS - Replace VFDs, Pumps & Motors	749,810	227,346	-	-	-	-	227,346	227,346	30%
132022	Joy Road BPS - Replace Reservoir Pumps	39,613,214	71,380	-	-	-	-	71,380	71,380	0%
132025	Northwest Booster Station Yard Piping Improvements	-	20,155	-	-	152	-	20,306	20,306	100%
132026	Franklin Pumping Station Valve Replacement	1,006,467	821,090	613,000	613,000	158,953	-	980,043	980,043	97%
170100	Allowance: WTP/Pump Station	-	-	1,499,000	1,499,000	-	-	-	-	100%
170102	Water Production Plant Flow Metering Improvements at NE, SP & SW WTP	372,374	372,374	-	-	1,266	-	373,640	373,640	100%
170103	Belle Isle Water Supply Intake and Ice Boom Improvements	-	3,278	-	-	-	286,596	3,278	289,874	100%
170109	Inspection of Raw Water Intakes and Tunnels	1,656,069	-	-	-	-	-	-	-	0%
170120	Phosphoric Acid Feed System Improvements at Southwest WTP	1,625	-	-	-	-	634,509	-	634,509	39047%
170122	Meter Pit at Brownstown Township	-	133,306	-	-	-	-	133,306	133,306	100%
170200	As Needed Construction Materials, Environmental Media and Special Allowance	1,427,227	-	685,000	685,000	-	-	-	-	0%

Great Lakes Water Authority
Water System Construction Work-in-Progress (CWIP) FY 2020 Rollforward
Unaudited Activity For the Fiscal Quarter Ended December 31, 2020

Water System
Construction Work-in-Progress Quarterly Report
As of December 31, 2020

Project	Project Name	Total Project Plan Estimate from FY 2022 - 2026 CIP	CWIP Balance July 1, 2020	FY 2021 Board Approved CIP	FY 2021 Board Approved CIP With Project Amendments	FY 2021 Activity through December 31, 2020	Life to date Capitalization/ Expense Through December 31, 2020	CWIP Balance December 31, 2020	Life to date Activity Through December 31, 2020	Life to date Activity / Total Project Plan Estimate
170300	Water Treatment Plant Automation Program	13,249,000	-	5,440,000	4,254,000	-	-	-	-	0%
170301	Water Plant Automation	-	1,755,142	-	-	-	-	1,755,142	1,755,142	100%
170302	SW WTP SCADA Improvements	9,000,000	-	-	-	53,343	-	53,343	53,343	1%
170303	WWP WTP Power Monitoring Installation	1,700,000	-	-	1,186,000	18,035	-	18,035	18,035	1%
170400	Water Transmission Improvement Program	33,171,211	-	1,776,000	1,776,000	-	-	-	-	0%
170401	Emergency Bypass Around Ypsilanti Station	1,661,231	1,662,615	-	-	200	-	1,662,815	1,662,815	100%
170500	Transmission System Valve Assessment and Rehabilitation/Replacement Program	5,350,164	-	1,177,000	1,177,000	-	-	-	-	0%
170502	Transmission System Valve Assessment and Rehabilitation/Replacement A	-	2,051,843	-	-	152,256	6,363,896	2,204,099	8,567,995	100%
170503	Transmission System Valve Assessment and Rehabilitation/Replacement B	10,071,663	393,559	-	-	1,293,936	-	1,687,495	1,687,495	17%
170600	Water Transmission Main Asset Assessment Program	8,438,215	-	54,000	54,000	-	-	-	-	0%
170800	Reservoir Inspection, Design and Rehabilitation Program	23,827,344	-	6,087,000	6,087,000	-	-	-	-	0%
170801	Reservoir Inspection, Design and Rehabilitation	15,090,049	2,615,570	-	-	3,489,827	-	6,105,398	6,105,398	40%
170900	Suburban Water Meter Pit Rehabilitation and Meter Replacement Program	40,718,957	-	2,535,000	2,535,000	-	-	-	-	0%
170901	Suburban Water Meter Pit Rehabilitation and Meter Replacement	10,616,499	4,529,883	-	-	1,393,425	-	5,923,308	5,923,308	56%
170902	Brownstown Meter Pit Rehabilitation	1,245,254	76,390	-	-	-	-	76,390	76,390	6%
171500	Roof Replacement - Var Facilities Program	22,710,989	-	173,000	173,000	-	-	-	-	0%
171501	Roof Replacements - Var Facilities Program	3,484,352	2,772,205	-	-	222,208	3,354,843	-	3,354,843	96%
331003	Masonry Replacement and Rehabilitation	25,000,000	-	-	-	-	-	-	-	0%
341001	Security Infrastructure Improvements	9,169,807	3,977,412	4,018,000	4,018,000	1,557,159	1,138,691	4,395,879	5,534,570	60%
351001	Water Facility Lighting Renovations	699,523	6,667	50,000	50,000	-	-	6,667	6,667	1%
380600	General Engineering Services Allowance	55,126	-	-	-	-	-	-	-	0%
380700	As-needed Engineering Services for Concrete Testing, Geotechnical Soil Borings, other Testing Services, and Related Services Allowance	2,130,722	-	715,000	715,000	-	-	-	-	0%
381000	Energy Management: Electric Metering Improvement Program	2,623,926	-	-	-	-	-	-	-	0%
Grand Total		\$ 2,353,709,015	\$ 126,197,522	\$ 147,564,000	\$ 149,542,001	\$ 59,348,762	\$ 223,336,298	\$ 172,850,760	\$ 396,187,057	17%
					Project Amendments \$ 1,978,001					

FY 2021 Project Amendment Summary

The purpose of the Project Amendment Summary is to illustrate the amendments to the current fiscal year board approved CIP for each project with an amendment resulting from the use of allowance and program funding for a specific amount necessitated by contract award.

The award of CIP contracts and the related execution thereof may result in deviation from the amount and timing of planned spend. Acknowledging the aforementioned deviation, project amendments are prepared to fund the related increase or decrease either to or from the Capital Reserve to amend the current fiscal year board approved Capital Improvement Plan accordingly and to inform decision makers in the development of future Capital Improvement Plans. Similar to the project amendments prepared for the Capital Reserve, project amendments are also prepared for contracts that are planned or funded by way of the CIP Program and Allowance accounts. As additional contracts are awarded and other project information becomes available additional project amendments to and from the Capital Reserve will be prepared to amend the board approved FY 2021 Capital Improvement Plan.

\$1,978,001 of Capital Reserve project amendments have been prepared as of December 31, 2020 as shown in the table on the next page along with project amendments detailing the assignment of funding within Program and Allowance accounts.

The order of the report on the subsequent page is in ascending order by CIP project number.

Great Lakes Water Authority
Water System Project Amendment Summary
Unaudited Activity For the Fiscal Year Ended December 31, 2020

Water System
Construction Work-in-Progress Quarterly Report
 As of December 31, 2020

Project	Project Name	Program / Allowance	Capital Reserve	Grand Total
111009	Lake Huron WTP-35 MGD HLP, Flow Meters	-	(713,540)	(713,540)
111011	Lake Huron WTP Pilot Plant		2,200,000	
114002	Springwells Water Treatment Plant - Low Lift and High Lift Pump Station		974,759	
114017	Springwells Water Treatment Plant Flocculator Drive Replacement		141,782	
115001	Yard Piping, Valves and Venturi Meters Replacement at Water Works Park		(625,000)	
170300	Water Treatment Plant Automation Program	(1,186,000)		
170303	WWP WTP Power Monitoring Installation	1,186,000		
Grand Total		\$ -	\$ 1,978,001	\$ (713,540)

WASTEWATER SYSTEM

Executive Summary

The rate of spend is a key performance indicator. The development of the FY 2021-2025 and related CIP Plan for FY 2021 were based on anticipation of FY 2021 activity resulting in 75% of planned spend. The Wastewater System spend for the period ending December 31, 2020 is 73.8% of the prorated FY 2021 board approved CIP, 72.5% of the prorated FY 2021 board approved CIP with project amendments, and 98.4% of the FY 2021 Capital Spending Rate Assumption (SRA). Detailed analysis of the projects for which FY 2021 Board Approved CIP was amended from \$110,638,000 to \$112,659,582 is provided in the subsequent Project Amendment Summary section of this report.

Wastewater System Projects					FY 2021 Prorated (Six Months)	FY 2021 Activity (Unaudited)	FY 2021 Percentage
		FY 2020	FY 2020 Activity	FY 2020 Percentage	FY 2021		
FY 2020 Board Approved CIP	\$	161,480,000	\$	73,826,521	45.7%		
FY 2020 Board Approved CIP With Project Amendments		156,884,005		73,826,521	47.1%		
FY 2020 Capital Spend Rate Assumption (SRA)		121,110,000		73,826,521	61.0%		
FY 2021 Board Approved CIP					\$	110,638,000	\$
FY 2021 Board Approved CIP With Project Amendments						55,319,000	\$
FY 2021 Capital Spend Rate Assumption (SRA)						40,830,425	
						73.8%	
						112,659,582	
						56,329,791	
						40,830,425	
						72.5%	
						82,978,500	
						41,489,250	
						40,830,425	
						98.4%	

Construction Work-in-Progress Rollforward

The purpose of the construction work-in-progress (CWIP) rollforward is to analyze the current year activity for each project in relation to the overall capital improvement program as well as the project portfolio overall.

As part of our project life cycle review the CA&FR team identifies when it is appropriate for projects to be capitalized. Projects are to be capitalized when they have been completed in totality or are inclusive of identifiable assets that have been placed in service. Capitalization of project cost occurred in the FY 2021 2nd quarter for the following projects:

<u>Project</u>	<u>Contract</u>	<u>Description</u>
232002	CON-109	Freud and Connor Creek Pump Station Improvements
260601	CON-254	Oakwood Drain Valve Improvements
260616	1901836	Baby Creek CSO Anchor & Wedge Improvements

\$216 million is in CWIP as of December 31, 2020 as shown in the table beginning on the next page.

The order of the report on the subsequent pages is in ascending order by CIP project number.

Great Lakes Water Authority
Wastewater System Construction Work-in-Progress (CWIP) FY 2020 Rollforward
Unaudited Activity For the Fiscal Quarter Ended December 31, 2020

Wastewater System
Construction Work-in-Progress Quarterly Report

As of December 31, 2020

Project	Project Name	Total Project Plan Estimate from FY 2022 - 2026 CIP	CWIP Balance July 1, 2020	FY 2021 Board Approved CIP	FY 2021 Board Approved CIP With Project Amendments	FY 2021 Activity through December 31, 2020	Life to date Capitalization/ Expense Through December 31, 2020	CWIP Balance December 31, 2020	Life to date Activity Through December 31, 2020	Life to date Activity / Total Project Plan Estimate
211001	Rehabilitation of Primary Clarifiers Rectangular Tanks, Drain Lines, Electrical/Mechanical Building and Pipe Gallery	\$ 54,061,159	\$ 52,886,451	\$ 3,775,000	\$ 3,775,000	\$ 1,059,376	\$ -	\$ 53,945,827	\$ 53,945,827	100%
211002	Pump Station No. 2 Pumping Improvments	3,340,152	2,013,956	-	-	13,624	-	2,027,580	2,027,580	61%
211004	Pump Station 1 Rack & Grit and MPI Sampling Station 1 Improvements	23,295,382	27,605,573	-	-	118,998	-	27,724,571	27,724,571	119%
211005	Pump Station No. 2 Improvements	13,797,096	-	-	-	-	-	-	-	0%
211006	Pump Station No. 1 Improvements	68,709,404	1,283,830	645,000	645,000	752,909	-	2,036,739	2,036,739	3%
211007	Replacement of Bar Racks and Grit Collection System at Pump Station No. 2	76,228,576	5,176	3,098,000	3,098,000	82,237	-	87,413	87,413	0%
211008	Rehabilitation of Ferric Chloride Feed systems at the Pump Station -1 and Complex B Sludge Lines	11,387,944	1,629,677	5,522,000	5,522,000	109,259	-	1,738,935	1,738,935	15%
211009	Rehabilitation of the Circular Primary Clarifier Scum Removal System	13,007,908	2,734	313,000	313,000	25,333	-	28,067	28,067	0%
211010	Rehabilitation of Sludge Processing Complexes A and B	13,934,471	42,231	-	-	50,074	-	92,305	92,305	1%
211011	WRRF PS1 Screening and Grit Improvements	93,303,153	-	-	-	-	-	-	-	0%
212003	Aeration System Improvements	14,643,450	-	-	-	-	16,524,875	-	16,524,875	113%
212004	ProjectChlorination/Dechlorination Process Equipment Improvements	5,742,203	3,803,140	1,850,000	1,850,000	1,593,124	-	5,396,264	5,396,264	94%
212006	PC-797 Rouge River Outfall Disinfection and CS-1781 Oversight Consulting Services Contract	43,788,731	-	-	-	-	43,788,731	-	43,788,731	100%
212007	Rehabilitation of the Secondary Clarifiers	49,871,040	330	-	-	1,312	-	1,642	1,642	0%
212008	WRRF Rehabilitation of Intermediate Lift	81,931,310	16,175	4,612,000	4,612,000	259,243	-	275,418	275,418	0%
212009	WRRF Aeration Improvements 3 and 4	73,588,564	-	-	-	-	-	-	-	0%
212010	WRRF Conversion of Disinfection of all Flow to Sodium Hypochlorite and Sodium Bisulfite	5,765,452	-	-	-	-	-	-	-	0%
213006	Improvements to Sludge Feed Pumps at Dewatering Facilities	4,489,934	5,750	174,000	174,000	31,713	-	37,463	37,463	1%
213007	Construction of the Improved Sludge Conveyance and Lighting System at the WWTP	22,162,273	16,878,502	2,258,000	2,258,000	1,147,513	-	18,026,015	18,026,015	81%
213008	Rehabilitation of the Wet and Dry Ash Handling Systems	8,432,039	111,335	1,338,000	1,338,000	38,514	-	149,850	149,850	2%
214001	Relocation of Industrial Waste Division and Analytical Laboratory Operations	12,651,082	8,301,788	1,331,000	1,581,000	4,121,428	2,282,260	12,423,216	14,705,476	116%
216004	Rehabilitation of Various Sampling Sites and PS# 2 Ferric Chloride System at WWTP	6,645,397	1,637,516	1,300,000	2,882,302	299,602	-	1,937,118	1,937,118	29%
216006	Rehabilitation of the Screened Final Effluent (SFE) Pump Station and Secondary Water System	23,874,377	73,474	4,291,000	4,291,000	34,747	-	108,221	108,221	0%
216007	DTE Primary Electric 3rd Feed Supply Line to the WRRF	4,544,429	2,354,996	1,296,000	1,296,000	629,214	543,500	2,984,209	3,527,709	78%

Great Lakes Water Authority
Wastewater System Construction Work-in-Progress (CWIP) FY 2020 Rollforward
Unaudited Activity For the Fiscal Quarter Ended December 31, 2020

Project	Project Name	Total Project Plan Estimate from FY 2022 - 2026 CIP	CWIP Balance July 1, 2020	FY 2021 Board Approved CIP	FY 2021 Board Approved CIP With Project Amendments	FY 2021 Activity through December 31, 2020	Life to date Capitalization/ Expense Through December 31, 2020	CWIP Balance December 31, 2020	Life to date Activity Through December 31, 2020	Life to date Activity / Total Project Plan Estimate
216008	Rehabilitation of Screened Final Effluent (SFE) Pump Station	40,820,651	5,671	1,362,000	1,362,000	50,600	-	56,271	56,271	0%
216009	Logistics & Material Facility	164,904	164,904	253,000	253,000	(18,498)	-	146,406	146,406	89%
216010	WRRF Facility Optimization	10,270,771	4,312	14,000	14,000	890	-	5,202	5,202	0%
216011	WRRF Structural Improvements	12,333,080	-	-	-	-	-	-	-	0%
216012	WRRF Research Facility	-	-	-	-	36,888	36,888	-	36,888	100%
222001	Intercommunity Relief Sewer Modifications in Detroit Oakwood District	53,397,144	-	975,000	553,502	1,088	-	1,088	1,088	0%
222002	Detroit River Interceptor Evaluation and Rehabilitation	72,775,106	20,151,096	23,634,000	23,634,000	9,616,595	-	29,767,691	29,767,691	41%
222004	Collection System Valve Remote Operation Structures Improvements	-	468,867	2,701,000	2,701,000	541,559	-	1,010,427	1,010,427	100%
232001	Fairview Pumping Station - Replace Four Sanitary Pumps	40,073,406	14,273,606	5,336,000	5,336,000	8,010,671	-	22,284,277	22,284,277	56%
232002	Freud and Connor Creek Pump Station Improvements	229,278,758	7,284,631	6,445,000	6,445,000	1,152,071	67,734	8,426,702	8,494,436	4%
232004	CONDITION ASSESSMENT AT BLUE HILL PUMP STATION	257,420	-	286,000	286,000	-	-	-	-	0%
233002	Collection System In System Storage Devices (ISDs) Improvements	-	235	-	-	-	-	235	235	100%
233003	Rouge River In-system Storage Devices	46,317,488	-	-	-	-	-	-	-	0%
260200	Sewer and Interceptor Evaluation and Rehabilitation Program	53,748,897	-	12,976,000	12,976,000	-	-	-	-	0%
260201	Conveyance System Interceptor Rehab	32,282,349	960,448	-	-	2,440,469	18,542,127	3,400,917	21,943,044	68%
260202	Conveyance System Interceptor Rehab	-	23,871	-	-	1,904	-	25,775	25,775	100%
260204	Energy Services for Rehabilitation of Conveyance Sewer System	52,157,408	912,742	-	-	(592,517)	-	320,225	320,225	1%
260205	NWI Outfall Rehabilitation	10,937,891	79,226	-	-	98,297	-	177,523	177,523	2%
260206	Conveyance System Rehabilitation - Interceptors	47,821,376	-	-	-	-	-	-	-	0%
260207	Rehabilitation of Woodward Sewer System	-	-	-	-	1,065,296	-	1,065,296	1,065,296	100%
260500	CSO Outfall Rehab	5,000,000	-	11,706,000	11,706,000	-	-	-	-	0%
260503	Collection System Backwater Gates	-	760	-	-	(760)	-	(0)	-	100%
260504	Rehabilitation of Outfalls - Phase II	5,051,112	2,202,000	-	-	2,352,682	-	4,554,683	4,554,683	90%
260505	Rehabilitation of Outfalls - Phase IV	5,718,385	1,586,323	-	-	2,036,508	-	3,622,831	3,622,831	63%
260506	Pilot Regulator Orifice Expansion	-	78,641	-	-	-	-	78,641	78,641	100%
260508	B-39 Outfall Rehab	568,620	498	-	-	94,002	-	94,500	94,500	17%
260509	B-40 Outfall Rehab	88,500	66,293	-	-	16,120	-	82,412	82,412	93%
260510	Conveyance System Rehabilitation - Outfalls	48,863,036	-	-	-	-	-	-	-	0%
260600	CSO Facilities Improvements	126,400,000	-	7,492,000	7,492,000	-	-	-	-	0%
260601	Oakwood Drain Valve Improvements	864,218	26,199	-	-	122,939	804,574	-	804,574	93%
260602	CSO Fire Alarm System Improvements	997,619	-	-	-	-	997,619	-	997,619	100%
260603	Conner Creek CSO Basin Rehab	7,898,362	7,056,367	-	-	311,672	-	7,368,039	7,368,039	93%
260606	Puritan Fenkell Roof Replacement	346,540	-	-	-	-	346,540	-	346,540	100%
260607	Lieb SDF Electrical Improvements	1,032,687	179	-	-	(179)	1,032,508	(0)	1,032,508	100%
260608	Seven Mile RTB - Roof Replacement	496,699	-	-	-	-	496,699	-	496,699	100%
260609	Seven Mile RTB - Parking Lot / Sitework	416,597	369,559	-	-	55,221	-	424,779	424,779	102%

Great Lakes Water Authority
Wastewater System Construction Work-in-Progress (CWIP) FY 2020 Rollforward
Unaudited Activity For the Fiscal Quarter Ended December 31, 2020

Wastewater System
Construction Work-in-Progress Quarterly Report

As of December 31, 2020

Project	Project Name	Total Project Plan Estimate from FY 2022 - 2026 CIP	CWIP Balance July 1, 2020	FY 2021 Board Approved CIP	FY 2021 Board Approved CIP With Project Amendments	FY 2021 Activity through December 31, 2020	Life to date Capitalization/ Expense Through December 31, 2020	CWIP Balance December 31, 2020	Life to date Activity Through December 31, 2020	Life to date Activity / Total Project Plan Estimate
260610	Baby Creek MAU Replacement	275,151	-	-	-	-	275,151	-	275,151	100%
260611	HVAC Improvements At Lieb SDF	395,615	95,887	-	-	211,928	-	307,815	307,815	78%
260613	Baby Creek HVAC Improvements	587,628	51,338	-	-	336,522	-	387,860	387,860	66%
260614	CSO Facilities Structural Improvements	13,794,118	303,795	-	-	1,824	-	305,619	305,619	2%
260615	PF & Lieb CSO Facilities Site & Drainage Improvements	801,140	109,660	-	-	172,510	-	282,170	282,170	35%
260616	Baby Creek SCO Anchor & Wedge Improvements	782,863	666,495	-	-	103,619	770,114	-	770,114	98%
260617	St. Aubin Chemical Disinfection Improvements	6,966,364	250,348	-	-	18,550	-	268,898	268,898	4%
260618	Oakwood HVAC Improvements	3,966,512	75,672	-	-	231,562	-	307,234	307,234	8%
260619	Control System Upgrade At St. Aubin, Lieb and 7 Mile	116,179	61,593	-	-	1,173	-	62,766	62,766	54%
260620	Baby Creek Roof Replacement	640,500	-	-	-	24,919	-	24,919	24,919	4%
260621	Connor Creek Berm Improvements	-	-	-	610,778	103,471	-	103,471	103,471	100%
260700	Sewer System Infrastructure Improvements & Pumping Stations	35,901,492	-	-	-	-	-	-	-	0%
260701	Conveyance System Infrastructure Improvements	4,586,079	-	-	-	-	-	-	-	0%
260702	Pump Station Assets Updates	669,000	-	-	-	-	-	-	-	0%
270001	Pilot CSO Netting Facility	9,573,092	-	20,000	20,000	-	-	-	-	0%
270002	Meldrum Sewer Diversion and VR-15 Improvements	5,839,631	-	-	-	-	-	-	-	0%
270003	Long Term CSO Control Plan	9,267,841	3,545	2,796,000	2,796,000	191,302	189,749	5,098	194,847	2%
274001	Leib Improvements for Meldrum Diversion	10,941,804	-	-	-	-	-	-	-	0%
277001	Baby Creek Outfall Improvements Project	18,825,761	2,283	1,251,000	1,251,000	665,628	663,768	4,143	667,911	4%
278001	Oakwood Improvements for NWI Diversion	10,225,804	-	-	-	-	-	-	-	0%
331002	Roofing Systems Replacement at GLWA Wastewater Treatment Plant, CSO Retention Treatment Basins (RTB) and Screening Disinfection Facilities (SDF)	8,888,476	-	91,000	91,000	-	1,123,056	-	1,123,056	13%
341001	Security Infrastructure Improvements	-	1,033,207	-	-	13,723	-	1,046,930	1,046,930	100%
341002	Security Infrastructure Improvements	3,533,510	-	1,051,000	1,051,000	991,962	-	991,962	991,962	28%
381000	Energy Management: Electric Metering Improvement Program	-	-	446,000	446,000	-	-	-	-	100%
Grand Total		\$ 1,782,153,110	\$ 177,022,887	\$ 110,638,000	\$ 112,659,582	\$ 40,830,425	\$ 280,016,603	\$ 216,033,656	\$ 496,050,258	28%
					Project Amendments \$ 2,021,582					

FY 2021 Project Amendment Summary

The purpose of the Project Amendment Summary is to illustrate the amendments to the current fiscal year board approved CIP for each project with an amendment resulting from the use of allowance and program funding for a specific amount necessitated by contract award.

The award of CIP contracts and the related execution thereof may result in deviation from the amount and timing of planned spend. Acknowledging the aforementioned deviation, project amendments are prepared to fund the related increase or decrease either to or from the Capital Reserve to amend the current fiscal year board approved Capital Improvement Plan accordingly and to inform decision makers in the development of future Capital Improvement Plans. Similar to the project amendments prepared for the Capital Reserve, project amendments are also prepared for contracts that are planned or funded by way of the CIP Program and Allowance accounts. As additional contracts are awarded and other project information becomes available additional project amendments to and from the Capital Reserve will be prepared to amend the board approved FY 2021 Capital Improvement Plan.

\$2,021,582 of Capital Reserve project amendments have been prepared as of December 31, 2020 as shown in the table on the next page along with project amendments detailing the assignment of funding within Program and Allowance accounts.

The order of the report on the subsequent page is in ascending order by CIP project number.

**Great Lakes Water Authority
Wastewater System Project Amendment Summary
Unaudited Activity For the Fiscal Year Ended Deember 31, 2020**

**Wastewater System
Construction Work-in-Progress Quarterly Report**
As of December 31, 2020

Project	Project Name	Program / Allowance	Capital Reserve	Grand Total
214001	Relocation of Industrial Waste Division and Analytical Laboratory Operations		250,000	250,000
216004	Rehabilitation of Various Sampling Sites and PS# 2 Ferric Chloride System at WWTP		1,582,302	1,582,302
222001	Intercommunity Relief Sewer Modifications in Detroit Oakwood District		(421,498)	(421,498)
260621	Connor Creek Berm Improvements		610,778	610,778
Grand Total		\$ -	\$ 2,021,582	\$ 2,021,582



Financial Services Audit Committee Communication

Date: March 26, 2021

To: Great Lakes Water Authority Audit Committee

From: Dana Bierer, CPA, Manager - Special Projects

Re: Grants, Gifts, and Other Resources Report through February 28, 2021

Background: The Great Lakes Water Authority (GLWA) delegated authority to the Chief Executive Officer to oversee and report on activities identified in the GLWA Articles of Incorporation related to solicitation and receipt of grants, gifts, and other resources as stated in Article 4 – Powers, Section B (4):

(4) Solicit, receive, and accept gifts, grants, labor, loans, contributions of money, property, or other things of value, and other aid or payment from any federal, state, local, or intergovernmental government agency or from any other person or entity, public or private, upon terms and conditions acceptable to the Authority, or participate in any other way in a federal, state, local, or intergovernmental government program.

Other resources in this context refer to labor, contributions of money, property, or other things of value from any other person or entity, public or private with the exception for loans, subject to provisions of the GLWA Board Debt Management Policy, and Intergovernmental agreements and other activities that are addressed in the GLWA Board Procurement Policy.

Participation in any other way in a federal, state local, or intergovernmental government program includes participation in research projects at universities.

Refer to the Grants, Gifts, and Other Resources Delegation Policy at [Grants, Gifts, and Other Resources Delegation Policy - GLWA \(glwater.org\)](https://www.glwater.org/documents/Grants_Gifts_and_Other_Resources_Delegation_Policy.pdf).

Analysis: To ensure transparency and timely communication, this report will be provided to the Board, no less than quarterly, documenting activities subject to the policy. The report will, at a minimum, include description, type of activity, dollar amount, compliance and/or performance requirements, if any, and status including, at a minimum, solicitation, acceptance, and close-out.

Table 1 Grant Submissions reflects open FY2020 submissions and FY2021 submissions to date. The summarized activity provided identifies three programs with four reimbursement requests. GLWA has not received any reimbursements to date. The FEMA rules continue to evolve.

Table 1 - Grant Submissions

Reference Number	Request Date	Description	Type of Activity	Amount Requested	Compliance and/or Performance Requirements	Status	Team Member Contact
2020-002a	09/15/2020	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 144208	Federal Grant (Reimbursement Basis)	To Be Determined	Federal Audit Requirements (add to existing audit program)	FEMA is reviewing	Dana Bierer
2020-002b	11/11/2020	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 149797	Federal Grant (Reimbursement Basis)	\$84,244	Federal Audit Requirements (add to existing audit program)	FEMA is reviewing	Dana Bierer
2020-002c	02/09/2021	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 149800	Federal Grant (Reimbursement Basis)	\$31,896	Federal Audit Requirements (add to existing audit program)	FEMA is reviewing	Dana Bierer
2020-013	01/01/2021	The Michigan Department of Environment, Great Lakes, and Energy (EGLE) Drinking Water Asset Management (DWAM) Grant CS-198	State Grant (Reimbursement Basis)	\$998,047	None	Applied	Jody Caldwell

Reference Number	Request Date	Description	Type of Activity	Amount Requested	Compliance and/or Performance Requirements	Status	Team Member Contact
2020-014	02/01/2021	Southeast Michigan Council of Governments (SEMCOG) Infrastructure Asset Management Program	Organization of Local Governments (Reimbursement Basis)	\$29,951	None	Awarded; Reimbursement requested	Jody Caldwell
2020-015	02/18/2021	The Michigan Department of Environment, Great Lakes, and Energy (EGLE) Watershed Council Support Program	State Grant (Reimbursement Basis)	\$40,000	Quarterly Progress Reports	Applied	Dan Gold

Table 2 Participation in Other Federal, State, Local or Intergovernmental Programs reflects open FY2020 projects and FY2021 projects to date. The summarized activity provided identifies nine research projects with GLWA as a contributor and/or participant in research being conducted by a University. There are two closed programs as of February 28, 2021.

Table 2 - Participation in Other Federal, State, Local, or Intergovernmental Programs

Reference Number	Start Date	Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status	Team Member Contact
2020-003	Pre-FY 2019	Anaerobic Digestion Project CS-217	Michigan State University Project	\$347,010 (Pre-FY2021) \$355,800 (Contract amount)	None	Ongoing	John Norton
2020-004	Pre-FY 2019	Phosphorus & Oxygen Control; Collection System Optimization; Energy Data Contract 1900169	Multiple Projects with University of Michigan	\$84,690 (Pre-FY2021) \$246,823 (Contract amount)	None	Ongoing	John Norton

Reference Number	Start Date	Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status	Team Member Contact
2020-005	FY2020	PFAS Health & Ecological Impacts Contract 1902151	Wayne State University Project	\$192,153 (Contract amount)	None	Ongoing	John Norton
2020-007	FY2020	Transport/Fate of Nutrients in Biosolids Contract 1902059	Michigan State University Project	\$140,759 (Pre-FY2021) \$227,498 (Contract amount)	None	Ongoing	John Norton
2020-008	FY2020	Surveillance of Covid-19 in Detroit Wastewater Contract 2001402	Michigan State University Project	\$267,458 (Contract amount)	None	Ongoing	John Norton
2020-009	07/22/2020	Implementation of LTCP modeling Contract 2001434	University of Michigan Project	\$636,702 (Contract amount)	None	Ongoing	John Norton
2020-010	08/01/2020	Microplastics and Human Health Contract 1904710	Wayne State University Project	\$195,000 (Contract amount)	None	Ongoing	John Norton
2020-011	Pre-FY2020	Smart Pipes Contract 1900902	University of Michigan Project	\$158,687 (Pre-FY2021) \$356,610 (Contract amount)	None	Ongoing	John Norton
2020-012	Pre-FY2020	Phosphorus and Oxygen Control; Collection System Optimization; Energy Data Warehouse Contract 1900169	Multiple Projects with University of Michigan	\$250,000 (Contract amount)	None	Ongoing	John Norton

Table 3 Closed Programs reflects two programs with four reimbursement requests and receipts in FY2021 through February 28, 2021.

Table 3 - Closed Programs

Reference Number	Request Date	Description	Type of Activity	Amount	Compliance and/or Performance Requirements	Status	Team Member Contact
2020-001	08/31/2020; 09/23/2020; 10/26/2020; 11/23/2020	Wage Incentive used for qualified apprentices	MOU with DESC (Detroit Employment Solutions Corporation) and SER-Metro Detroit	\$12,000 (\$3,000 per month)	Minimum wage and monthly work hour requirements	\$12,000 received	Patricia Butler
2020-006	FY2020	Lake Huron to Lake Erie Monitoring Platform; Photocatalytic UV materials	Multiple Projects with Wayne State University	\$1,284,500 (Contract amount)	None	Program not initiated	John Norton

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: March 26, 2021

To: Great Lakes Water Authority Audit Committee

From: Nicolette Bateson, CPA, Chief Financial Officer and Treasurer

Re: Correction to Audit Committee FY 2021 Meeting Schedule

Background: The Audit Committee FY 2021 Meeting Schedule was presented and approved at the November 20, 2020 Audit Committee meeting.

Analysis: The meeting on the original schedule noting May 21, 2021 and highlighted in the attached support should be May 28, 2021 in accordance with the intended fourth Friday timing. FSA staff will post the updated schedule to the GLWA website following communication of this correction to the GLWA Audit Committee.

Proposed Action: Receive and file correction.



Financial Services Audit Committee Communication

AUDIT COMMITTEE ANNUAL MEETING SCHEDULE

(As of March 26, 2021 – Subject to Change)

Meetings begin at 8:00 a.m. on the fourth Friday of the month (unless noted otherwise) and are held at the Water Board Building, 735 Randolph, 5th floor, Detroit, MI 48226 or, in accordance with Governor Gretchen Whitmer's orders issued on October 14, 2020, which enacted certain amendments to Michigan's Open Meetings Act (SB1108), allowing remote telephonic and electronic participation in public meetings and hearings for public bodies subject to the Open Meetings Act during certain state or local emergencies. At this time, the State of Michigan, Department of Health and Human Services, as well as other local health departments within the GLWA Service area have declared emergencies related to the risk of infection associated with the COVID-19 pandemic. In accordance with SB1108, all meetings of the GLWA Board of Directors will be held telephonically and through electronic conferencing, until further notice.

January 15, 2021 (*third Friday*)

July 23, 2021

February 26, 2021

August 27, 2021

March 26, 2021

September 24, 2021

April 23, 2021

October 22, 2021

May 28, 2021

November 19, 2021 (*third Friday*)

June 25, 2021

December 17, 2021 (*third Friday*)

Audit Committee materials are posted online at <https://www.glwater.org/financials/>

Any questions regarding this meeting notice or Audit Committee agendas may be directed to Office of the Chief Financial Officer at 313.999.4149 or to Ms. Phyllis Walsh at phyllis.walsh@glwater.org.



Welcome to the March edition of *The Procurement Pipeline*, a monthly newsletter designed to provide informative updates on doing business with the Great Lakes Water Authority (GLWA).

Business Inclusion and Diversity (B.I.D.) Program: Economic Equity and Development (Solicitation Scoring Criteria)

As a regional water authority and partner to the business community, GLWA is committed to providing economic development opportunities within the state of Michigan and the GLWA service territory in which we operate. Therefore, in addition to the [Business Inclusion & Diversity Plan](#) requirement, all solicitations budgeted at \$1 million or more will include the following scoring criteria:

- 1% - Business Presence in State of Michigan;
- 1% - Business Presence in GLWA service territory;
- 1% - Business Presence in an Economically Disadvantaged GLWA service territory.

A cumulative total of 3% points may be added to the overall bid or proposal score. In both a Request for BID (RFB) and Request for Proposal (RFP), this means that 97% out of a possible total of 100% refers to the vendor's bid or proposal, with the remaining 3% accounted for by the B.I.D. solicitation scoring criteria.

To receive these percentage points, vendors will complete and submit a B.I.D. Program Questionnaire in Bonfire indicating if they have a business presence in the above three categories. Please see the [Business Inclusion and Diversity Program Requirements](#), available on the GLWA vendor website, for a full list of the qualifying communities and counties within GLWA's service territory.

For additional information about B.I.D. Program scoring criteria, GLWA also strongly recommends that vendors attend pre-bid and pre-proposal meetings for all B.I.D. Program-qualifying solicitations.

Coronavirus Update #105: New Visitor COVID-19 Access Requirements

On March 5, 2021, GLWA issued Coronavirus Update #105 outlining New Visitor COVID-19 Access Requirements ***that will go into effect on April 5, 2021.*** The following topics are addressed in full detail in Coronavirus Update #105:

1. Visitor Access Levels;
2. New Visitor Questionnaire Requirements;
3. New Visitor Testing Requirements;
4. Badged Access Process and Approvals;
5. Non-Badged Access Process and Approvals;
6. Delivery Driver Access Process and Approvals;
7. COVID-19 Vaccines & Vendor Community
8. Visitor PPE Protocols.

Coronavirus Update #105 is located on the [GLWA vendor website](#). We thank the vendor community for their cooperation with these safety measures as we work together to maintain the health and safety of the workplace. If you have any additional questions regarding these matters, please contact [Michael Lasley](#) and [Megan Torti](#).

Where to Meet GLWA

GLWA attends vendor outreach events throughout southeast Michigan. We welcome you to join us at the following upcoming events:

- ✓ MDOT 40th Annual DBE Small Business Development Conference Zoom webinar on March 23, 2021. 8am-2pm. [Event registration link](#);
- ✓ Southwest Michigan PTAC "Coffee & Contracting" Zoom webinar on April 14, 2021. 9-9:30am. [Event registration link](#).

What's Coming Down the Pipe?

Current Solicitations: Be sure to register in [Bonfire](#) for new solicitations and contract award information. *Upcoming Procurements: Next Three to Nine Months* - See page 2

Visit GLWA online! See the Vendors page at www.glwater.org or contact us via email at procurement@glwater.org.

Upcoming Solicitations March 2021

Category	Description	Budget Estimate
Water System (next three months)		
Maintenance Services	5-Year Sludge Removal and Disposal Services at Northeast, Springwell's & Southwest Water Treatment Plant (WTPs)	\$55,000,000
Maintenance Services	Skilled Trades Contract	TBD
Engineering	North Service Center Pumping Station Improvements (CIP #132016)	\$10,000,000
Construction	Phase II – 14 Mile Transmission Loop Project (CIP #122013)	\$91,000,000
Construction	Northeast WTP Flocculator Improvements (CIP #112006)	\$11,000,000
Construction	Springwells Water Treatment Plant Medium Voltage Electrical System Replacement (CIP #114002 Project B)	\$45,000,000
Design Build	Belle Isle Seawall Rehabilitation (CIP #116005)	\$1,740,000
Wastewater System (next three months)		
Construction	Rehabilitation of Outfalls – Phase III (B-39) (CIP #260508)	\$7,000,000
Design Build	Control System Upgrade – St. Aubin, Leib, and 7 Mile CSO Facilities (CIP #360619)	\$7,000,000
Construction	Connor Creek Dike Improvements (CSO) (CIP #260621)	TBD
Design	WRRF Rehabilitation of the Circular Primary Clarifier Scum Removal System (CIP #211009)	\$2,000,000
Design Build	Baby Creek Outfall Improvements (CIP #260521) (CSO)	TBD
Design	St. Aubin Disinfection and Screening Improvements (CIP #260617) (CSO)	TBD
Construction	Generator Improvements (Controls upgrades, Generator modifications) (CIP #260600)	TBD
Study	St. Aubin CSO Facility Hydraulics Analyses (Task Order Engineering Services)	TBD
Water System (next four to nine months)		
Design Build	WTP Ovation Workstation Upgrade Project (CIP #170303)	TBD
Progressive Design Build	Lake Huron WTP Instrumentation and Filter Control Improvements (CIP #111006)	\$5,400,000
Design	Reservoir Inspection, Design, Construction Administration, and RPR Services (CIP #170802)	\$5,400,000
Wastewater System (next four to nine months)		
Maintenance	Low-Voltage Wiring	\$7,500,000
Professional Services	Virtual Tour and Laser Scanning Services	TBD
Construction	Conner Creek Flushing Improvements (Job Order Contract)	TBD
Design	Leib Screening & Disinfection Facility Improvements for Meldrum Diversion (CIP #274001) (CSO)	TBD
Design	Oakwood CSO Facility Improvements for NWI Diversion (CIP #278001) (CSO)	TBD
Design	Pilot Netting Facility Project (CIP #270001) (CSO)	TBD
Construction	Rehabilitation of CSO Outfall Backwater Gates (CIP #260510)	\$5,000,000
Construction	Hubbell Southfield CSO Basin Pipe Hanger Replacement (CIP #260600)	TBD
Construction	HAZMAT (Hazardous Material) Building Renovation	TBD
Construction	WRRF Administration Building 4 th Floor Renovation	TBD
Construction	Pump Station #1 Screenings Building HVAC Improvements (CIP #211006)	\$1,000,000
Enterprise (next four to nine months)		
Information Technology	Project Management Information System	TBD
Professional Services	Document Scanning and Management Services (WRRF, Conner Creek, Enterprise)	TBD

Vendors should continue to monitor [Bonfire](#) for solicitation updates.

Acronyms		
WRRF: Water Resource Recovery Facility	CSO: Combined Sewer Overflow	WTP: Water Treatment Plant