



Audit Committee Meeting
Friday, April 23, 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

Note: Binders 1 and 2 have been combined in agenda order and document was renumbered.

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
 - A. March 26, 2021 (Page 1)
5. PUBLIC PARTICIPATION
6. OLD BUSINESS
 - A. Proposed Extension of Water Residential Assistance Program – (Page 6)
Temporary Program Change Related to Participant Removal Due to COVID-19
7. NEW BUSINESS
 - A. Proposed Amendment to GLWA Contract CS-195 effective (Page 15)
July 1, 2021 with The Foster Group
 - B. FY 2021 2nd Quarter Budget Amendments (Page 26)
 - C. Resolution Regarding Approval of Series Ordinance Authorizing (Page 51)
Issuance and Sale of Water Supply System Revenue Bonds in an Aggregate
Amount Not to Exceed \$12,000,000 (Ordinance 2021-02)
 - D. Scheduling Public Hearings for the State Revolving Fund (SRF) (Page 76)
Project Plan Submittals for the Connors Creek Sewer System Rehabilitation
Project and the In-System Storage Device and Dam and Valve Remote
Evaluation and Rehabilitation Project
8. REPORTS
 - A. CFO Report (verbal update)
 - B. Monthly Financial Report for January 2021 (Page 85)
 - C. Business Inclusion and Diversity Program Update (Page 86)
 - D. Annual Procurement Report (Page 88)
 - E. Quarterly WRAP Report (Page 118)
9. COMMUNICATIONS
 - A. The Procurement Pipeline for April 2021 (Page 130)
10. LOOK AHEAD
 - A. Next Audit Committee Meeting: May 21, 2021 at 8:00 a.m.
11. OTHER MATTERS
12. ADJOURNMENT



Great Lakes Water Authority

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

Meeting Minutes - Draft

Audit Committee

Friday, March 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 (Parkland, Florida)

Director Quadrozzi (Beverly Hills, Michigan)

3. Approval of Agenda

Nicolette Bateson, Chief Financial Officer/Treasurer, requested to remove from the Agenda, Item 8C., Annual Procurement Report, which will be presented to the Audit Committee at its April Meeting (April 23, 2021), and that the correct document for Item 8A., CFO Report, was sent to the Committee this morning.

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

Motion By: Jaye Quadrozzi

Support: Gary Brown

Action: Approved as Amended

The motion carried unanimously.

4. Approval of Minutes

A. [2021-113](#) Minutes of February 26, 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [4A February 26, 2021 Audit Committee Meeting Minutes](#)

Chairperson Baker requested a Motion to Approve the February 26, 2021; March 8, 2021; and March 15, 2021 Audit Committee Meeting Minutes.

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Approved

The motion carried by a unanimous vote.

B. [2021-114](#) Minutes of March 8, 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [4B March 8, 2021 Special Audit Committee Meeting Minutes](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Approved

The motion carried by a unanimous vote.

C. [2021-115](#) Minutes of March 15, 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [4C March 15, 2021 Special Audit Committee Meeting Minutes](#)

Motion By: Jaye Quadrozz

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. [2021-116](#) Water Residential Assistance Program Redesign Implementation Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [6A Update WRAP Program Changes Implementation Update 3.26.2021](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

Recommended for Approval to the Board of Directors

Agenda of April 28, 2021

The motion carried by a unanimous vote.

B. [2021-117](#) Business Inclusion and Diversity Program Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [6B B.I.D. Audit Committee Update 3.26.21](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

7. New Business**A. [2021-118](#) Proposed Change Order No. 5 - GLWA CS-002 Financial Advisor**

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [7A1 Proposed Change Order No. 5 Contract GLWA-CS-002](#)
[7A2 Board Letter- Proposed Change Order No. 5 GLWA-CS-002](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Recommended for Approval to the Board of Directors

Agenda of April 28, 2021

The motion carried by a unanimous vote.

8. Reports

A. [2021-076](#) CFO Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8A1 CFO Update](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

B. [2021-119](#) December 2020 Financial Report

Sponsors: Nicolette Bateson

Indexes: Finance

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

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

D. [2021-121](#) FY 2021 Q2 Construction Work-in-Progress Report through December 31, 2020 (Unaudited)

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8D Quarterly CWIP Report FY 2021 Q2](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

E. [2021-073](#) Gifts, Grants & Other Resources Report through February 28, 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8E Gifts, Grants & Other Resources Report](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

9. Communications

A. [2021-123](#) Correction to Audit Committee FY 2021 Meeting Schedule

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [9A Correction-Audit Committee FY 2021 Meeting Schedule May 28, 2021](#)

Nicolette Bateson, Chief Financial Officer/Treasurer, stated that the 2021 Audit Committee Meeting Schedule that was approved by the Committee has an erroneous meeting date of May 21, 2021; however, in accordance with the standard schedule of the 4th Friday of each month, the correct meeting date should be May 28, 2021.

Chairperson Baker requested that the May 21, 2021 meeting date stands and that no correction is made.

With the Committee's consent, the May 2021 Audit Committee Meeting will be held on Friday, May 21, 2021, at 8:00 a.m., pursuant to the approved 2021 Meeting Schedule.

B. [2021-124](#) The Procurement Pipeline for March 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [9B March 2021 Procurement Pipeline](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

10. Look Ahead

The next Audit Committee Meeting is scheduled for Friday, April 23, 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: 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 9:38 a.m.



Financial Services Audit Committee Communication

Date: April 23, 2021

To: Great Lakes Water Authority Audit Committee

From: Jon Wheatley, Public Finance Manager

Re: Proposed Extension of Water Residential Assistance Program – Temporary Program Change Related to Participant Removal Due to COVID-19

Background: Water Residential Assistance Program (“WRAP”) provides sustainable funding for qualifying low-income residents served by the Great Lakes Water Authority’s (“GLWA”) customers. The program is currently funded by GLWA at an amount equal to 0.5 percent of budgeted revenues with the budgeted FY 2021 funding level of \$6.1 million combined for water and sewer services. The program is administered by Wayne Metro Community Action Agency (“Wayne Metro”), a nonprofit agency.

The current program design requires that a participant is removed from WRAP if they do not stay current on their payments. If they are removed from the program they can re-enroll in the program after six months.

Analysis: In an effort to keep WRAP participants that have experienced a loss in income due to the COVID-19 pandemic in the program, Wayne Metro is recommending an extension of the temporary exception in WRAP ongoing eligibility criteria through June 30, 2021 as discussed in the included letter dated March 15, 2021.

At its meeting on October 28, 2020, the GLWA Board of Directors approved Wayne Metro’s previous recommendation to temporarily allow program participants who are unable to make monthly payments on time to remain in the WRAP program if participants demonstrate a significant loss of income or inability to make a timely payment due to COVID-19 and that participants will still be eligible to receive monthly bill credits and arrears payments if applicable until December 31, 2020.

On December 22, 2020 the State of Michigan passed Public Act 252 of 2020 (Water Shutoff Restoration Act, also included with this memo), which extended the shutoff moratorium to March 31, 2021. This temporary period has expired and during the weeks following, WRAP participants have not been removed from the program if they have missed payments, pending a decision from GLWA on this extension request. Based on recent experience in

Wayne County, almost a thousand households have missed a payment and are at risk of being removed from WRAP.

Budget Impact: None.

Proposed Action: The GLWA Audit Committee recommends that the GLWA Board of Directors approve the extension of the temporary Water Residential Assistance Program change to 1) temporarily allow program participants who are unable to make monthly payments on time to remain in the WRAP program provided that participants demonstrate a significant loss of income or inability to make a timely payment due to COVID-19; and 2) participants will still be eligible to receive monthly bill credits and arrears payments if applicable until June 30, 2021.

..Title

Water Residential Assistance Program- Extension of Temporary Program Change Related to Participant Removal Due to COVID-19

..Body

Agenda of: April 28, 2021

Item No.: **2021-**

Amount: N/A

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: April 23, 2021

RE: Water Residential Assistance Program- Extension of Temporary Program Change Related to Participant Removal Due to COVID-19

MOTION

Upon recommendation of Sue McCormick, Chief Executive Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **approves the extension of the temporary Water Residential Assistance Program change to 1) temporarily allow program participants who are unable to make monthly payments on time to remain in the WRAP program provided that participants demonstrate a significant loss of income or inability to make a timely payment due to COVID-19; and 2) participants will still be eligible to receive monthly bill credits and arrears payments if applicable, until June 30, 2021,** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Water Residential Assistance Program (“WRAP”) provides sustainable funding for qualifying low-income residents served by the Great Lakes Water Authority’s (“GLWA”) customers.

The program is currently funded by GLWA at an amount equal to 0.5 percent of budgeted revenues with the budgeted FY 2021 funding level of \$6.1 million combined for water and sewer services.

The scope of funding uses includes a) payment assistance and b) water audit and water conservation measures. Eligible residential customers with a past due bill and/or who are in active shut off can receive assistance with paying down arrears and receive \$25 toward monthly bill payment assistance annually up to \$1,000. High volume water users can receive a one-time home audit and home water conservation services of an average \$1,500 per household. To participate in WRAP, an applicant must have household gross incomes at or below 200% of the federal poverty income thresholds. Customers with water usage at or above 120% of the average residential usage are eligible to participate in a water audit and install water conservation measures. WRAP participants are also encouraged to participate in both financial coaching and water conservation workshops as well as other support services. The program is administered by Wayne Metro Community Action Agency ("Wayne Metro"), a nonprofit agency.

The current program design requires that a participant is removed from WRAP if they do not stay current on their payments. If they are removed from the program they can re-enroll in the program after six months.

JUSTIFICATION

In an effort to keep WRAP participants that have experienced a loss in income due to the COVID-19 pandemic in the program, Wayne Metro is recommending an extension of the temporary exception in WRAP ongoing eligibility criteria through June 30, 2021 as discussed in the included letter dated March 15, 2021..

At its meeting on October 28, 2020, the GLWA Board of Directors approved Wayne Metro's previous recommendation to temporarily allow program participants who are unable to make monthly payments on time to remain in the WRAP program if participants demonstrate a significant loss of income or inability to make a timely payment due to COVID-19 and that participants will still be eligible to receive monthly bill credits and arrears payments if applicable until December 31, 2020.

On December 22, 2020 the State of Michigan passed Public Act 252 of 2020 (Water Shutoff Restoration Act), which extended the shutoff moratorium to March 31, 2021. This temporary period has expired and during the weeks following, WRAP participants have not been removed from the program if they have missed payments, pending a decision from GLWA on this extension request. Based on recent experience in Wayne County,

almost a thousand households have missed a payment and are at risk of being removed from WRAP.

BUDGET IMPACT

None

COMMITTEE REVIEW

This matter was reviewed by the GLWA Audit Committee at its meeting on April 23, 2021. The Audit Committee [insert action] recommended that the GLWA Board of Directors approve the extension of the temporary Water Residential Assistance Program change to 1) temporarily allow program participants who are unable to make monthly payments on time to remain in the WRAP program provided that participants demonstrate a significant loss of income or inability to make a timely payment due to COVID-19; and 2) participants will still be eligible to receive monthly bill credits and arrears payments if applicable until June 30, 2021.



Macomb
Community
Action



March 15, 2021

Great Lakes Water Authority & Chief Executive Officer
500 Randolph, 19th Floor
Detroit, MI 48202

RE: Recommended Temporary WRAP Program Design Changes in response to COVID-19

Dear GLWA Board of Directors and Sue McCormick:

Community Action Agencies in collaboration with America's anti-poverty network, carry out a shared promise to empower people and communities to be strong, healthy, and thriving. Through Wayne Metro's WRAP Program, The Community Action Alliance for Southeast Michigan is continuing to service Great Lakes Water Authority (GLWA) customers by offering financial assistance to thousands of residents in an effort to prevent water service shut offs.

WRAP continues to have a significant and positive impact on communities, however, a growing number of households have experienced significant losses in income due to the ongoing Coronavirus pandemic. The pandemic has left thousands of households without income, awaiting Unemployment Insurance Assistance, struggling with rent and mortgage payments, unable to make timely utility and water payments, and maintain food security for themselves and their children.

While the current moratorium prevents water shut offs, many WRAP households are unable to make monthly payments, and are disproportionately impacted due to systemic poverty. At the end of the moratorium, for a large number of households who may have larger balances on their water bill due to non-payment, adverse action during their current WRAP enrollment may negatively impact enrollment status in the future. In an effort to further assist households, **Wayne Metro recommends a temporary exception in WRAP ongoing eligibility criteria through June 30.** Wayne Metro respectfully requests that GLWA Board of Directors:

1. To temporarily allow program participants who are unable to make monthly payments on time to remain in the WRAP Program.

- a. Participants must demonstrate a significant loss of income or inability to make a timely payment due to COVID-19.
- b. Participants will still be eligible to receive monthly bill credits and arrears payments if applicable.

In advocating for these temporary program changes, it is worth noting that program removal may be detrimental and therefore would not be recommended. The temporary change to the program through the end of the current moratorium and Executive Order would be beneficial to all communities, and will also benefit 955 participating families residing within Wayne County.

Sincerely,

A handwritten signature in black ink, appearing to read "Louis D. Piszker". The signature is fluid and cursive, with the first name "Louis" and last name "Piszker" clearly distinguishable.

Louis D. Piszker
Chief Executive Officer

***** *Act 252 of 2020 THIS ACT IS REPEALED BY ACT 252 of 2020 EFFECTIVE MARCH 31, 2021: See 460.1356* *****

WATER SHUTOFF RESTORATION ACT
Act 252 of 2020

AN ACT to prescribe the powers and duties of public water suppliers in this state; to prescribe the powers and duties of certain state and local officers and entities; to require certain reporting requirements by public water suppliers; and to repeal acts and parts of acts.

History: 2020, Act 252, Imd. Eff. Dec. 22, 2020.

The People of the State of Michigan enact:

***** *460.1351 THIS SECTION IS REPEALED BY ACT 252 of 2020 EFFECTIVE MARCH 31, 2021: See 460.1356* *****

460.1351 Short title.

Sec. 1. This act shall be known and may be cited as the "water shutoff restoration act".

History: 2020, Act 252, Imd. Eff. Dec. 22, 2020.

***** *460.1352 THIS SECTION IS REPEALED BY ACT 252 of 2020 EFFECTIVE MARCH 31, 2021: See 460.1356* *****

460.1352 Definitions.

Sec. 2. As used in this act:

(a) "Public water supply" means that term as defined in section 2 of the safe drinking water act, 1976 PA 399, MCL 325.1002.

(b) "Service area" means the area for which a public water supply collects payment for water service.

History: 2020, Act 252, Imd. Eff. Dec. 22, 2020.

***** *460.1353 THIS SECTION IS REPEALED BY ACT 252 of 2020 EFFECTIVE MARCH 31, 2021: See 460.1356* *****

460.1353 Public water supply; shut off prohibited for nonpayment; restoration required.

Sec. 3. (1) A public water supply shall not shut off water service to any occupied residence due to nonpayment. A public water supply must restore water service to any occupied residence where water service has been shut off due to nonpayment as long as the public water service does not have reason to believe that reconnection would create a risk to the public health due to an improper cross connection. To facilitate the restoration of water service, a public water supply must immediately make best efforts to determine those occupied residences within their service areas that do not have water service.

(2) If a public water supply determines that any occupied residence within its service area has had water shut off for any reason other than nonpayment, or that reconnection would create a risk to public health due to an improper cross connection, the public water supply must make best efforts to remedy these conditions and restore water service to those occupied residences as soon as possible.

History: 2020, Act 252, Imd. Eff. Dec. 22, 2020.

***** *460.1354 THIS SECTION IS REPEALED BY ACT 252 of 2020 EFFECTIVE MARCH 31, 2021: See 460.1356* *****

460.1354 Utilization of water shutoffs; report to State of Michigan Emergency Operations Center.

Sec. 4. Any public water supply that has used water shutoffs as a remedy for nonpayment within the year preceding the effective date of this act and that has not submitted a report to the State of Michigan Emergency Operations Center before the effective date of this act that meets all of the following requirements must submit a supplemental report to the State of Michigan Emergency Operations Center every 30 days until the public water supply submits a report that meets all of the following requirements:

(a) An account of the efforts that have been made to determine those occupied residences within the public water supply's service area that do not have water service.

(b) The number of occupied residences within the public water supply's service area that do not have water

service as a result of nonpayment.

(c) The number of occupied residences within the public water supply's service area that do not have water service as a result of any reason other than nonpayment.

(d) A certification, if true, of all of the following:

(i) That best efforts have been exercised to determine those occupied residences within the service area that do not have water service.

(ii) That to the best of the public water supply's knowledge no occupied residences have their water service shut off due to nonpayment.

(iii) That the public water supply has reconnected water service for all occupied residences that can be reconnected without creating a potential risk to public health.

(iv) That the public water supply has exercised best efforts to remedy the conditions that prevent reconnection due to a risk to public health.

History: 2020, Act 252, Imd. Eff. Dec. 22, 2020.

***** 460.1355 THIS SECTION IS REPEALED BY ACT 252 of 2020 EFFECTIVE MARCH 31, 2021: See 460.1356 *****

460.1355 Abrogation of rights and obligations.

Sec. 5. This act does not abrogate the obligation of a resident to pay for water, prevent a public water supply from charging any customer for water service, or reduce the amount a resident may owe a public water supply.

History: 2020, Act 252, Imd. Eff. Dec. 22, 2020.

***** 460.1356 THIS SECTION IS REPEALED BY ACT 252 of 2020 EFFECTIVE MARCH 31, 2021: See 460.1356 *****

460.1356 Repeal of act.

Sec. 6. This act is repealed effective March 31, 2021.

History: 2020, Act 252, Imd. Eff. Dec. 22, 2020.



Financial Services Audit Committee Communication

Date: April 23, 2021

To: Great Lakes Water Authority Audit Committee

From: Nicolette Bateson, Chief Financial Officer & Treasurer

Re: Proposed Amendment to GLWA Contract CS-195 effective July 1, 2021 with
The Foster Group

Background: See attached draft Great Lakes Water Authority (GLWA) Board action item letter.

Analysis: See attached draft GLWA Board action item letter.

Proposed Action: Recommend that the Great Lakes Water Authority Board approve a Proposed Amendment to GLWA Contract CS-195 effective July 1, 2021 with The Foster Group for Annual Financial Management Consulting at a not-to-exceed amount of \$950,000 for a two-year contract, and for task order Bond Transaction System Consultant Services not-to-exceed \$550,000.



Board of Directors
735 Randolph Street, Suite 1900
Detroit, Michigan 48226
(313) 224-4785

..Title

Proposed Amendment to GLWA Contract CS-195 effective July 1, 2021 with The Foster Group for Annual Financial Management Consulting at a not-to-exceed amount of \$950,000 for a two-year contract, and for task order Bond Transaction System Consultant Services not-to-exceed \$550,000

..Body

Agenda of: April 28, 2021

Item No.: **2021-_____**

Amount: N/A

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: April 28, 2021

RE: Proposed Amendment to GLWA Contract CS-195 effective July 1, 2021 with The Foster Group for Annual Financial Management Consulting at a not-to-exceed amount of \$950,000 for a two-year contract, and for task order Bond Transaction System Consultant Services not-to-exceed \$550,000

MOTION

Upon recommendation of Nicolette Bateson, Chief Financial Officer/Treasurer, the Great Lakes Water Authority Board authorizes the Chief Executive Officer (CEO) to **enter into Contract No. CS-195 effective July 1, 2021 with The Foster Group for Annual Financial Management Consulting at a not-to-exceed amount of \$950,000 for a two-year contract, and for task order Bond Transaction System Consultant Services not-to-exceed \$550,000**, and also authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The current fixed fee, fixed cost contract with The Foster Group expires June 30, 2021. The Foster Group provides critical services including:

- ✓ Member Partner outreach,
- ✓ Annual cost of service study,
- ✓ Highly technical as needed analysis,
- ✓ Charge methodology strategic services to support Planning Group efforts,
- ✓ Financial management coordination and assistance for GLWA and DWSD,
- ✓ Resource for General Counsel, and
- ✓ Long-term financial planning support to the Great Lakes Water Authority (GLWA).

In addition to core tasks, there are several open GLWA initiatives that depend on The Foster Group's services. These are outlined in the attached proposal from The Foster Group. Most notably, is the comprehensive review of the water charges methodology.

This proposed procurement is considered a specialized procurement as defined by the GLWA Procurement Policy as *"a procurement in which there may be multiple sources of supply, but one Vendor possesses the unique ability or capability to meet the particular requirements of the Solicitation and/or where a unique expertise is provided by a Vendor that is unattainable in the market in a competitive environment"*.

JUSTIFICATION

The GLWA Board is being asked to consider a renewal of The Foster Group contract at this time to carry forward these critical tasks without disruption. For that reason, The Foster Group has been asked to provide a detailed proposal (attached) for the next two years. The proposal expands further on many of the key initiatives noted above.

The proposed fee is a fixed annual fee paid on a pro-rata monthly lump sum basis which includes all expenses. In GLWA's form of contract, either party can initiate the discussion to modify to the scope of services and related fees.

Based on the level of monthly reporting of tasks completed, The Foster Group contract provides a good value to GLWA. This is supported by analysis by GLWA for competitive pricing secured from two recent procurements that draw upon a similar level of expertise. In addition, the proposed Annual Financial Management contract fee reflects a 5% reduction from the current annual fee and a 25% reduction from the annual fee charged in FY 2018, which was the first year of CS-195.

It should be noted that GLWA has transitioned some of the work in-house which was previously performed by The Foster Group – and will continue to do so to the extent possible. Given the expert level of service provided, however, it is envisioned that future state beyond this two-year time period will rely upon separate procurements for charges consulting, system consultant services for bond transactions, and possible strategic financial consulting services as the compensation level for this expertise provides a recruitment challenge.

BUDGET IMPACT

The proposed Foster Group contract amendment is divided equally between the Financial Planning & Analysis Group FP&A (Contractual Professional Services line 5910-884113.000-617903-WS7900) and the Public Finance Group (Public Finance Consulting Services 5910-884141.000-617903-WS7900) in the Financial Services Area.

COMMITTEE REVIEW

The Audit Committee is reviewing this matter at its meeting on April 23, 2021.

SHARED SERVICES IMPACT

The extent to which DWSD will utilize The Foster Group's services is undetermined. If required by the SRF program for a transaction, the fees would be a pass-through cost based on the attached proposal and at the same rate as prior years. DWSD also pays a pro rata share of fees for revenue bonds on their behalf. This is also a pass-through cost. There is no charge for services related to financial coordination between the two entities.

TFG
THE FOSTER GROUP

12719 WENONGA LANE
LEAWOOD, KS 66225
TEL: (913) 345-1410

THE FOSTER GROUP, LLC
BART FOSTER, PRESIDENT
CELL: (913) 530-6240
BFOSTER@FOSTERGROUPLLC.COM

April 21, 2021

Ms. Nicolette Bateson
Chief Financial Officer
Great Lakes Water Authority
735 Randolph Street
Detroit, Michigan 48226

Dear Ms. Bateson:

In accordance with your direction, we have prepared this brief summary report regarding the status of the business consulting services being provided to GLWA by THE FOSTER GROUP via GLWA Contract CS-195, and to outline a possible work plan for such services in the coming years. Our current engagement is funded by Amendment No. 3 to CS-195, and covers consulting services during GLWA FY 2021. Services under this contract are separated into two major categories: Annual Financial Management Consulting, designed to support annual budget development, cost of service analysis, charge setting, support of GLWA's customer outreach program, and related activities; and System Consultant Services, designed to support the Authority's issuance of revenue bonds and related financing instruments. The discussion that follows addresses consulting services for both of these categories.

Annual Financial Management Consulting

Fees for FY 2021 services in this category (under Amendment No. 3 to CS-195) are fixed at \$500,000. We note that annual fees for these services have been gradually reduced over the past several years, and totaled \$750,000 as recently as FY 2016. The fees for FY 2021 are the same as those in FYs 2019 and 2020, and reflect a 20% reduction from FY 2018. The reduction in consulting fees has coincided with the Authority's development of internal resources to perform many of the services previously provided under predecessor consulting contracts. This transition has been strategic, and is ongoing.

Over the past two years and 9 months under the current funding level, the reduction in our level of effort on this category compared to prior years has not matched the comparable level of fee reduction. We continue to streamline activities related to budget development and accounting review tasks, and more of the analyses and tasks that we traditionally conducted in prior years are now being executed by GLWA financial staff. In this respect the anticipated level of transition is being successfully executed. However, the GLWA "transition mode" continues to evolve and other areas of requested assistance under this engagement have grown and are requiring unprecedented and unanticipated levels of consulting effort. A small sample of these assignments include extraordinary levels of consultation designed to:

Ms. Nicolette Bateson

April 21, 2021

Page 2

- Address unanticipated, extended review of, and adjustments to, originally proposed annual budget, cost of service, and service charge recommendations;
- Explore and establish potential modifications to the wastewater and water charge methodologies;
 - ***The review of the wastewater charge methodology, and the development of the modified methodology and SHARES via the outreach work groups (including the leadership role the “Think Tank”) and related activities required significantly more consulting assistance than originally anticipated when the original scope of the current engagement was established.***
- Support continued development of internal tools and processes designed to facilitate transition of financial analysis tasks to internal resources;
- Provide continued leadership and support of the GLWA customer outreach program, which continues to evolve during the transition.

While progress is being made on several of these initiatives, we respectfully suggest that much work remains to establish a steady state GLWA organization. Further, we humbly submit that that our consulting assistance is essential to achieving this goal. While much has been accomplished, much work remains. We envision that our continuing consulting assistance in the upcoming GLWA FY 2022 will focus on:

- Participation in the Water Charge Methodology review via the customer outreach process;
 - ***It is likely that this review will require a similar, if not expanded, level of effort as the recently completed for the Wastewater Charge Methodology review.***
- Continued assistance in standing up the GLWA finance organization as it incorporates new programs and systems;
- Continued leadership and support of the GLWA customer outreach program, specifically related to the efforts to review cost of service allocation and charge methodologies;
- Preparation of revenue requirements, cost of service allocations, and charge development studies for FY 2023.
 - ***This is the core element of our engagement, but as noted above, does not begin to constitute the full nature of our services.***

In short, we are not engaged as a “charges consultant” to GLWA. Rather, the services we have provided in recent years have focused on serving as a valued business advisor on multiple fronts. We believe that the Authority would be well served by continuing this relationship, while also continuing to focus the structure of our arrangement towards more strategic services, and away from the detailed tasks conducted in prior years. The hallmark of our practice has always been that we provide more value delivering our consulting services than the cost of the associated fees. We pride ourselves on always accomplishing this objective, and we are not interested in pursuing engagements that don’t fit that premise.

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System Consultant Services

Fees for services in this category are funded from the transactions they are designed to support, and are not formally included in the change order funding level in the contract. The contract currently contains a “not to exceed” fee per transaction of \$100,000 per revenue bond transaction and \$15,000 per transaction for financings issued through the State of Michigan Municipal Financing Authority, such as SRF transactions. The funding in this category has been completely extinguished.

We submit that our consulting assistance in this category has been an essential contribution to GLWA’s remarkably successful inaugural bond sales over the past two years. We believe we are well situated to continue provide these services in a manner that adds remarkable value to future transactions.

Proposal for FY 2022 and FY 2023

The intent of this proposal is to establish a mechanism to provide funding for continued consulting services through FY 2023. As noted above, as GLWA continues to mature and develop additional internal financial planning and management resources, the organization’s need for our services will continue to naturally wane. The proposed scope of services set forth herein continues to recognize that strategic transition. The work plan outlined in this proposal is designed to provide consulting services in support of:

- Financial planning, monitoring, cost of service studies, and charge development activities in support of the FY 2023 and FY 2024 Budgets, Financial Plans, cost of service allocations, and development of supporting wholesale service charges;
- Related implementation assistance, including consultation on GLWA/DWSD coordination matters;
- Support of GLWA’s customer outreach program, including provision of leadership positions on several work groups of the GLWA One Water Partnership Agreement;
- System Consultant services in support of GLWA’s issuance of revenue bonds and related financing vehicles.

The basic scope of services summarized herein has been crafted with the understanding that they be similar in nature to those set forth in CS-195 and prior agreements.

Based on our experience with studies of a similar nature for GLWA and other major municipal clients, and several conversations with key representatives of the GLWA leadership team, we have developed a detailed work plan for the proposed consulting services. This work plan is designed to result in comprehensive, high quality consulting services and deliverables. We are uniquely qualified to provide the services desired by GLWA, having been directly involved with the organization’s annual financial planning process for the last 35 years.

Executive Summary Work Plan

Six general categories of analyses are necessary to carry out the objectives of the annual financial management and charge design consulting services, as summarized by the task descriptions below. In addition, we have included two customer outreach tasks – one for Water and one for Sewer. Finally, we have provided a task to support System Consultant services on an as needed basis. We are prepared to provide a more detailed work plan for these services as necessary.

1. **Operating and Capital Budget Development** - THE FOSTER GROUP will assist GLWA in the development of operating budgets and capital improvement programs, including analyses to incorporate DWSD retail budget and capital improvement programs, and to present budgetary information in a manner suitable for discussions with stakeholders.
2. **Review of Accounting Records** - THE FOSTER GROUP will perform detailed analytical reviews of GLWA's accounting records, to facilitate development of financial plans, cost of service allocations and charge designs, and to provide interpretive commentary on the overall adequacy and accuracy of the statements.
3. **Design of Financing Plans** - THE FOSTER GROUP will develop alternative 10-year operating and capital financing plans for the water and sewer utilities, strategize with Authority management on the most appropriate depiction, and formalize such analyses as the “plan of record” for the Authority.
4. **Cost of Service Allocations** - THE FOSTER GROUP will allocate the annual cost of providing utility service to individual customers and customer classes. This element will include detailed reviews of new technical data gathered to indicate relative use of the water and sewer systems, application of industry standards and agreed upon methodologies, and incorporation of new initiatives being discussed at various stakeholder work groups. This element will include updates of demands placed on the water system by individual customer communities and classes, and updates of relative customer wastewater contributions and other technical data to compute “SHAREs”.
5. **Charge Design** - THE FOSTER GROUP will design schedules of water and sewer service charges that recover the total annual revenue requirements from utility customers in an equitable, defensible manner and in accordance with applicable policies, statutes, regulations, and agreements.
6. **Implementation Assistance** - THE FOSTER GROUP will assist GLWA in its preparation of all material necessary to implement the proposed water and sewer charges, and to carry out and monitor GLWA's financial plans. This assistance will include development of notification material, drafting of ordinances and other documents, and presentations to interested stakeholders at the Authority's direction. This task will also include ongoing monitoring throughout the year to address charge related issues that arise, including briefing sessions with GLWA management and attendance of Board meetings, workshops, and subcommittee meetings, and support of interagency meetings with DWSD representatives and related stakeholders.
7. **Sewer Customer Outreach Program Support** - THE FOSTER GROUP will assist the Authority in the Sewer Customer Outreach activities by attending and presenting materials on behalf of the Authority at several committees and work groups, including the One Water

Partnership, the Wastewater Charges Work Group, the Wastewater Analytics Task Force, etc. THE FOSTER GROUP has been a vital resource to the success of this initiative and the individual work groups, and it is anticipated that the committees and work groups will continue to function in their current forms. Key elements of this task are anticipated to include strategic consultation regarding the continued implementation of the new, simplified Wastewater Charge Methodology, assistance with development and implementation of the next version of the Long Term CSO Control Plan, and continued leadership role in discussions on wastewater financial and charge matters with Member Partner representatives.

8. **Water Customer Outreach Program Support** - THE FOSTER GROUP will assist the Authority in the Water Customer Outreach activities by continuing to play a key membership role in the One Water Partnership and all of its work groups, including the Analytical Work Group, the Water Charges Work Group, etc. THE FOSTER GROUP was critical to the vision, development, and implementation of the model contract and the associated water charge platform. It is envisioned that subsequent efforts will focus on the planned comprehensive review of the water charge methodology, strategic planning with respect to consultation on studies being conducted to evaluate units of service, ongoing development and presentation of material illustrating the Authority's financial planning, cost allocation and service charge practices, and continued leadership role in discussions on water financial and charge matters with Member Partner representatives
9. **System Consultant Services** - THE FOSTER GROUP will serve as the Authority's System Consultant to support its issuance of revenue bonds and related financing instruments. These services have traditionally consisted of two separate levels of consulting based on the type of transaction. For "regular" revenue bonds issued to finance capital improvements and/or refinance outstanding revenue bonds, we have been engaged to provide a financial feasibility report, complete with updated five-year financial projections, certification of compliance with the Additional Bonds Test, and related implementation assistance. On other occasions, including support of issuance of Junior Lien Bonds through the State Revolving Fund, our services have been limited to certification of compliance with the Additional Bonds Test and related, less comprehensive analytical assistance. We suggest maintaining the same arrangement, as noted in the Proposed Fee section below.

Schedule

At your direction, the work plan outlined in this proposal is designed to provide for consulting services for GLWA Fiscal Years 2022 and 2023, to support development of the FY 2023 and FY 2024 water and sewer charges. As such, we suggest a contract start date of July 1, 2021 and a contract termination date of June 30, 2023.

Resources

In addition to members, employees, and contract employees, THE FOSTER GROUP maintains cooperative arrangements with several other professional service firms, large and small, to facilitate effective delivery of a wide variety of specialized consultative services. These entities are available to provide additional technical assistance on a subcontract basis, as needed.

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Proposed Fees

Our proposed fees for the consulting services set forth herein are summarized below.

Annual Financial Management Consulting

Under CS-195, fees for Annual Financial Management Consulting services during the four years covered by the contract totaled \$2,125,000. Annual fees were \$625,000 for FY 2018 and were reduced to \$500,000 for FY 2019 recognizing the anticipated strategic transition away from consulting services provided by THE FOSTER GROUP. While the transition, and the accompanying gradual reduction in requested consulting services, has been initiated – it has not materialized at the same pace anticipated when the original agreement for CS-195 was established. We did not seek to return the annual fee to the original FY 2018 level and maintained it for FYs 2020 and 2021. The level of consulting services requested of THE FOSTER GROUP by the Authority has continued to exceed that envisioned when the funding for CS-195 was established. Having said that, the original annual fee included estimated direct expense related to travel and meeting attendance – and with the Authority’s commitment (in the short term) to virtual meetings certain efficiencies have been realized. We remain committed to the desired transition, and have established an estimated level of consulting services that maintains the existing annual fee for proposed services provided during FY 2022 and FY 2023, while recognizing the potential savings mentioned above. We propose to continue to invoice for these services in fixed monthly amounts.

<u>Item</u>	<u>Fee Estimate</u>
Annual Financial Management Consulting – FY 2022	\$475,000
Annual Financial Management Consulting – FY 2023	<u>\$475,000</u>
Total – Financial Management Consulting	\$950,000

System Consultant Services – Related to Specific Bond Transactions

We suggest that fees for services in this category be consistent with our current agreement. The contract currently contains a “not to exceed” fee per transaction of \$100,000 per revenue bond transaction. CS-195 originally contained funding for \$15,000 per transaction for financings issued through the State of Michigan Municipal Financing Authority (“MFA”), such as SRF transactions. Last month we submitted a proposal to address two additional SRF transactions planned during FY 2021 that not covered by CS-195. In that proposal we identified that, due to efficiencies we’ve been able to establish via concurrent financial consulting services, we are able to propose a lower “per transaction” fee of \$12,500 for such services. We are prepared to honor that fee per transaction in this proposal for FY 2022 and FY 2023.

We are aware that GLWA is exploring additional capital financing vehicles that may be made available via various programs partially sponsored by the Federal and State governments. While it is difficult to envision the level of “System Consultant” services that may be required to support such transactions, it is likely that securing these transactions will require a level of effort that is somewhere between “open market” revenue bond transactions and traditional MFA transactions. As noted below, we suggest establishing an allowance for such transactions

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in the amount of \$100,000 for the duration of this proposed contract = subject to review and adjustment as developments require.

Any such services in this category will only be initiated and invoices will only be produced at the direction of GLWA via separate task order for each transaction, as transactions are identified and specific services are requested, along with agreed upon fees for each task. We note that fees for these consulting services are funded via issuance expenses of the specific transactions, and not through normal operating expense budgets.

Again, it is difficult to fully anticipate the number and type of transactions that may occur during FY 2022 and FY 2023. The fee estimate below is based on our understanding of the current debt issuance plan for GLWA, which includes:

- Issuance of two (one Water, one Sewer) new money revenue bond transactions during FY 2023. Totaling \$200,000;
- Issuance of 11 SRF transactions during FY 2022, totaling 137,500;
- An allowance for 9 SRF transactions during FY 2023, totaling 112,500;
- An allowance of \$100,000 for other transactions that may emerge from new financing vehicles.

Item

System Consultant Services

Fee Estimate

\$550,000

Of course if the Authority's current plans regarding debt issuance change, the estimated fees would change as well.

We sincerely appreciate this opportunity to be of continued service to the Authority. If you have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,

THE FOSTER GROUP



Bart Foster
President



Financial Services Audit Committee Communication

Date: April 23, 2021

To: Great Lakes Water Authority Audit Committee

From: Lisa L. Mancini, Financial Planning & Analysis Manager

Re: FY 2021 Second Quarter Budget Amendments through December 31, 2020 and Proposed Budget Amendment Resolution

Background: In accordance with the budget amendment policy, articles, and by-laws for the Great Lakes Water Authority, a quarterly budget amendment report is presented for review by the Audit Committee. If budget amendments are required at the appropriation level as defined by the corresponding fiscal year budget adoption resolution, the Audit Committee will review the proposed budget amendments and forward to the Board of Directors with a recommendation.

Analysis: The budget amendment report is organized in the following manner.

1. Appropriation Level - Revenue Requirement - Water and Sewer Systems

- a. Supplemental Information - Fund Level - Water System and Sewer System*
- b. Supplemental Information - Enterprise-wide Core Groups*
- c. Supplemental Information - Enterprise-wide Operations & Maintenance Account Type*
- d. Supplemental Information - Enterprise-wide Operations & Maintenance Department and Account Level Amendments (see Addendum)*

2. Appropriation Level – Improvement & Extension Fund – Water and Sewer Systems

3. Appropriation Level – Construction Bond Fund – Water and Sewer Systems

A budget amendment resolution reflecting the budget amendments is also attached.

Proposed Action: The Audit Committee recommends that the Board of Directors for the Great Lakes Water Authority adopt the proposed budget resolution for the second quarter FY 2021 budget amendment.



Appropriation Level - Revenue Requirement – Water System General Operating

Water System	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget	FY 2021 Activity Thru 1/31/2021
Revenues					
Suburban Wholesale Customer Charges	\$ 314,252,200	\$ (1,118,600)	\$ -	\$ 313,133,600	\$ 188,475,100
Retail Service Charges	22,555,400	(629,900)	-	21,925,500	12,921,100
Investment Earnings	4,834,400	(3,564,800)	2,686,100	3,955,700	2,856,500
Other Revenues	-	-	229,000	229,000	161,300
Total Revenues	\$ 341,642,000	\$ (5,313,300)	\$ 2,915,100	\$ 339,243,800	\$ 204,414,000
Revenue Requirements					
Operations & Maintenance Expense	\$ 137,127,300	\$ (3,000,000)	\$ -	\$ 134,127,300	\$ 74,903,100
General Retirement System Legacy Pension	6,048,000	-	-	6,048,000	3,528,000
Debt Service	143,189,900	(5,753,900)	-	137,436,000	81,182,900
General Retirement System Accelerated Pension	6,268,300	-	-	6,268,300	3,656,500
Extraordinary Repair & Replacement Deposit	-	-	-	-	-
Water Residential Assistance Program Contribution	1,669,400	-	-	1,669,400	973,800
Lease Payment	22,500,000	-	-	22,500,000	13,125,000
Operating Reserve Deposit	876,600	(876,600)	-	-	-
DWSD Budget Shortfall Pending	-	-	-	-	(557,700)
Improvement & Extension Fund Transfer Pending	23,962,500	4,317,200	2,915,100	31,194,800	16,496,500
Total Revenue Requirements	\$ 341,642,000	\$ (5,313,300)	\$ 2,915,100	\$ 339,243,800	\$ 193,308,100



Appropriation Level – Revenue Requirement – Water System General Operating Budget Amendment Explanation	
Revenues	
Suburban Wholesale Customer Charges	<i>No budget amendment is required.</i>
Retail Services Charges	<i>No budget amendment is required.</i>
Investment Earnings	<i>The increase in the investment income is due to investments made prior to the pandemic maturing at interest rates that are higher than the current market environment. The budget amendment aligns investment income to levels reported in the quarterly investment reports.</i>
Other Revenues	<i>The budget amendment proposed is based on activity to date. This source of revenue fluctuates from year to year.</i>
Revenue Requirements (Expenditures)	
Operations & Maintenance Expense	<i>No budget amendment is required.</i>
General Retirement System Legacy Pension	<i>No budget amendment is required. Budget and funding are on a fixed schedule.</i>
Debt Service	<i>No budget amendment is required.</i>
General Retirement System Legacy Pension – Accelerated Payment	<i>No budget amendment is required. Budget and funding are on a fixed schedule.</i>
Extraordinary Repair & Replacement	<i>No budget amendment is required. This is a formulaic requirement in the Master Bond Ordinance. Based on adopted and amended budget, no adjustment is required.</i>
Water Residential Assistance Program Contribution	<i>No budget amendment is required. Budget is fixed at time of budget adoption.</i>
Lease Payment	<i>No budget amendment is required. Lease payment is established in accordance with terms of the lease.</i>
Operating Reserve Deposit	<i>Based on further review and analysis, this operating reserve is no longer required.</i>



Appropriation Level – Revenue Requirement – Water System General Operating Budget Amendment Explanation	
DWSD Budget Shortfall Pending	<i>No budget amendment is proposed at this time. Represents budget shortfall attributable to decline in collections since declaration of COVID-19 pandemic emergency. The 2018 Memorandum of Understanding provides guidance related to repayment to the extent that the shortfall is not cured by other means before June 30th of the subsequent year. Communication with DWSD Management indicates that a shortfall, should one occur, will be cured by year-end.</i>
Improvement & Extension Fund Transfer Pending	<i>Represents annual funding for pay-as-you-go capital improvement program. Budget amendments to investment earnings, other revenues, debt service, and DWSD budget shortfall affect this line item.</i>



Appropriation Level - Revenue Requirement – Sewer System

Sewer System	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget	FY 2021 Activity Thru 1/31/2021
Revenues					
Suburban Wholesale Customer Charges	\$ 277,011,800	\$ (2,958,300)	\$ -	\$ 274,053,500	\$ 157,012,500
Retail Service Charges	190,112,100	(2,152,400)	-	187,959,700	110,091,600
Industrial Waste Control Charges	8,775,400	(92,100)	-	8,683,300	4,629,300
Pollutant Surcharges	5,262,800	(55,200)	-	5,207,600	3,527,900
Investment Earnings	5,589,200	(4,602,300)	1,791,200	2,778,100	1,843,000
Other Revenues	-	-	574,000	574,000	326,800
Total Revenues	\$ 486,751,300	\$ (9,860,300)	\$ 2,365,200	\$ 479,256,200	\$ 277,431,100
Revenue Requirements					
Operations & Maintenance Expense	\$ 184,946,100	\$ (2,650,100)	\$ -	\$ 182,296,000	\$ 98,208,500
General Retirement System Legacy Pension	10,824,000	-	-	10,824,000	6,314,000
Debt Service	209,739,900	(7,959,500)	-	201,780,400	119,793,000
General Retirement System Accelerated Pension	11,620,700	-	-	11,620,700	6,778,700
Extraordinary Repair & Replacement Deposit	-	-	-	-	-
Water Residential Assistance Program Contribution	2,415,100	-	-	2,415,100	1,408,800
Lease Payment	27,500,000	-	-	27,500,000	16,041,700
Operating Reserve Deposit	-	-	-	-	-
DWSD Budget Shortfall Pending	-	-	-	-	2,837,500
Improvement & Extension Fund Transfer Pending	39,705,500	749,300	2,365,200	42,820,000	23,473,800
Total Revenue Requirements	\$ 486,751,300	\$ (9,860,300)	\$ 2,365,200	\$ 479,256,200	\$ 274,856,000



Appropriation Level – Revenue Requirement – Sewer System General Operating Budget Amendment Explanation	
Revenues	
Suburban Wholesale Customer Charges	<i>No budget amendment is required.</i>
Retail Services Charges	<i>No budget amendment is required.</i>
Industrial Waste Control Charges	<i>No budget amendment is required.</i>
Pollutant Surcharges	<i>No budget amendment is required.</i>
Investment Earnings	<i>The increase in the investment income is due to investments made prior to the pandemic maturing at interest rates that are higher than the current market environment. The budget amendment aligns investment income to levels reported in the quarterly investment reports.</i>
Other Revenues	<i>The budget amendment proposed is based on activity to date. This source of revenue fluctuates from year to year.</i>
Revenue Requirements (Expenditures)	
Operations & Maintenance Expense	<i>No budget amendment is required.</i>
General Retirement System Legacy Pension	<i>No budget amendment is required. Budget and funding are on a fixed schedule.</i>
Debt Service	<i>No budget amendment is required.</i>
General Retirement System Legacy Pension – Accelerated Payment	<i>No budget amendment is required. Budget and funding are on a fixed schedule.</i>
Extraordinary Repair & Replacement	<i>No budget amendment is required. This is a formulaic requirement in the Master Bond Ordinance. Based on adopted and amended budget, no adjustment is required.</i>
Water Residential Assistance Program Contribution	<i>No budget amendment is required. Budget is fixed at time of budget adoption.</i>
Lease Payment	<i>No budget amendment is required. Lease payment is established in accordance with terms of the lease.</i>



Appropriation Level – Revenue Requirement – Sewer System General Operating Budget Amendment Explanation	
Operating Reserve Deposit	<i>Based on further review and analysis, this operating reserve is no longer required.</i>
DWSD Budget Shortfall Pending	<i>No budget amendment is proposed at this time. Represents budget shortfall attributable to decline in collections since declaration of COVID-19 pandemic emergency. The 2018 Memorandum of Understanding provides guidance related to repayment to the extent that the shortfall is not cured by other means before June 30th of the subsequent year. Communication with DWSD Management indicates that plans are cautiously optimistic that the shortfall will be cured by year-end.</i>
Improvement & Extension Fund Transfer Pending	<i>Represents annual funding for pay-as-you-go capital improvement program. Budget amendments to investment earnings, other revenues, debt service, and DWSD budget shortfall affect this line item.</i>



Supplemental Information – Operating Fund Level - Water System and Sewer System

System	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget	FY 2021 Activity Thru 1/31/2021
Water System Operations	\$ 137,127,300	\$ (3,000,000)	\$ -	\$ 134,127,300	\$ 74,903,200
Wastewater System Operations	184,946,100	(2,650,100)	-	182,296,000	98,208,500
Total	\$ 322,073,400	\$ (5,650,100)	\$ -	\$ 316,423,300	\$173,111,700

Totals may be off due to rounding.

As shown in the table above, there are no budget amendments for transfers of resources between the water and sewer funds. It is unforeseen that such an amendment would occur as each system is accounted for as a stand-alone entity. The purpose of this table is to transparently report that funds from one system do not provide budget support to the other system.



Supplemental Information - Enterprise-wide Core Groups

O&M Major Budget Categories (Core Groups)	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget	FY 2021 Activity Thru 1/31/2021
A Water System Operations	\$ 71,966,400	\$ (1,146,600)	\$ -	\$ 70,819,800	\$ 41,828,900
B Wastewater System Operations	115,676,400	(701,300)	-	114,975,100	61,657,900
C Centralized Services	102,721,300	(2,382,900)	-	100,338,400	53,965,200
D Administrative & Other Service	31,709,300	(1,419,200)	-	30,290,100	15,659,700
Total	\$ 322,073,400	\$ (5,650,000)	\$ -	\$ 316,423,400	\$173,111,700

Totals may be off due to rounding.

A subset of the operating funds are core groups that account for A) direct cost of water operations, B) direct cost of sewer operations, C) centralized services (e.g. field services, security, information technology, facilities, and fleet), D) administrative services (e.g. finance, public affairs, general counsel, and organizational development). The costs of the latter two categories are allocated to the water and sewer systems based upon an internal cost allocation plan that is performed on an annual basis. Through the second quarter FY 2021, there are no amendments that cross the core groups. For more activity within these groups, see *Supplemental Information - Enterprise-wide Operations & Maintenance Department and Account Level Amendments (Addendum 1)*.



Supplemental Information - Enterprise-wide Operations & Maintenance Account Type

O&M Expense Categories (Account Type)	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget	FY 2021 Activity Thru 1/31/2021
Personnel Costs	\$ 110,333,100	\$ (1,527,100)	\$ (123,800)	\$ 108,682,200	\$ 63,584,000
Utilities	51,937,000	-	-	51,937,000	30,241,000
Chemicals	13,419,800	-	-	13,419,800	8,455,900
Supplies & Other	38,620,800	400,000	(1,521,300)	37,499,500	17,197,700
Contractual Services	106,154,600	(1,372,200)	2,005,000	106,787,400	58,092,100
Capital Program Allocation	(3,447,700)	-	127,500	(3,320,200)	(1,786,700)
Shared Services	(3,412,900)	-	(1,117,100)	(4,530,000)	(2,672,300)
Unallocated Reserve	8,468,700	(3,150,800)	629,700	5,947,600	-
Total	\$ 322,073,400	\$ (5,650,100)	\$ -	\$ 316,423,300	\$173,111,700

Totals may be off due to rounding.

The table above presents the Operations & Maintenance budget by the major expense categories (account type).

For additional detail and the explanation of the key changes to the FY 2021 budget within these categories, see *Supplemental Information - Enterprise-wide Operations & Maintenance Department and Account Level Amendments (Addendum 1)*.

For an additional view of the Operations & Maintenance budget by expense category (account type) and by departmental level, see *Supplemental Information - Enterprise-wide Operations & Maintenance Account Type and Departmental Level Amendments (Addendum 2)*.



Supplemental Information - Unallocated Reserve by Core Group

O&M Unallocated Reserves	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget
Water System Operations	\$ 1,729,300	\$ (436,900)	\$ -	\$ 1,292,400
Wastewater System Operations	4,603,900	(1,701,300)	(584,000)	2,318,600
Centralized Services	1,637,200	(642,900)	1,089,600	2,083,900
Administrative & Other Services	498,300	(369,700)	124,100	252,700
Total	\$ 8,468,700	\$ (3,150,800)	\$ 629,700	\$ 5,947,600

An Unallocated Reserve account is established for each of the four core groups. Budget is assigned to these accounts to cover expenditures not known at the time the budget is developed (merit increases, fluctuations within maintenance contracts and usage of utilities and chemicals, projects and initiatives not planned at the time the initial budget was developed, etc.). It is GLWA's internal budget directive for each area, group, and team to manage their needs to an amount within the initial budget. If required, an amendment is made from the unallocated reserve. If an area does not require as much funding as was established in the original budget, that department's budgeted expenses are reduced, and the unallocated reserve is increased.

For additional information on the FY 2021 changes to the unallocated reserve, see *Supplemental Information - Enterprise-wide Operations & Maintenance Department and Account Level Amendments (Addendum 1)*.



Appropriation Level – Improvement & Extension Fund – Water System

Water Improvement & Extension Fund	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget	FY 2021 Activity Thru 1/31/2021
Revenues					
Transfers In from General Operating	\$ 23,962,500	\$ 4,317,200	\$ 2,915,100	\$ 31,194,800	\$ 16,496,500
Earnings on Investments (a)	-	-	3,048,400	3,048,400	2,440,800
Net Use of Reserves	68,929,500	(4,317,200)	(937,100)	63,675,200	-
Total Revenues	\$ 92,892,000	\$ -	\$ 5,026,400	\$ 97,918,400	\$ 18,937,300
Expenditures					
Water System Revenue Transfers Out (a)	\$ -	\$ -	\$ 3,048,400	\$ 3,048,400	\$ 2,623,500
Capital Outlay	17,892,000	-	-	17,892,000	4,809,300
Revenue Financed Capital - Operating Transfer to Construction Fund	75,000,000	-	1,978,000	76,978,000	24,840,700
Total Expenditures	\$ 92,892,000	\$ -	\$ 5,026,400	\$ 97,918,400	\$ 32,273,500

(a) Note: As outlined in the Master Bond Ordinance, the investment earnings in the I&E Fund are transferred to the Receiving Fund. The impact is to reduce revenue required from charges when calculating the annual Revenue Requirement budget.

Appropriation Level – Improvement & Extension Fund – Water System Budget Amendment Explanation	
Revenues	
Water System Revenue Transfers In	<i>The proposed budget amendment is to match the amount available for transfer from FY 2021 revenue requirement based upon general operating fund performance. (see I&E Fund Transfer Pending line on the Appropriation Level-Revenue Requirement-Water System General Operating table)</i>



Appropriation Level – Improvement & Extension Fund – Water System Budget Amendment Explanation	
Earnings on Investments	<i>Had not been budgeted as there is a corresponding transfer of earnings back to general operating fund as allowed by the Master Bond Ordinance. The net effect on the I&E Fund is zero as the earnings are budgeted and accounted for in the operating fund to lower revenue requirement for charges. Amendment is for estimated amount and aligns to the levels reported in the quarterly investment reports.</i>
Net Use (Source) of Reserves	<i>This amount represents the net amount of revenues less expenses. A negative amount represents an increase in reserves from current year activity rather than a use of reserves.</i>
Expenditures	
Water System Revenue Transfers Out (Earnings on Investments)	<i>Had not been budgeted as there is a corresponding transfer of earnings back to general operating fund as allowed by the Master Bond Ordinance (so the net effect on the I&E Fund is zero). Amendment is for estimated amount. Amount offsets Earnings on Investments. Any variance between the two line items represents a timing difference.</i>
Capital Outlay	<i>No budget amendment is required.</i>
Revenue Financed Capital – Transfer to Construction Fund	<i>The proposed budget amendment reflects the additional funding that is anticipated to be needed based on the increase in the Capital spend rate.</i>



Appropriation Level - Improvement & Extension Fund – Sewer System

Sewer Improvement & Extension Fund	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget	FY 2021 Activity Thru 1/31/2021
Revenues					
Transfers In from General Operating	\$ 39,705,500	\$ 749,300	\$ 2,365,200	\$ 42,820,000	\$ 23,473,800
Receipt of DWSD Shortfall Loan	19,288,300	-		19,288,300	10,991,000
Earnings on Investments (a)	-	-	1,401,300	1,401,300	982,700
Net Use of Reserves	3,987,300	(749,300)	(343,600)	2,894,400	-
Total Revenues	\$ 62,981,100	\$ -	\$ 3,422,900	\$ 66,404,000	\$ 35,447,500
Expenditures					
Sewer System Revenue Transfers Out (a)	\$ -	\$ -	\$ 1,401,300	\$ 1,401,300	\$ 1,111,900
Capital Outlay	20,481,100	-	-	20,481,100	\$ 4,067,300
Revenue Financed Capital - Operating Transfer to Construction Fund	42,500,000	-	2,021,600	44,521,600	3,997,200
Total Expenditures	\$ 62,981,100	\$ -	\$ 3,422,900	\$ 66,404,000	\$ 9,176,400

(a) Note: As outlined in the Master Bond Ordinance, the investment earnings in the I&E Fund are transferred to the Receiving Fund. The impact is to reduce revenue required from charges when calculating the annual Revenue Requirement budget.

Appropriation Level – Improvement & Extension Fund – Sewer System Budget Amendment Explanations	
Revenues	
Sewer System Revenue Transfers In	<i>The proposed budget amendment is to match the amount available for transfer from FY 2021 revenue requirement based upon general operating fund performance. (see I&E Fund Transfer Pending line on the Appropriation Level-Revenue Requirement-Sewer System General Operating table)</i>



Appropriation Level – Improvement & Extension Fund – Sewer System Budget Amendment Explanations	
Earnings on Investments	<i>Had not been budgeted as there is a corresponding transfer of earnings back to general operating fund as allowed by the Master Bond Ordinance. The net effect on the I&E Fund is zero as the earnings are budgeted and accounted for in the operating fund to lower revenue requirement for charges. Amendment is for estimated amount and aligns to the levels reported in the quarterly investment reports.</i>
Net Use of Revenues	<i>This amount represents the net amount of revenues less expenditures. A negative amount represents an increase in reserves from current year activity rather than a use of reserves.</i>
<i>Expenditures</i>	
Water System Revenue Transfers Out (Earnings on Investments)	<i>Had not been budgeted as there is a corresponding transfer of earnings back to general operating fund as allowed by the Master Bond Ordinance (so the net effect on the I&E Fund is zero). Amendment is for estimated amount. Amount offsets Earnings on Investments. Any variance between the two line items represents a timing difference.</i>
Capital Outlay	<i>No budget amendment is required.</i>
Revenue Financed Capital – Transfer to Construction Fund	<i>The proposed budget amendment reflects the additional funding that is anticipated to be needed based on the increase in the Capital spend rate.</i>



Appropriation Level – Construction Fund – Water System

Water Construction Fund	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget	FY 2021 Activity Thru 1/31/2021
Revenues					
Transfer from Improvement & Extension Fund	\$ 75,000,000	\$ -	\$ 1,978,000	\$ 76,978,000	\$ 24,840,700
Bond Proceeds	-	-	-	-	-
Grant Revenues (SRF Loans)	12,365,800	-	-	12,365,800	10,632,400
Earnings on Investments	820,400	(639,900)	(153,700)	26,800	18,800
Net Use of Reserves	22,486,800	639,900	153,700	23,280,400	-
Total Revenues	\$ 110,673,000	\$ -	\$ 1,978,000	\$ 112,651,000	\$ 35,491,900
Expenditures					
Capital Improvement Plan	\$ 147,564,000	\$ -	\$ -	\$ 147,564,000	\$ 71,586,300
Capital Spend Rate Adjustment	(36,891,000)	-	1,978,000	(34,913,000)	-
Total Expenditures	\$ 110,673,000	\$ -	\$ 1,978,000	\$ 112,651,000	\$ 71,586,300

Appropriation Level – Construction Fund – Water System Budget Amendment Explanations

Revenues	
Transfers from Improvement & Extension Fund	<i>The proposed budget amendment is to match the amount available for transfer from the FY 2021 Improvement & Extension Fund (see Revenue Financed Capital-Operating Transfer to Construction Fund line on the Appropriation Level-Improvement & Extension Fund-Water System table). The amount is based on the change in the Capital spend rate.</i>
Bond Proceeds	<i>No budget amendment is required.</i>



Appropriation Level – Construction Fund – Water System Budget Amendment Explanations	
Grant Revenues (State Revolving Fund Loans)	<i>No budget amendment is required. State revolving fund loan disbursements are on a reimbursement basis. The amount and timing of funds fluctuates with project expenditures incurred. Details related to the SRF projects are presented in the quarterly debt report. The most recent quarterly debt report is presented in the February 2021 Audit Committee binder which provides details related to the SRF funding and associated projects.</i>
Earnings on Investments	<i>The decrease in the investment income is due to the depletion of bond proceeds available for use. The amendment aligns investment income to levels reported in the quarterly investment reports.</i>
Net Use of Revenues	<i>This amount represents the net amount of revenues less expenditures. A “use of reserves” indicates a spend down of prior year reserves. The amount has been amended to offset the reduction to the Earnings on Investments.</i>
Expenditures	
Capital Improvement Plan	<i>No budget amendment is required.</i>
Capital Spend Rate Assumption Adjustment	<i>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. Amendments to the spend rate assumption are made to align the projected financial use of resources with revised capital improvement plan spending forecasts. The most recent quarterly construction work-in-progress report is presented in the March 2021 Audit Committee binder.</i>



Appropriation Level – Construction Fund – Sewer System

Sewer Construction Fund	FY 2021 Board Adopted Budget	Total 1st Quarter FY 2021 Amendments	Total 2nd Quarter FY 2021 Amendments	FY 2021 Amended Budget	FY 2021 Activity Thru 1/31/2021
Revenues					
Transfer from Improvement & Extension Fund	\$ 42,500,000	\$ -	\$ 2,021,600	\$ 44,521,600	\$ 3,997,200
Bond Proceeds	-	-	-	-	-
Grant Revenues (SRF Loans)	33,200,000	-	-	33,200,000	8,676,100
Earnings on Investments	497,700	(388,200)	(81,900)	27,600	22,400
Net Use of Reserves	6,781,300	388,200	81,900	7,251,400	-
Total Revenues	\$ 82,979,000	\$ -	\$ 2,021,600	\$ 85,000,600	\$ 12,695,700
Expenditures					
Capital Improvement Plan	\$ 110,638,000	\$ -	\$ -	\$ 110,638,000	\$ 47,674,700
Capital Spend Rate Adjustment	(27,659,000)	-	2,021,600	(25,637,400)	-
Total Expenditures	\$ 82,979,000	\$ -	\$ 2,021,600	\$ 85,000,600	\$ 47,674,700

Appropriation Level – Construction Fund – Sewer System Budget Amendment Explanations

Revenues	
Transfers from Improvement & Extension Fund	<i>The proposed budget amendment is to match the amount available for transfer from the FY 2021 Improvement & Extension Fund (see Revenue Financed Capital-Operating Transfer to Construction Fund line on the Appropriation Level-Improvement & Extension Fund-Sewer System table). The amount is based on the change in the Capital spend rate.</i>
Bond Proceeds	<i>No budget amendment is required.</i>



Appropriation Level – Construction Fund – Sewer System Budget Amendment Explanations	
Grant Revenues (State Revolving Fund Loans)	<i>No budget amendment is required. State revolving fund loan disbursements are on a reimbursement basis. The amount and timing of funds fluctuates with project expenditures incurred. Details related to the SRF projects are presented in the quarterly debt report. The most recent quarterly debt report is presented in the February 2021 Audit Committee binder which provides details related to the SRF funding and associated projects.</i>
Earnings on Investments	<i>The decrease in the investment income is due to the depletion of bond proceeds available for use. The amendment aligns investment income to levels reported in the quarterly investment reports.</i>
Net Use of Revenues	<i>This amount represents the net amount of revenues less expenditures. A “use of reserves” indicates a spend down of prior year reserves. The amount has been amended to offset the reduction to the Earnings on Investments.</i>
Expenditures	
Capital Improvement Plan	<i>No budget amendment is required.</i>
Capital Spend Rate Adjustment	<i>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. Amendments to the spend rate assumption are made to align the projected financial use of resources with revised capital improvement plan spending forecasts. The most recent quarterly construction work-in-progress report is presented in the March 2021 Audit Committee binder.</i>

**ADDENDUM 1***Supplemental Information –**Enterprise-wide Operations & Maintenance Department and Account Level Amendments*

The summary of budget amendments for operations & maintenance department and account level amendments are organized by the four core groups. The FY 2021 second quarter budget amendments result in a net zero change to all categories: A - Water System Operations, B - Sewer System Operations, C – Centralized Services, and D – Administrative & Other Services.

GLWA's internal budget directive is for each area, group, and team to manage their needs to an amount within the initial budget. To the extent that is not possible, an amendment is made from the unallocated reserve. If savings are incurred, or an area appears to not require as much funding as established in the original budget, that department's budgeted expenses are reduced, and the unallocated reserve is increased. In administering the budget, there are several refinements to departments and account categories. An explanation of larger items (greater than \$500,000) is included in the table in Addendum 1.

ADDENDUM 1

Supplemental Information
Enterprise-wide Operations & Maintenance Department and Account Level Amendments

Total 2nd Quarter FY 2021		
Departmental and Account Level Amendments	Amendments	Explanation of Key Items
Administrative Services	0	
Board of Directors	(24,100)	
Personnel	1,200	
Supplies & Other	(25,300)	
Procurement Director	0	
Contractual Services	15,000	
Personnel	75,000	
Supplies & Other	(90,000)	
Public Affairs	0	
Contractual Services	(10,000)	
Supplies & Other	10,000	
Transformation	(200,000)	
Personnel	(200,000)	
Treasury	100,000	
Shared Services	100,000	
Unallocated Reserve - Administrative Services	124,100	
Unallocated Reserves	124,100	
Centralized Services	0	
Facility Operations	(224,900)	
Personnel	(224,900)	
Field Service Operations	127,500	
Capital Program Allocation	127,500	
Fleet Operations	224,900	
Personnel	224,900	
Info Tech Enterprise Asset Mgmt Systems	(594,900)	
Shared Services	(594,900)	Adjust Shared Services for continuation of agreements through the end of FY 2021 (Offset Unallocated Reserves)
Info Technology Infrastructure	(2,325,600)	
Shared Services	(325,600)	
Supplies & Other	(2,000,000)	Transfer the budget for Lakeshore Global contract to Systems Operations Control
Info Technology Security & Risk	(35,000)	
Shared Services	(35,000)	
Info Technology Service Delivery	(166,600)	
Shared Services	(166,600)	
Systems Analytics	(95,000)	
Shared Services	(95,000)	
Systems Operations Control	2,000,000	
Contractual Services	2,000,000	Transfer the budget for Lakeshore Global contract from Info Technology Infrastructure
Unallocated Reserve - Centralized Services	1,089,600	
Unallocated Reserves	1,089,600	The offset to the increase to the shared services budget of \$1,217,124 is Unallocated Reserves
Wastewater System Operations	0	
7 Mile Combined Sewer Overflow	4,700	
Contractual Services	4,700	
Baby Creek Combined Sewer Overflow	18,000	
Contractual Services	18,000	
Belle Isle Combined Sewer Overflow	1,200	
Contractual Services	1,200	
Connor Creek Combined Sewer Overflow	17,100	
Contractual Services	17,100	
Hubble Southfield CSO	4,100	
Contractual Services	4,100	
Leib Combined Sewer Overflow	3,800	
Contractual Services	3,800	
Oakwood Combined Sewer Overflow	7,800	
Contractual Services	7,800	
Puritan Fenkell Combined Sewer Overflow	5,100	
Contractual Services	5,100	
St Aubin Combined Sewer Overflow	7,900	
Contractual Services	7,900	
Suburban Only Green Infrastructure Allocation	584,000	
Supplies & Other	584,000	To add budget for the Suburban Green Infrastructure Allocation (offset Unallocated Reserves)
Unallocated Reserve - Wastewater System Operations	(584,000)	
Unallocated Reserves	(584,000)	Unallocated Reserves were used to add budget for the Suburban Green Infrastructure Allocation
Wastewater Operations	(69,700)	
Contractual Services	(69,700)	
Grand Total	0	

Totals may be off due to rounding



ADDENDUM 2

Supplemental Information –

Enterprise-wide Operations & Maintenance Account Type and Department Level Amendments

The table in Addendum 2 summarizes the FY 2021 budget amendments for operations & maintenance by the major expense categories (account type). The explanations for the larger items can be found in Addendum 1.

ADDENDUM 2

Supplemental Information

Enterprise-wide Operations & Maintenance Account Type and Department Level Amendments

Expense Categories and Departmental Level Amendments	Total 2nd Quarter FY 2021 Amendments
Capital Program Allocation	127,500
Field Service Operations	127,500
Contractual Services	2,005,000
7 Mile Combined Sewer Overflow	4,700
Baby Creek Combined Sewer Overflow	18,000
Belle Isle Combined Sewer Overflow	1,200
Connor Creek Combined Sewer Overflow	17,100
Hubble Southfield CSO	4,100
Leib Combined Sewer Overflow	3,800
Oakwood Combined Sewer Overflow	7,800
Procurement Director	15,000
Public Affairs	(10,000)
Puritan Fenkell Combined Sewer Overflow	5,100
St Aubin Combined Sewer Overflow	7,900
Systems Operations Control	2,000,000
Wastewater Operations	(69,700)
Personnel	(123,800)
Board of Directors	1,200
Facility Operations	(224,900)
Fleet Operations	224,900
Procurement Director	75,000
Transformation	(200,000)
Shared Services	(1,117,100)
Info Tech Enterprise Asset Mgmt Systems	(594,900)
Info Technology Infrastructure	(325,600)
Info Technology Security & Risk	(35,000)
Info Technology Service Delivery	(166,600)
Systems Analytics	(95,000)
Treasury	100,000
Supplies & Other	(1,521,300)
Board of Directors	(25,300)
Info Technology Infrastructure	(2,000,000)
Procurement Director	(90,000)
Public Affairs	10,000
Suburban Only Green Infrastructure Allo	584,000
Unallocated Reserves	629,700
Unallocated Reserve - Administrative Services	124,100
Unallocated Reserve - Centralized Services	1,089,600
Unallocated Reserve - Wastewater System Operations	(584,000)
Grand Total	0

Totals may be off due to rounding

Great Lakes Water Authority

Resolution 2021 - 157

Resolution Adopting the Budget Amendments through the Second Quarter of FY 2021

By Board Member:

WHEREAS The Great Lakes Water Authority (“GLWA” or the “Authority”) assumed the operation of the regional water and sewer systems on January 1, 2016 (the “Effective Date”) pursuant to Water System and Sewer System Lease Agreements between the GLWA and the City of Detroit dated June 12, 2015; and

WHEREAS In accordance with the by-laws of the GLWA, further defined by its budget amendment policy, the Board shall amend the budget as needed based upon a quarterly report from the Chief Financial Officer; and

WHEREAS The GLWA Board adopted the FY 2021 budget on March 11, 2020 for the twelve-month fiscal year beginning July 1, 2020;

WHEREAS Following a review of the budget amendment report through the FY 2021 Second Quarter, the appropriations established with the adoption of the general operating budget for the water system and the sewer systems are amended as shown in the table below;

General Operating Appropriation Category	Water System		Sewer System	
	Adopted	Amended	Adopted	Amended
Revenues				
Suburban Wholesale Customer Charges	\$ 314,252,200	\$ 313,133,600	\$ 277,011,800	\$ 274,053,500
Retail Service Charges	22,555,400	21,925,500	190,112,100	187,959,700
Industrial Waste Control Charges	-	-	8,775,400	8,683,300
Pollutant Surcharges	-	-	5,262,800	5,207,600
Investment Earnings	4,834,400	3,955,700	5,589,200	2,778,100
Other Revenues	-	229,000	-	574,000
Total Revenues	<u>\$ 341,642,000</u>	<u>\$ 339,243,800</u>	<u>\$ 486,751,300</u>	<u>\$ 479,256,200</u>
Revenue Requirements				
Operations & Maintenance Expense	\$ 137,127,300	\$ 134,127,300	\$ 184,946,100	\$ 182,296,000
General Retirement System Legacy Pension	6,048,000	No Change	10,824,000	No Change
Debt Service	143,189,900	137,436,000	209,739,900	201,780,400
General Retirement System Accelerated Pension	6,268,300	No Change	11,620,700	No Change
Extraordinary Repair & Replacement Deposit	-	-	-	-
Water Residential Assistance Program Contributi	1,669,400	No Change	2,415,100	No Change
Lease Payment	22,500,000	No Change	27,500,000	No Change
Operating Reserve Deposit	876,600	-	-	-
DWSD Budget Shortfall Pending	-	-	-	-
Improvement & Extension Fund Transfer	23,962,500	31,194,800	39,705,500	42,820,000
Total Revenue Requirements	<u>\$ 341,642,000</u>	<u>\$ 339,243,800</u>	<u>\$ 486,751,300</u>	<u>\$ 479,256,200</u>

WHEREAS Following a review of the budget amendment report through the FY 2021 Second Quarter, the appropriations established with the adoption of the improvement and extension fund budget for the water system and the sewer systems are amended as shown in the table below;

Improvement & Extension Fund				
Appropriation Category	Water System		Sewer System	
Revenues	Adopted	Amended	Adopted	Amended
Transfers In from General Operating	\$ 23,962,500	\$ 31,194,800	\$ 39,705,500	\$ 42,820,000
Receipt of DWSD Shortfall Loan	-	-	19,288,300	No Change
Earnings on Investments	-	3,048,400	-	1,401,300
Net Use of Reserves	68,929,500	63,675,200	3,987,300	2,894,400
Total Revenues	<u>\$ 92,892,000</u>	<u>\$ 97,918,400</u>	<u>\$ 62,981,100</u>	<u>\$ 66,404,000</u>
Expenditures				
Water/Sewer System Revenue Transfers Out	\$ -	\$ 3,048,400	\$ -	\$ 1,401,300
Capital Outlay	17,892,000	No Change	20,481,100	No Change
Revenue Financed Capital - Opoerating				
Transfer to Construction Fund	75,000,000	76,978,000	42,500,000	44,521,600
Total Expenditures	<u>\$ 92,892,000</u>	<u>\$ 97,918,400</u>	<u>\$ 62,981,100</u>	<u>\$ 66,404,000</u>

WHEREAS Following a review of the budget amendment report through the FY 2021 Second Quarter, the appropriations established with the adoption of the construction fund budget for the water system and the sewer systems are amended as shown in the table below;

Construction Fund				
Appropriation Category	Water System		Sewer System	
Revenues	Adopted	Amended	Adopted	Amended
Transfer from Improvement & Extension Fund	\$ 75,000,000	76,978,000	\$ 42,500,000	44,521,600
Bond Proceeds	-	-	-	-
Grant Revenues (SRF Loans)	12,365,800	No Change	33,200,000	No Change
Earnings on Investments	820,400	26,800	497,700	27,600
Net Use of Reserves	22,486,800	23,280,400	6,781,300	7,251,400
Total Revenues	<u>\$ 110,673,000</u>	<u>\$ 112,651,000</u>	<u>\$ 82,979,000</u>	<u>\$ 85,000,600</u>
Expenditures				
Project Expenditures	<u>\$ 110,673,000</u>	<u>112,651,000</u>	<u>\$ 82,979,000</u>	<u>85,000,600</u>
Total Expenditures	<u>\$ 110,673,000</u>	<u>\$ 112,651,000</u>	<u>\$ 82,979,000</u>	<u>\$ 85,000,600</u>

WHEREAS The GLWA Audit Committee reviewed the budget amendments at its meetings on April 23, 2021; and

WHEREAS An affirmative vote of 5 Board Members is necessary for the adoption of this Resolution,

NOW THEREFORE BE IT:

RESOLVED That the GLWA Board approves the FY 2021 Second Quarter Budget Amendments; and be it finally

RESOLVED That the Chief Executive Officer, and the Chief Financial Officer/Treasurer are authorized to take such other action as may be necessary to accomplish the intent of this resolution.



Financial Services Audit Committee Communication

Date: April 23, 2021

To: Great Lakes Water Authority Audit Committee

From: Jon Wheatley, Public Finance Manager

Re: Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Amount Not to Exceed \$12,000,000 (Ordinance 2021-02)

Background: Attached is the draft Great Lakes Water Authority (“GLWA”) Board letter for the April 28, 2021 Board meeting regarding the Series Ordinance for the proposed Water Supply System State Revolving Fund (SRF) bond issue. The series of bonds authorized by this ordinance will be sold through the state of Michigan’s Drinking Water Revolving Fund program (Project #7445-04) and will be used to finance the improvements to the Regional Water System, including improvements to the Northeast Water Transmission Main - Phase 3 (Garland, Hurlbut, Bewick Water Transmission System Rehabilitation), including but not limited to design for the construction of a transmission main from the Northeast Water Treatment Plant to the I-94 expressway.

Key Provisions:

- Not to Exceed Par Amount: \$12,000,000
- Maximum Coupon Rate: 2.50% (Current program rate is 1.875%)
- Bonds will be designated 2021 SRF-1 Junior Lien Bonds
- Bonds will be sold to the Michigan Finance Authority (MFA)

Proposed Action: Audit Committee recommends that the Great Lakes Water Authority Board approve the resolution Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Amount Not to Exceed \$12,000,000 as presented, at its regular meeting on April 28, 2021.

GREAT LAKES WATER AUTHORITY
ORDINANCE NO. 2021-02

**SERIES ORDINANCE AUTHORIZING ISSUANCE AND SALE OF
WATER SUPPLY SYSTEM REVENUE BONDS IN
AN AMOUNT NOT TO EXCEED \$12,000,000**

WHEREAS, pursuant to Resolution No. 2015-10-02 adopted by the Board of Directors of the Great Lakes Water Authority (the “Authority”) on October 7, 2015, the Authority Board approved and adopted Master Bond Ordinance No. 2015-01 (as subsequently amended through the date hereof, the “Ordinance”), which authorizes the issuance by the Authority of Water Supply System Revenue Bonds; and

WHEREAS, the Ordinance authorizes the issuance of such Water Supply System Revenue Bonds in one or more Series pursuant to a Series Ordinance authorizing the issuance and sale of such Series; and

WHEREAS, the Authority Board has determined that it is necessary to authorize at this time three or more Series of SRF Junior Lien Bonds (the “2021 SRF-1 Junior Lien Bonds”) to provide moneys to pay the costs of the hereinafter described repairs, extensions, enlargements and improvements to the Regional Water System identified in the Capital Improvement Program (the “2021 SRF-1 Project”).

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE GREAT LAKES WATER AUTHORITY AS FOLLOWS:

Section 1. Authority for this Series Ordinance. This Series Ordinance (the “2021 SRF-1 Series Ordinance”) is adopted pursuant to Section 1102(1) of the Ordinance.

Section 2. Definitions. Except as otherwise provided in this 2021 SRF-1 Series Ordinance, all terms which are defined in Section 101 of the Ordinance shall have the same meanings, respectively, in this 2021 SRF-1 Series Ordinance as such terms are given in the Ordinance. In addition, the following terms shall have the following meanings unless the context shall clearly indicate some other meaning:

(a) “2021 SRF-1 Junior Lien Bonds” means the Bonds authorized by Section 5 of this 2021 SRF-1 Series Ordinance for the purpose of paying and/or reimbursing costs of the 2021 SRF-1 Project.

(b) “2021 SRF-1 Project” means improvements to the Regional Water System, consisting of improvements to the Northeast Water Transmission Main - Phase 3 (Garland, Hurlbut, Bewick Water Transmission System Rehabilitation), including but not limited to design for the construction of a transmission main from the Northeast Water Treatment Plant to the I-94 expressway.

(c) “Authorized Denomination” means any denomination as determined by an Authorized Officer in the Sale Order.

(d) “Authorized Officer” means either the Chief Executive Officer or the Chief Financial Officer.

(e) “Construction Fund, Series SRF 2021-1” means a subaccount or subaccounts of the Construction Fund established in accordance with Section 10 of this 2021 SRF-1 Series Ordinance relating to the construction of the 2021 SRF-1 Project to be paid with the proceeds of the 2021 SRF-1 Junior Lien Bonds.

(f) “Interest Payment Date” means except as otherwise set forth in the Sale Order each April 1 and October 1.

(g) “Maturity Date” means such dates of maturity of the 2021 SRF-1 Junior Lien Bonds as determined in the Sale Order.

(h) “MFA” means the Michigan Finance Authority.

(i) “Person” means any natural person, association, corporation, trust, partnership, joint venture, joint-stock company, municipal corporation, public body or other entity, however organized.

(j) “Project Costs” means the costs of acquiring, constructing, equipping, installing and financing the 2021 SRF-1 Project, including Issuance Costs relating to the 2021 SRF-1 Junior Lien Bond.

(k) “Purchase Contract” means the Purchase Contract between the MFA and the Authority with respect to the purchase by the MFA and the sale by the Authority of the 2021 SRF-1 Junior Lien Bonds.

(l) “Regular Record Date” means except as otherwise set forth in the Sale Order the fifteenth day of the calendar month immediately preceding an Interest Payment Date.

(m) “Sale Order” means any one or more Sale Orders of an Authorized Officer authorizing acts consistent with the Ordinance and this 2021 SRF-1 Series Ordinance necessary and appropriate to complete the sale, execution and delivery of the 2021 SRF-1 Junior Lien Bonds and to complete the other transactions contemplated herein.

(n) “Supplemental Agreement” means the Supplemental Agreement among the Authority, the MFA and the State of Michigan acting through the Department of Environment, Great Lakes, and Energy, with respect to the 2021 SRF-1 Junior Lien Bonds.

(o) “Taxable 2021 SRF-1 Junior Lien Bonds” means any 2021 SRF-1 Junior Lien Bonds other than Tax-Exempt 2021 SRF-1 Junior Lien Bonds.

(p) “Tax-Exempt 2021 SRF-1 Junior Lien Bonds” means any 2021 SRF-1 Junior Lien Bonds that are Tax-Exempt Bonds.

Section 3. Approval of 2021 SRF-1 Project.

(a) Approval of 2021 SRF-1 Project. It is hereby determined to be necessary for the public health, benefit and welfare of the area served by the Regional Water System to acquire, construct and undertake the 2021 SRF-1 Project, and the 2021 SRF-1 Project is hereby approved and accepted.

(b) Estimated Cost and Period of Usefulness of 2021 SRF-1 Project¹. The Project Costs are estimated by the Authority Board to not exceed \$12,000,000 and the Project Costs are hereby approved and confirmed. The period of usefulness of the 2021 SRF-1 Project is estimated to be not less than 40 years.

Section 4. Authorization of 2021 SRF-1 Junior Lien Bonds.

(a) Authorization of Borrowing.

(i) The Authority may borrow an aggregate amount not in excess of \$12,000,000, as is finally determined in the Sale Order, and issue the 2021 SRF-1 Junior Lien Bonds in one Series, all to evidence such borrowing pursuant to Act 233, Act 94 and the Ordinance, as 2021 SRF-1 Junior Lien Bonds, all as finally determined in the Sale Order. The amount of the 2021 SRF-1 Junior Lien Bonds authorized in this Section 5(a)(i) shall include the amount of the net original issue premium, if any.

(b) Purpose of 2021 SRF-1 Junior Lien Bonds. The 2021 SRF-1 Junior Lien Bonds shall be issued as Additional Bonds for the purpose of paying and/or reimbursing Project Costs.

(c) Priority of Lien. The 2021 SRF-1 Junior Lien Bonds shall be issued as SRF Junior Lien Bonds.

(d) Insufficient Proceeds. To the extent that proceeds of SRF Junior Lien Bonds are insufficient to pay Project Costs, the insufficiency shall be paid from the proceeds of future Additional Bonds, if any, and/or moneys of the Regional Sewer System on hand and legally available therefor, as determined by the Authority Board.

(e) Separate Series and Subseries. The 2021 SRF-1 Junior Lien Bonds are issuable at one or more times and as one or more separate subseries of Bonds in such amounts as determined in the Sale Order.

(f) Taxable and Tax-Exempt 2021 SRF-1 Junior Lien Bonds. The 2021 SRF-1 Junior Lien Bonds may be issued as Taxable 2021 SRF-1 Junior Lien Bonds or Tax-Exempt 2021 SRF-1 Junior Lien Bonds, or as separate subseries of both, as set forth in the Sale Order.

(g) Source of Payment and Security. The 2021 SRF-1 Junior Lien Bonds shall be payable and secured as provided in Section 8.

(h) Applicability of Ordinance. Except as otherwise provided in this 2021 SRF-1 Series Ordinance or in the Sale Order, all of the provisions of the Ordinance shall apply to the 2021 SRF-1 Junior Lien Bonds as if set forth in full in this 2021 SRF-1 Series Ordinance, the purpose of this 2021 SRF-1 Series Ordinance being to supplement the Ordinance to authorize the issuance of 2021 SRF-1 Junior Lien Bonds for the purposes set forth herein.

Section 5. 2021 SRF-1 Junior Lien Bond Details.

(a) Designation.

- (1) The 2021 SRF-1 Junior Lien Bonds shall bear the designations Water Supply System Revenue Bonds, Series 2021-SRF-1 and shall include such other designations, including, without limitation, designations for multiple subseries, as determined by an Authorized Officer as shall be set forth in the Sale Order and not inconsistent with the Ordinance or this 2021 SRF-1 Series Ordinance.
- (2) If the 2021 SRF-1 Junior Lien Bonds is not issued in 2021, an Authorized Officer is authorized in her discretion to re-designate the year and Series designation of such Series of 2021 SRF-1 Junior Lien Bonds and the various funds and accounts established hereunder to correspond with the year of issuance of such Series of 2021 SRF-1 Junior Lien Bonds. Furthermore, an Authorized Officer is authorized to establish designations within the various funds and accounts established hereunder if necessary in order to differentiate such funds and accounts from other similarly named funds and accounts related to other Bonds.

(b) Numbering. The 2021 SRF-1 Junior Lien Bonds shall be numbered in such manner as shall be determined in the Sale Order.

(c) Principal. The 2021 SRF-1 Junior Lien Bonds shall be issued in the form of Serial Bonds or Term Bonds, or any combination of Serial Bonds and Term Bonds, in any Authorized Denomination, and the principal thereof shall mature on October 1, or such other date as set forth in the Sale Order, in such years and amounts, and shall be or not be subject to redemption prior to maturity, all as shall be determined in the Sale Order subject to the following limitations:

- (1) No 2021 SRF-1 Junior Lien Bonds shall mature later than 40 years after the date of issuance thereof.
- (2) The 2021 SRF-1 Junior Lien Bonds shall only be issued with annual principal and interest installments permitted by the Ordinance, including Section 207 thereof.

(d) Interest. 2021 SRF-1 Junior Lien Bonds or portions thereof shall bear interest at a rate or rates as set forth in the Sale Order not in excess of 2.50% per annum. Interest on 2021 SRF-1 Junior Lien Bonds shall be payable on each Interest Payment Date.

(e) Payment of Principal and Interest. The principal of, premium, if any, and interest on the 2021 SRF-1 Junior Lien Bonds shall be payable in lawful money of the United States. Except as otherwise provided in the Sale Order, so long as the 2021 SRF-1 Junior Lien Bonds are owned by the MFA, the 2021 SRF-1 Junior Lien Bonds are payable as to principal, redemption premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Authority by the MFA (the MFA's Depository"), and the Authority agrees that it will deposit with the MFA's Depository payments of the principal

of, premium, if any, and interest on the 2021 SRF-1 Junior Lien Bonds in immediately available funds by 12:00 noon at least five Business Days prior to the date on which any such payment is due, whether by maturity, redemption or otherwise. If the 2021 SRF-1 Junior Lien Bonds are not registered in the name of the MFA, the principal of and premium, if any, on the 2021 SRF-1 Junior Lien Bonds are payable upon the surrender thereof at the corporate trust office of the Trustee and the interest is payable by check or draft drawn on the Trustee and mailed to the registered owners as of the immediately preceding Regular Record Date at their address shown on the registration books of the Authority maintained by the Trustee.

(f) Dating. The 2021 SRF-1 Junior Lien Bonds shall be dated such date as determined in the Sale Order.

(g) Reserve Requirement. There shall be no Reserve Requirement with respect to the 2021 SRF-1 Junior Lien Bonds.

(h) Exchange. The registered owner of any 2021 SRF-1 Junior Lien Bond may exchange such 2021 SRF-1 Junior Lien Bond for a new 2021 SRF-1 Junior Lien Bond or Bonds of the same interest rate, maturity and Priority of Lien in an equal aggregate principal amount in one or more of the Authorized Denominations by surrendering such 2021 SRF-1 Junior Lien Bond to be exchanged at the designated office of the Trustee together with an assignment duly executed by the registered owner thereof or his attorney or legal representative in such form as shall be satisfactory to the Trustee. As provided in Section 206 of the Ordinance, the Trustee shall be responsible for the registration, transfer and exchange of 2021 SRF-1 Junior Lien Bonds and shall indicate its acceptance of such duties by a document filed with an Authorized Officer concurrently with the delivery of the 2021 SRF-1 Junior Lien Bonds.

(i) Execution and Delivery of 2021 SRF-1 Junior Lien Bonds. The 2021 SRF-1 Junior Lien Bonds shall be executed in the name of the Authority by manual or facsimile signature of the Chief Executive Officer of the Authority and countersigned by the manual or facsimile signature of the Secretary of the Authority Board, and shall have the Authority's seal or facsimile thereof affixed or printed thereon. The Chief Financial Officer is authorized to deliver the 2021 SRF-1 Junior Lien Bonds to the MFA upon receiving the purchase price therefor in lawful money of the United States.

(j) Form of 2021 SRF-1 Junior Lien Bonds. The 2021 SRF-1 Junior Lien Bonds shall be in substantially the following form, subject to such changes, additions or deletions as determined by the Chief Executive Officer within the parameters of this 2021 SRF-1 Series Ordinance:

R-__

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTIES OF MACOMB, OAKLAND AND WAYNE
GREAT LAKES WATER AUTHORITY
WATER SUPPLY SYSTEM REVENUE BOND,
SERIES 2021-SRF-1**

REGISTERED OWNER: Michigan Finance Authority

PRINCIPAL AMOUNT: \$ _____

INTEREST RATE: _____%

ORIGINAL ISSUE DATE:

The Great Lakes Water Authority, Counties of Macomb, Oakland and Wayne, State of Michigan (the “Issuer”), upon authorization from the Board of Directors of the Issuer (the “Board”), has issued this Bond. The Issuer, for value received, promises to pay, in lawful money of the United States of America, but only from the Pledged Assets (as defined below), to the Registered Owner named above, or registered assigns, the Principal Amount stated above, or so much thereof as shall have been advanced to the Issuer and not prepaid or reduced pursuant to a Purchase Contract between the Issuer and the Michigan Finance Authority (the “MFA”), a Supplemental Agreement by and among the Issuer, the MFA and State of Michigan acting through the Department of Environment, Great Lakes, and Energy [and approved and agreed to by the Issuer], and the Order of Approval issued by the Department of Environment, Great Lakes, and Energy. The Principal Amount shall be payable on the dates and in the principal installments set forth in Schedule A attached hereto.

In the event less than the Principal Amount of this Bond is disbursed by the MFA, any portion of the Principal Amount is prepaid as provided herein, or any serial principal payment becomes due before the Issuer has received proceeds from corresponding purchased principal installments of at least a like amount, then the MFA may prepare a new serial principal installment repayment schedule which shall be presented to the Issuer and be effective upon receipt as provided in the Purchase Contract.

Interest on this Bond shall accrue from the Original Issue Date set forth above at the Interest Rate set forth above, only on that portion of installments of the Principal Amount which have been disbursed by the MFA, shall be payable on _____, 201_ and semiannually on each April 1 and October 1 thereafter (each an “Interest Payment Date”).

If the MFA is not the registered owner of this Bond, principal of this Bond is payable upon presentation and surrender at the designated office of U.S. Bank National Association, as Trustee under the Ordinance (as defined below) or such other trustee as the Issuer may hereafter designate by notice mailed to the registered owner not less than 60 days prior to any Interest Payment Date (the “Trustee”).

Interest on this Bond is payable to the registered owner of record as of the close of business on the 15th day of the month immediately preceding any Interest Payment Date as shown on the registration books kept by the Trustee by check or draft mailed by the Trustee to the registered owner at the registered address. Interest on this Bond shall be computed on the basis of a 360-day year comprised of twelve 30-day months. During the time funds are being drawn down by the Issuer under this Bond, the MFA will periodically provide the Issuer with a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided, that no failure on the part of the MFA to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced [(subject to any principal forgiveness as provided for herein)], all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest that is two percent above the MFA's cost of providing funds (as determined by the MFA) to make payment on the bonds of the MFA issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the MFA has been fully reimbursed for all costs incurred by the MFA (as determined by the MFA) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the MFA. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the MFA) the investment of amounts in the reserve account established by the MFA for the bonds of the MFA issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds that may be made available for such purpose) to pay the interest on outstanding bonds of the MFA issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the MFA) of such deficiency as additional interest on this bond.

Notwithstanding any other provision of this Bond, so long as the MFA is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the MFA (the "MFA's Depository"); (b) the Issuer agrees that it will deposit with the MFA's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the MFA's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the MFA as invoiced by the MFA an amount to recover the MFA's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the MFA's Depository at least 40 days prior to the date on which redemption is to be made.

This Bond is one of a series of bonds designated "Water Supply System Revenue Bonds, Series 2021-SRF-1" and is issued pursuant to the provisions of (i) Act 233, Public Acts of Michigan, 1955, as amended ("Act 233"), and Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"), (ii) Master Bond Ordinance No. 2015-01 adopted by the Board on October 7, 2015, as

amended (the “Bond Ordinance”), (iii) the Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Aggregate Amount not to Exceed \$12,000,000, adopted by the Board on _____, 2021 (the “Series Ordinance”), and (iv) a Sale Order of the Chief Executive Officer of the Issuer dated _____, 2021 (the “Sale Order,” and, collectively with the Bond Ordinance and the Series Ordinance, the “Ordinance”). This Bond is issued for the purposes set forth in the Series Ordinance and the Sale Order.

For the prompt payment of the principal of and interest on this Bond, and other bonds issued by the Issuer pursuant to the Bond Ordinance, the Issuer has irrevocably pledged the Pledged Assets (as defined in the Bond Ordinance), which includes the revenues of the Water System (as defined in the Bond Ordinance), after provision is made for reasonable and necessary expenses of operation, maintenance and administration of the Water System (the “Net Revenues”), and a statutory lien on the Net Revenues and Pledged Assets is hereby recognized and acknowledged. Such lien is a third lien, subject to obligations heretofore and hereafter issued or incurred under the Bond Ordinance secured by a first or second lien on the Pledged Assets. This Bond is of equal standing on a parity with all other obligations heretofore and hereafter issued or incurred under the Bond Ordinance and secured by a third lien on the Pledged Assets.

For a complete statement of the revenues from which and the conditions under which this Bond is payable, a statement of the conditions under which Additional Bonds (as defined in the Bond Ordinance) of senior or equal standing and Additional Bonds of junior standing may hereafter be issued and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the Bond Ordinance.

This Bond is subject to redemption prior to maturity at the option of the Issuer and with the prior written consent of and upon such terms as may be required by the MFA. That portion of this Bond called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the Trustee to redeem the same.

THIS BOND IS ISSUED UNDER ACT 233 AND ACT 94. IT IS A SELF-LIQUIDATING BOND AND IS NOT A GENERAL OBLIGATION OF THE ISSUER AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER WITHIN ANY CONSTITUTIONAL OR STATUTORY LIMITATION, BUT IS PAYABLE, BOTH AS TO PRINCIPAL AND INTEREST SOLELY FROM THE PLEDGED ASSETS OF THE WATER SYSTEM. THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND ARE SECURED BY A STATUTORY LIEN ON THE PLEDGED ASSETS AS DESCRIBED HEREIN.

The Issuer has covenanted and agreed, and hereby covenants and agrees, to fix and maintain, or cause to be fixed and maintained, at all times while any bonds payable from the Pledged Assets of the Water System shall be outstanding, such rates for service furnished by the Water System as shall be sufficient to provide for payment of the interest upon and the principal of this Bond and all other Bonds (as defined in the Bond Ordinance) assumed or issued and to be issued under the Bond Ordinance as and when the same shall become due and payable, to create and maintain a bond redemption fund therefor, including a bond reserve for Bonds other than this Bond, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the Water System as are necessary to preserve the same in good repair and

working order, and to provide for such other expenditures and funds for the Water System, all as are required by the Bond Ordinance.

This Bond is transferable only upon the books of the Issuer kept for that purpose at the office of the Trustee by the registered owner hereof in person, or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his attorney duly authorized in writing, and thereupon a new registered bond or bonds of the same type, in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law precedent to and in the issuance of this Bond have been done and performed by regular and due time and form as required by law.

This Bond is not valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon has been executed by the Trustee.

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IN WITNESS WHEREOF, the Great Lakes Water Authority, Counties of Macomb, Oakland and Wayne, State of Michigan, has caused this Bond to be signed in its name by the facsimile signatures of its Chief Executive Officer and its Secretary of the Board, and a facsimile of its corporate seal to be printed, impressed or otherwise reproduced hereon, all as of the Original Issue Date.

GREAT LAKES WATER AUTHORITY

By: _____
Chief Executive Officer

Countersigned:

By: _____
Secretary, Board of Directors

[Seal]

CERTIFICATE OF AUTHENTICATION

This Bond is authenticated as the bond designated by the Issuer as “Water Supply System Revenue Bond, Series 2021-SRF-1”.

U.S. Bank National Association,
Trustee

By:_____

Date of Authentication: _____, 2021

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____ this Bond and all rights hereunder and hereby irrevocably appoints _____ attorney to transfer this Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular.

Schedule A

The principal amounts and maturity dates applicable to the Bond to which this Schedule A is attached are as follows:

Date

Amount

Based on the schedule provided above unless revised as provided in this paragraph, repayment of the Principal Amount shall be made according to such schedule until the full Principal Amount disbursed to the Issuer is repaid; provided, however, that the Issuer shall have no obligation to repay any serial principal installment for which the Issuer did not receive a disbursement of Principal Amount by the date such serial principal installment is due. In the event the Order of Approval issued by the Department of Environment, Great Lakes, and Energy (the "Order") approves a principal amount of assistance less than the amount of this Bond, the MFA shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule described above provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the MFA or (3) of prepayment [or principal forgiveness] of the Bond, the MFA shall prepare a new payment schedule that shall be effective upon receipt by the Issuer.

END OF BOND FORM

Section 6. Concerning the Securities Depository.

(a) As used herein:

“Beneficial Owner” means any Person who indirectly owns 2021 SRF-1 Junior Lien Bonds pursuant to the indirect ownership system maintained by a securities depository (the “Securities Depository”) and its Participants, commonly known as the “Book-Entry Only System.”

“Participant” means any Person whose ownership of 2021 SRF-1 Junior Lien Bonds is shown on books of the Securities Depository.

(b) The 2021 SRF-1 Junior Lien Bonds will initially be registered in the name of the MFA, or such other purchasers as designated in the Sale Order. In the event 2021 SRF-1 Junior Lien Bonds are later to be registered in the name of a Securities Depository or its nominee, neither the Authority nor the Trustee shall have any responsibility or obligation to any Participant or to any Beneficial Owner with respect to any matter, including the following:

- (1) the accuracy of the records of the Securities Depository, its nominee or any Participant with respect to any ownership interest in 2021 SRF-1 Junior Lien Bonds,
- (2) the delivery to any Participant, Beneficial Owner or any other Person other than the Securities Depository of any notice with respect to: any 2021 SRF-1 Junior Lien Bonds, including any notice of redemption, or
- (3) the payment to any Participant, Beneficial Owner or any other Person, other than the Securities Depository of any amount with respect to the principal (and premium, if any) of or interest on any 2021 SRF-1 Junior Lien Bonds.

(c) The Trustee shall pay all principal (and premium, if any) of and interest on the 2021 SRF-1 Junior Lien Bonds only to or upon the order of the MFA, or the Securities Depository, as applicable, and all such payments shall be valid and effective fully to satisfy and discharge the Authority’s obligations with respect to the principal (and premium, if any) of, and interest on such 2021 SRF-1 Junior Lien Bonds to the extent of the sum or sums so paid.

(d) If 2021 SRF-1 Junior Lien Bonds become registered in the name of the Securities Depository and (1) the Authority receives a written notice from the Securities Depository to the effect the Securities Depository is unable or unwilling to discharge its responsibilities or (2) the Authority determines that it is in the best interests of the Beneficial Owners of 2021 SRF-1 Junior Lien Bonds that they be able to obtain 2021 SRF-1 Junior Lien Bonds in certificated form, then, in either event, the Authority shall notify the Trustee and, in the case of clause, (2), the Securities Depository.

(e) Upon discontinuance of the use of the Book-Entry Only System maintained by the Securities Depository, if any, pursuant to subsection (d), above and upon receipt of notice from the Securities Depository containing sufficient information, the Authority shall execute and the Trustee shall authenticate and deliver 2021 SRF-1 Junior Lien Bonds in certificated form to

Beneficial Owners in exchange for the beneficial interests of such Beneficial Owners in corresponding principal amounts and in any Authorized Denominations.

(f) Notwithstanding any other provision of this 2021 SRF-1 Series Ordinance to the contrary, so long as any 2021 SRF-1 Junior Lien Bond is registered in the name of the Securities Depository or its nominee:

- (1) all payments with respect to the principal, premium, if any, and interest on such 2021 SRF-1 Junior Lien Bond and all notices of redemption, tender and otherwise with respect to such 2021 SRF-1 Junior Lien Bond shall be made and given, respectively, to the Securities Depository as provided in the letter of representations from the Authority to the Securities Depository with respect to such 2021 SRF-1 Junior Lien Bonds or any master letter of representations from the Authority to the Securities Depository;
- (2) if less than all of the 2021 SRF-1 Junior Lien Bonds of the same type of any maturity are to be redeemed, then the particular 2021 SRF-1 Junior Lien Bonds or portions of 2021 SRF-1 Junior Lien Bonds of such type and maturity to be redeemed shall be selected by the Securities Depository in any such manner as the Securities Depository may determine;
- (3) all payments with respect to principal of the 2021 SRF-1 Junior Lien Bonds and premium, if any and interest on the 2021 SRF-1 Junior Lien Bonds shall be made in such manner as shall be prescribed by the Securities Depository; and
- (4) if a 2021 SRF-1 Junior Lien Bond is redeemed or tendered in part, then all amounts payable in respect of such redemption or tender shall be paid without presentation and surrender of such 2021 SRF-1 Junior Lien Bond pursuant to the procedures of the Securities Depository.

Section 7. Payment of 2021 SRF-1 Junior Lien Bonds; Confirmation of Statutory Lien.

(a) The 2021 SRF-1 Junior Lien Bonds and the interest thereon shall be payable solely from the Pledged Assets.

(b) To secure payment of the 2021 SRF-1 Junior Lien Bonds, the statutory lien upon the whole of the Pledged Assets established by Act 94 and the pledge created in Section 501 of the Ordinance is hereby confirmed in favor of the 2021 SRF-1 Junior Lien Bonds as follows: Such lien in favor of the 2021 SRF-1 Junior Lien Bonds shall be a statutory third lien on the Pledged Assets of equal standing and Priority of Lien with all issued, to be issued and outstanding SRF Junior Lien Bonds.

Section 8. Funds and Accounts; Flow of Funds. Except as otherwise provided in this 2021 SRF-1 Series Ordinance, all of the provisions relative to funds and accounts, their maintenance, the flow of funds and other details relative thereto, shall remain as specifically set forth in the Ordinance.

Section 9. Disposition of Proceeds.

(a) Disposition of Accrued Interest and Capitalized Interest. (1) From the proceeds of the sale of the 2021 SRF-1 Junior Lien Bonds there shall be immediately deposited in the SRF Junior Lien Debt Service Account, an amount equal to any accrued interest received on the delivery of the 2021 SRF-1 Junior Lien Bonds and any capitalized interest on the 2021 SRF-1 Junior Lien Bonds, and the Authority may take credit for the amount so deposited against the amount required to be deposited in the SRF Junior Lien Debt Service Account for payment of the next maturing interest payment on the 2021 SRF-1 Junior Lien Bonds.

(b) Construction Fund. The balance of the proceeds of the 2021 SRF-1 Junior Lien Bonds shall be deposited in the Construction Fund and used to pay Project Costs as provided in Section 10.

Section 10. Construction Fund.

(a) A subaccount of the Authority Regional Construction Account of the Construction Fund established by the Ordinance shall be established for the 2021 SRF-1 Junior Lien Bonds and designated the "Construction Fund, Series SRF 2021-1," and shall be established and maintained as a separate depository account with a Custodian as designated by the Chief Financial Officer.

(b) Moneys in the Construction Fund, Series SRF 2021-1 shall be applied solely to payment of Project Costs (or to the reimbursement of Project Costs paid by the Authority from other funds prior to the issuance of the 2021 SRF-1 Junior Lien Bonds).

(1) Payments or reimbursement for Project Costs for construction, either on account or otherwise, shall not be made unless the registered engineer in charge of such work shall file with an Authorized Officer a signed statement to the effect that the work has been completed in accordance with the plans and specifications therefor, that it was done pursuant to and in accordance with the contract therefor, that such work is satisfactory and that such work has not been previously paid for.

(2) Payment or reimbursement for Project Costs consisting of Issuance Costs and engineering, legal and financial costs shall be made upon submission of appropriate documentation to an Authorized Officer.

Section 11. Tax Covenant.

(a) The Authority hereby covenants and represents with the registered owners of the Tax-Exempt 2021 SRF-1 Junior Lien Bonds, that so long as any of the Tax-Exempt 2021 SRF-1 Junior Lien Bonds remain outstanding and unpaid as to either principal or interest, the Authority shall, to the extent permitted by law, take all actions within its control to maintain, and will refrain from taking any action which would impair, the exclusion of the interest on the Tax-Exempt 2021 SRF-1 Junior Lien Bonds from gross income for federal income tax purposes under the Code.

(b) The actions referred to in subsection (a), above include, but are not limited to actions relating to any required rebate of arbitrage earnings and the expenditure and investment of proceeds of Tax-Exempt 2021 SRF-1 Junior Lien Bonds and moneys deemed to be proceeds of

Tax-Exempt 2021 SRF-1 Junior Lien Bonds, and to prevent Tax-Exempt 2021 SRF-1 Junior Lien Bonds from being or becoming “private activity bonds” as that term is used in the Code.

Section 12. Sale of 2021 SRF-1 Junior Lien Bonds; Purchase Contract; Expiration of Referendum Period.

(a) The 2021 SRF-1 Junior Lien Bonds shall be sold by negotiated sale to the MFA pursuant to a Purchase Contract in customary form with such changes thereto as an Authorized Officer shall determine are in the best interests of the Authority, within the parameters established by this 2021 SRF-1 Series Ordinance. Such determination shall be conclusively established by the Authorized Officer’s execution of the Purchase Contract to the MFA.

(b) The Authority Board hereby determines that the sale of the 2021 SRF-1 Junior Lien Bonds by negotiated sale as described in subsection (a) is in the best interests of the Authority and will allow the 2021 SRF-1 Junior Lien Bonds to receive a subsidized interest rate through participation in the MFA’s Drinking Water Revolving Fund Program.

(c) An Authorized Officer is authorized to accept, on behalf of the Authority, an offer from the MFA to purchase the 2021 SRF-1 Junior Lien Bonds subject to the following limitations:

- (1) The interest rate with respect to the 2021 SRF-1 Junior Lien Bonds shall not exceed 2.50%.
- (2) The aggregate purchaser’s discount at which the 2021 SRF-1 Junior Lien Bonds shall be sold to the MFA shall not exceed 2.00%.

(d) An Authorized Officer shall confirm in the Sale Order that there was no petition meeting the requirements of Section 33 of Act 94 that was filed with the Secretary of the Authority Board within 45 days of the date of publication of the notice of intent to issue bonds with respect to the 2021 SRF-1 Junior Lien Bonds as required by Section 33 of Act 94.

Section 13. Delegation of Authority to and Authorization of Actions of Authorized Officers.

(a) An Authorized Officer shall make all determinations herein provided to be made in the Sale Order and shall make all such determinations in accordance with the best interests of the Authority within the parameters of this 2021 SRF-1 Series Ordinance.

(b) In addition to determinations authorized elsewhere in this 2021 SRF-1 Series Ordinance, an Authorized Officer shall determine the aggregate principal amount of 2021 SRF-1 Junior Lien Bonds to be issued, but not in excess of the aggregate principal amount authorized by this 2021 SRF-1 Series Ordinance, on the basis of her evaluation of the maximum amount of 2021 SRF-1 Junior Lien Bonds which can be sold, given anticipated interest rates and the revenue coverage requirements with respect to the 2021 SRF-1 Junior Lien Bonds and for any other reasons the Authorized Officer deems appropriate.

- (1) Such determination shall also include the redemption provisions for the 2021 SRF-1 Junior Lien Bonds.

- (2) An Authorized Officer shall also determine and establish, in accordance with this 2021 SRF-1 Series Ordinance, the maturities of the 2021 SRF-1 Junior Lien Bonds, whether such maturities shall be serial or term maturities and the Mandatory Redemption Requirements for any term maturities.

(c) An Authorized Officer is authorized, if necessary, to file applications and to pay the related fees, if any, to the Michigan Department of Treasury at her discretion under Act 34 for one or more orders of approval to issue all or a portion of the 2021 SRF-1 Junior Lien Bonds, and such waivers or other Treasury approvals as necessary to implement the sale, delivery and security for the 2021 SRF-1 Junior Lien Bonds as authorized herein, and as required by the Michigan Department of Treasury or Act 34.

(d) An Authorized Officer shall determine in the Sale Order that the requirements set forth in Section 207 of the Ordinance with respect to the issuance of the 2021 SRF-1 Junior Lien Bonds as Additional Bonds have been satisfied.

(e) An Authorized Officer is hereby authorized and directed to do and perform any and all other acts and things with respect to the 2021 SRF-1 Junior Lien Bonds which are necessary or appropriate to carry into effect, consistent with the Ordinance and this 2021 SRF-1 Series Ordinance, the authorizations therein and herein contained including without limitation the securing of ratings by bond rating agencies, and the incurring of reasonable fees costs and expenses incidental to the foregoing, for and on behalf of the Authority.

Section 14. Advancement of Project Costs. At the direction of an Authorized Officer, the Authority may advance certain Project Costs from the Authority's funds prior to the issuance of the 2021 SRF-1 Junior Lien Bonds to the extent that such costs are expenditures appropriate for reimbursement under applicable law, including the Code in the case of Tax-Exempt 2021 SRF-1 Junior Lien Bonds.

Section 15. Ratification. All determinations and decisions of an Authorized Officer heretofore taken with respect to the issuance and sale of the 2021 SRF-1 Junior Lien Bonds as permitted or required by the Ordinance or law are hereby ratified, confirmed and approved.

Section 16. Additional Authorization. The Chief Executive Officer, the Chief Financial Officer, the Chief Administrative and Compliance Officer and the General Counsel of the Authority, any such officials acting in an interim or acting capacity to such officers, their deputies and staff, or any of them, are hereby authorized to execute and deliver such certificates, Supplemental Agreements, other agreements, documents, instruments, opinions and other papers as may be deemed necessary or appropriate to complete the sale, execution and delivery of the 2021 SRF-1 Junior Lien Bonds and otherwise give effect to the transactions contemplated by this 2021 SRF-1 Series Ordinance, as determined by such officials executing and delivering the foregoing items.

Section 17. 2021 SRF-1 Series Ordinance a Contract. The provisions of this 2021 SRF-1 Series Ordinance shall constitute a contract between the Authority and each registered owner of an outstanding 2021 SRF-1 Junior Lien Bond.

Section 18. Professional Services.

(a) Dickinson Wright PLLC is hereby appointed as Bond Counsel for the 2021 SRF-1 Junior Lien Bonds, notwithstanding the periodic representation by Dickinson Wright PLLC in unrelated matters of other parties and potential parties to the issuance of the 2021 SRF-1 Junior Lien Bonds.

(b) PFM Financial Advisors LLC is hereby appointed as Financial Advisor for the 2021 SRF-1 Junior Lien Bonds, notwithstanding the periodic representation by PFM Financial Advisors LLC in unrelated matters of other parties and potential parties to the issuance of the 2021 SRF-1 Junior Lien Bonds.

(c) The fees and expenses of Dickinson Wright PLLC and PFM Financial Advisors LLC shall be payable as an Issuance Cost from the proceeds of the 2021 SRF-1 Junior Lien Bonds or other available funds.

(d) An Authorized Officer is authorized to engage financial and other consultants as she deems necessary or appropriate in connection with the sale, issuance and delivery of the 2021 SRF-1 Junior Lien Bonds and to pay the fees and expenses thereof from the proceeds of the 2021 SRF-1 Junior Lien Bonds or other available funds.

Section 19. Severability; Headings; and Conflict. If any section, paragraph, clause or provision of this 2021 SRF-1 Series Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this 2021 SRF-1 Series Ordinance. The section and paragraph headings in this 2021 SRF-1 Series Ordinance are furnished for convenience of reference only and shall not be considered to be part of this 2021 SRF-1 Series Ordinance.

Section 20. Publication and Recordation. This 2021 SRF-1 Series Ordinance shall be published in full in the Detroit Legal News, a newspaper of general circulation within the geographic boundaries of the Authority qualified under State law to publish legal notices, promptly after its adoption, and shall be maintained in the official records of the Authority and such recording authenticated by the signatures of the Chairperson and Secretary of the Authority Board.

Section 21. Repeal. All ordinances, resolutions, indentures or orders, or parts thereof, in conflict with the provisions of this 2021 SRF-1 Series Ordinance are, to the extent of such conflict, repealed.

Section 22. Effective Date. This 2021 SRF-1 Series Ordinance shall be effective upon adoption.

Adopted and signed on the 28th day of April, 2021.

GREAT LAKES WATER AUTHORITY

Signed _____
Chairperson

Signed _____
Secretary

4837-6632-8032 v1 [63818-33]

**Great Lakes Water Authority
Resolution 2021-**

**RE: Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System
Revenue Bonds in an Amount not to Exceed \$12,000,000
Ordinance 2021-02**

By Board Member: _____

Whereas There has been presented to the Board of Directors of the Great Lakes Water Authority (the “Authority”) an ordinance entitled “Series Ordinance Authorizing the Issuance and Sale of Water Supply System Revenue Bonds in an Amount not to Exceed \$12,000,000” (the “2021 SRF-1 Series Ordinance”), which ordinance is a Series Ordinance as defined and described in Master Bond Ordinance No. 2015-01 adopted by the Board of Directors on October 7, 2015, as amended on December 9, 2015, January 27, 2016 and August 10, 2016.

Whereas The Articles of Incorporation of the Authority provide that at least 5 of the 6 members of the Authority Board must vote to approve the 2021 SRF-1 Series Ordinance.

Now, Therefore Be It:

Resolved That the 2021 SRF-1 Series Ordinance, in the form presented to this meeting, is approved and adopted, and the Chairperson and the Secretary are authorized to authenticate the 2021 SRF-1 Series Ordinance in the form approved; **And Be it Further**

Resolved That an affirmative vote of at least 5 members of the Authority Board is necessary for the passage of this Resolution.

Adopted by the Great Lakes Water Authority Board on: April 28, 2021

..Title

Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Amount Not to Exceed \$12,000,000 (Ordinance 2021-02)

..Body

Agenda of: April 28, 2021
Item No.: **2021-__**
Amount: Not to Exceed \$12,000,000

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: April 28, 2021

RE: Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Amount Not to Exceed \$12,000,000 (Ordinance 2021-02)

MOTION

Upon recommendation of Sue McCormick, Chief Executive Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **approve the resolution Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Amount Not to Exceed \$12,000,000 as presented**, and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

On February 26, 2020, the Great Lakes Water Authority (“GLWA”) Board of Directors approved Resolution 2020-068, “Resolution of the Great Lakes Water Authority Authorizing Publication of Notice of Intent to Issue Water Supply System Revenue Bonds in a principal amount not to exceed \$200,000,000” (the “Notice of Intent”). This is the sixth series of water bonds from that Notice of Intent in the amount not to exceed \$12,000,000.

The approval of the Series Ordinance presented today is the next formal step required by the GLWA Board of Directors in the bond issuance process. The Series Ordinance authorizes the issuance of the Bonds by GLWA, sets forth the guidelines for the Drinking Water Revolving Fund (DWRf) Bonds, designates the Bonds as 2021 SRF-1 Junior Lien Bonds, and authorizes the Chief Executive Officer or the Chief Financial Officer to execute the final terms of the Bonds, paying issuance costs and signing of the Purchase Contract and Sale Order, within the parameters set forth in the Series Ordinance.

JUSTIFICATION

This series of bonds authorized by this ordinance will be sold through the state of Michigan’s DWRf program (Project #7445-04) and will be used to finance improvements to the Regional Water System, including improvements to the Northeast Water Transmission Main - Phase 3 (Garland, Hurlbut, Bewick Water Transmission System Rehabilitation), including but not limited to design for the construction of a transmission main from the Northeast Water Treatment Plant to the I-94 expressway. Per the Ordinance, this series of bonds will be designated 2021 SRF-1 Junior Lien Bonds, with a loan amount not to exceed \$12,000,000.

The 2021 SRF-1 Junior Lien Bonds will be sold to the Michigan Finance Authority. The current program interest rate for the DWRf is 1.875% and is typically payable over a 20-year term. Based on the not to exceed amount for this series of \$12.0 million, GLWA could save an estimated \$5.8 million in interest costs and avoided issuance costs, based on a similar open market revenue bond with a 30-year term and 3.50% interest rate, over the life of the 30-year bond issue.

BUDGET IMPACT

The debt service payments on the GLWA Regional project are anticipated to start on October 1, 2021 with minimal amounts of interest due, because of the projected draw down schedules. Interest expense on the loan is included in the FY 2022 Water Budget.

COMMITTEE REVIEW

This matter was reviewed by the GLWA Audit Committee at its meeting on April 23, 2021. The Audit Committee [insert action] approval of the resolution Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Amount Not to Exceed \$12,000,000 as presented.



Financial Services Audit Committee Communication

Date: April 23, 2021

To: Great Lakes Water Authority Audit Committee

From: Jon Wheatley, Public Finance Manager

Re: Scheduling Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project

Background: The Great Lakes Water Authority (the “GLWA”) has identified two wastewater system projects in the FY 2022 to FY 2026 Capital Improvement Plan (CIP) for submittal to the Michigan Department of Environment, Great Lakes and Energy (EGLE) for the SRF financing program for funding in the state’s 2022 fiscal year. The deadline for submitting all SRF project plans to EGLE is June 1, 2021, but prior to submitting the project plans, GLWA must hold a public hearing to present the project plans, which will be scheduled for May 26, 2021 at 2:00 pm.

The FY 2022 SRF project plans and public hearing notices for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project have been posted on the GLWA website and can be found at: <https://www.glwater.org>. A summary of each project plan will be presented at the public hearings. After the public hearings are closed, a resolution for each project will be scheduled for action by the GLWA Board of Directors at its regularly scheduled meeting also on May 26, 2021. The resolution must be approved and signed to ensure that the finalized project plans are assembled, printed, and submitted to the EGLE by the deadline of June 1, 2021.

The Projects: Connors Creek Sewer System (CCSS) Rehabilitation Project – (CIP# 260208): The project is comprised of the rehabilitation of the CCSS, which is one of the primary combined sewers in Detroit metropolitan area. The CCSS was originally constructed in the 1920s. Recent inspections revealed moderate to very severe defects needing to be repaired. Construction will include in-place rehabilitation of sewers and adding new access manhole structures. Right-of-way restoration will be performed on any disrupted areas. The impact of the project will improve customer satisfaction and safe reliable service delivery of sewage

sewer conveyance to the Water Resource Recovery Facility. The total cost of this project is currently estimated at \$36,809,760.

In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project- (CIP# 260204): The project is comprised of the evaluation and rehabilitation of 29 of the In-System Storage Device (ISD), Dam Remote (DR), and Valve Remote (VR) sites within the City of Detroit. Averaging 20 years in age, the ISD, VR, and DR sites have undergone only minor repairs since original construction. Maintaining reliable ISDs, DRs, and VRs are a key factor in maintaining the GLWA wastewater conveyance system and a major component of mitigating historical problems such as CSO discharges to the Detroit and Rouge River and residential basement flooding. The proposed project will significantly provide upgrades and improve the reliability of the ISD, DR, and VR sites. The total cost of this project is currently estimated at \$10,597,000.

Justification: GLWA is seeking low interest loan assistance through the SRF program for these projects. Although the EGLE interest rate for FY 2022 will not be determined until October 2021, the current year's interest rate of 1.875% is less than the present conventional revenue bond interest rates. Based on the combined project amounts of \$47.4 million, GLWA could save an estimated \$19.8 million in interest costs and avoided issuance costs, based on a similar open market revenue bond with a 30-year term and 3.50% interest rate, over the life of the 30-year bond issue. This will offer savings to both GLWA and its members.

Budget Impact: Debt service for both projects is anticipated to begin in FY 2023 and will be included as part of the FY 2023 financial plan.

Proposed Action: Audit Committee recommends that the Great Lakes Water Authority Board of Directors schedules public hearings for both the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project for May 26, 2021 at 2:00 p.m.

..Title

Scheduling Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project

..Body

Agenda of: April 28, 2021

Item No.: **2021-___**

Amount: N/A

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: April 28, 2021

RE: Scheduling Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project

MOTION

Upon recommendation of Sue McCormick, Chief Executive Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **approve the Scheduling Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project for May 26, 2021 at 2:00 pm**, and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Great Lakes Water Authority (the “GLWA”) has identified two wastewater system projects in the FY 2022 to FY 2026 Capital Improvement Plan (CIP) for submittal to the Michigan Department of Environment, Great Lakes and Energy (EGLE) for the SRF financing program for funding in the state’s 2022 fiscal year. The deadline for submitting all SRF project plans to EGLE is June 1, 2021, but prior to submitting the project plans, GLWA must hold a public hearing to present the project plans, which will be scheduled for May 26, 2021 at 2:00 pm.

The FY 2022 SRF project plans and public hearing notices for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project have been posted on the GLWA website and can be found at: <https://www.glwater.org>. A summary of each project plan will be presented at the public hearings. After the public hearings are closed, a resolution for each project will be scheduled for action by the GLWA Board of Directors at its regularly scheduled meeting also on May 26, 2021. The resolution must be approved and signed to ensure that the finalized project plans are assembled, printed, and submitted to the EGLE by the deadline of June 1, 2021.

The Projects:

Connors Creek Sewer System (CCSS) Rehabilitation Project – (CIP# 260208): The project is comprised of the rehabilitation of the CCSS, which is one of the primary combined sewers in Detroit metropolitan area. The CCSS was originally constructed in the 1920s. Recent inspections revealed moderate to very severe defects needing to be repaired. Construction will include in-place rehabilitation of sewers and adding new access manhole structures. Right-of-way restoration will be performed on any disrupted areas. The impact of the project will improve customer satisfaction and safe reliable service delivery of sewage sewer conveyance to the Water Resource Recovery Facility. The total cost of this project is currently estimated at \$36,809,760.

In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project-(CIP# 260204): The project is comprised of the evaluation and rehabilitation of 29 of the In-System Storage Device (ISD), Dam Remote (DR), and Valve Remote (VR) sites within the City of Detroit. Averaging 20 years in age, the ISD, VR, and DR sites have undergone only minor repairs since original construction. Maintaining reliable ISDs, DRs, and VRs are a key factor in maintaining the GLWA wastewater conveyance system and a major component of mitigating historical problems such as CSO discharges to the Detroit and Rouge River and residential basement flooding. The proposed project will significantly provide upgrades and improve the reliability of the ISD, DR, and VR sites. The total cost of this project is currently estimated at \$10,597,000.

JUSTIFICATION

GLWA is seeking low interest loan assistance through the SRF program for these projects. Although the EGLE interest rate for FY 2022 will not be determined until October 2021, the current year's interest rate of 1.875% is less than the present conventional revenue bond interest rates. Based on the combined project amounts of \$47.4 million, GLWA could save an estimated \$19.8 million in interest costs and avoided issuance costs, based on a similar open market revenue bond with a 30-year term and 3.50% interest rate, over the life of the 30-year bond issue. This will afford savings to both GLWA and its members.

BUDGET IMPACT

Debt service for both projects is anticipated to begin in FY 2023 and will be included as part of the FY 2023 financial plan.

COMMITTEE REVIEW

This matter was reviewed by the GLWA Audit Committee at its meeting on April 23, 2021. The Audit Committee [insert action] the Scheduling Public Hearings for the State Revolving Fund (SRF) Project Plan Submittals for the Connors Creek Sewer System Rehabilitation Project and the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project for May 26, 2021 at 2:00 pm.

GREAT LAKES WATER AUTHORITY

PUBLIC HEARING NOTICE FOR CONNORS CREEK SEWER SYSTEM REHABILITATION FY 2022 STATE REVOLVING FUND (SRF) PROJECT

The Great Lakes Water Authority (GLWA) announces a Public Hearing regarding its Project Plan for the proposed Connors Creek Sewer System (CCSS) Rehabilitation project. GLWA will be seeking low interest State Revolving Fund (SRF) loan assistance for FY 2022. The project is comprised of the rehabilitation of the CCSS, which is one of the primary combined sewers in Detroit metropolitan area. The CCSS was originally constructed in the 1920s. Recent inspections revealed moderate to very severe defects needing to be repaired. Construction will include in-place rehabilitation of sewers and adding new access manhole structures. Right-of-way restoration will be performed on any disrupted areas. The impact of the project will improve customer satisfaction and safe reliable service delivery of sewage sewer conveyance to the Water Resource Recovery Facility. The temporary impact of construction activities will be minimized largely through extensive use of in-place rehabilitation technologies, along with mitigation measures specified in the contract documents. Adverse impacts on historical, archaeological, geographic, or cultural areas are not expected. The total cost of the project is currently estimated at approximately \$36,809,760, which is being sought through the SRF low interest loan program. This sewer rehabilitation project is eligible for participation in the State of Michigan low interest SRF loan program.

The Public Hearing will present a description of the project, its evaluation, and estimated costs, as well as the cost per household impact for customer communities. The purpose of the hearing is not only to inform, but to gather feedback from people who will be affected. Comments and viewpoints from the public are requested.

THE MEETING WILL BE HELD ON:

DATE: Wednesday, May 26, 2021

TIME: 2:00 p.m.

PLACE: Zoom Telephonic Meeting

Public Call-In Number: 877 853 5247 US Toll-Free
or 888 788 0099 US Toll-Free

Meeting ID: 896 0276 4695

Information on the Project Plan will be available for review online after April 16, 2021 at the **GLWA Website:** <https://www.glwater.org/>.

The Public Hearing on the Connors Creek Sewer System (CCSS) Rehabilitation Project proposed by the Great Lakes Water Authority scheduled for Wednesday, May 26, 2021 at 2:00 p.m. will be held via Zoom and its telephonic capabilities. Members of the public who wish to attend this Public Hearing by telephone can do so in the following manner:

Public Call-In Number: 877 853 5247 US Toll-Free; or
888 788 0099 US Toll-Free
Meeting ID: 896 0276 4695

Members of the public may offer comment in the following manner:

By Telephone: Members of the public who wish to attend the meeting and/or offer public comment by telephone should call in at the number indicated above, press *9 on their keypad to “raise their hand for public comment.” During other portions of the meeting, members of the public are asked to mute their line by pressing *6 on their keypad to mute or unmute their line.

By E-Mail: Members of the public may provide written comments to the Board by emailing those comments to CEO@glwater.org on or before 5:00 p.m. EST. on Wednesday, May 26, 2021 and should reference “May 26, 2021 Public Hearing on proposed Connors Creek Sewer System (CCSS) Rehabilitation Project” in the subject line of the e-mail. The opportunity to submit written comments by e-mail may remain open throughout the duration of the Public Hearing.

By U.S. Mail: Members of the public may provide written comments by United States mail addressed to:

Sue F. McCormick, Chief Executive Officer
Great Lakes Water Authority
735 Randolph
Detroit, Michigan, 48226

Written comments by U.S. mail should reference “May 26, 2021 Public Hearing on Connors Creek Sewer System (CCSS) Rehabilitation Project” in the letter. The opportunity to submit written comments by U.S. mail may remain open throughout the duration of the Public Hearing.

If a member of the public requires accommodation due to a disability, please contact CEO@glwater.org or (844) 455-GLWA (4592) not less than 72 hours prior to the date of the meeting.

GREAT LAKES WATER AUTHORITY

PUBLIC HEARING NOTICE WASTEWATER CONVEYANCE SYSTEM FY 2022 STATE REVOLVING FUND (SRF) PROJECTS

The Great Lakes Water Authority (GLWA) announces a Public Hearing regarding its Project Plan for the proposed In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project. GLWA will be seeking low interest State Revolving Fund (SRF) loan assistance for FY 2022. The project is comprised of the evaluation and rehabilitation of 29 of the In-System Storage Device (ISD), Dam Remote (DR), and Valve Remote (VR) sites within the City of Detroit. Averaging 20 years in age, the ISD, VR, and DR sites have undergone only minor repairs since original construction. Maintaining reliable ISDs, DRs, and VRs are a key factor in maintaining the GLWA wastewater conveyance system and a major component of mitigating historical problems such as CSO discharges to the Detroit and Rouge River and residential basement flooding. The proposed project will significantly provide upgrades and improve the reliability of the ISD, DR, and VR sites. The total cost of this project is currently estimated at \$10,597,000 which will be allocated to GLWA and suburban customers similar to other collection system capital improvements.

The Public Hearing will present a description of the project, its evaluation, and estimated costs, as well as the cost per household impact for customer communities. The purpose of the hearing is not only to inform, but to gather feedback from people who will be affected. Comments and viewpoints from the public are requested.

THE MEETING WILL BE HELD ON:

DATE: Wednesday, May 26, 2021

TIME: 2:00 p.m.

PLACE: Zoom Telephonic Meeting

Public Call-In Number: 877 853 5247 US Toll-Free
or 888 788 0099 US Toll-Free

Meeting ID: 896 0276 4695

Information on the Project Plan will be available for review online after April 16, 2021 at the **GLWA Website:** <https://www.glwater.org/>.

The Public Hearing on the In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project proposed by the Great Lakes Water Authority scheduled for Wednesday, May 26, 2021 at 2:00 p.m. will be held via Zoom and its telephonic capabilities. Members of the public who wish to attend this Public Hearing by telephone can do so in the following manner:

Public Call-In Number: 877 853 5247 US Toll-Free; or
888 788 0099 US Toll-Free

Meeting ID: 896 0276 4695

Members of the public may offer comment in the following manner:

By Telephone: Members of the public who wish to attend the meeting and/or offer public comment by telephone should call in at the number indicated above, press *9 on their keypad to “raise their hand for public comment.” During other portions of the meeting, members of the public are asked to mute their line by pressing *6 on their keypad to mute or unmute their line.

By E-Mail: Members of the public may provide written comments to the Board by emailing those comments to CEO@glwater.org on or before 5:00 p.m. EST. on Wednesday, May 26, 2021 and should reference “May 26, 2021 Public Hearing on proposed In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project” in

the subject line of the e-mail. The opportunity to submit written comments by e-mail may remain open throughout the duration of the Public Hearing.

By U.S. Mail: Members of the public may provide written comments by United States mail addressed to:

Sue F. McCormick, Chief Executive Officer
Great Lakes Water Authority
Suite 1900
735 Randolph
Detroit, Michigan, 48226

Written comments by U.S. mail should reference “May 26, 2021 Public Hearing on proposed In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation Project” in the letter. The opportunity to submit written comments by U.S. mail may remain open throughout the duration of the Public Hearing.

If a member of the public requires accommodation due to a disability, please contact CEO@glwater.org or (844) 455-GLWA (4592) not less than 72 hours prior to the date of the meeting.

GLWA

Great Lakes Water Authority



Monthly Financial Report Binder

January 2021

**Presented to the
Great Lakes Water Authority
Audit Committee on April 23, 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:

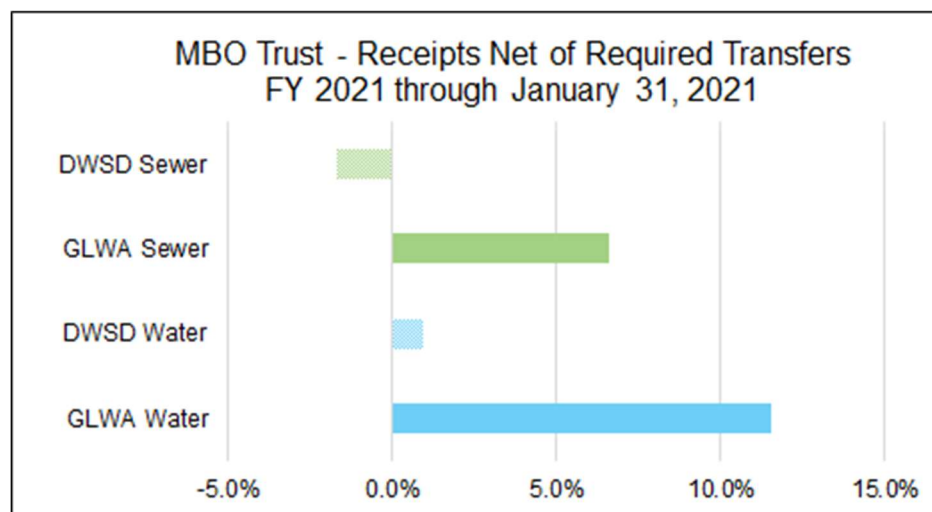
No Risk (green) - Potential (yellow) - Likely (red)

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 January 31, 2021				
Metric	FY 2021 Budget	FY 2021 Actual	Variance from Financial Plan	Report Page Reference
Wholesale Water Billed Revenue (\$M)	\$187.6	\$192.3	3%	45
Wholesale Water Billed Usage (mcf)	8,366,000	8,777,000	5%	
Wholesale Sewer Billed Revenue (\$M)	\$156.6	\$156.6	0%	47
Wholesale Water Operations & Maintenance (\$M)	\$78.2	\$74.9	-4%	6
Wholesale Sewer Operations & Maintenance (\$M)	\$106.3	\$98.2	-8%	
Investment Income (\$M)	\$4.2	\$4.7	12%	35
Water Prorated Capital Spend w/SRA* (\$M)	\$65.0	\$72.0	11%	27
Sewer Prorated Capital Spend w/SRA* (\$M)	\$47.0	\$48.0	2%	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 \$600 thousand and DWSD Sewer reports a shortfall of \$2.8 million through January 2021. DWSD management is reviewing plans to resolve the current year shortfall and will be proposing a formal plan to end the FY 2021 fiscal year with positive net cash flows.

The current DWSD loan receivable balance for fiscal years 2017 and 2018 is \$16.0 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 January 2021 Budget to Actual report.
- The total Revenue Requirements are on target through January 2021.
- The total Operations & Maintenance expenses are at 54.7% of budget through January 2021 which is reasonably within the pro-rata benchmark of 58.3%.

Basic Financial Statements (page 10)

- The Basic Financial Statements are prepared on a full accrual basis and reflect preliminary, unaudited results.
- Operating income for January 2021 is \$58.5 million for the Water fund (28.5% of total revenues) and \$87.5 million for the Sewer fund (31.8% of total revenues).
- Water Net Position decreased by \$7.2 million, and Sewage Disposal Net Position increased by \$14.9 million for the year to date through January 2021.

Capital Improvement Plan Financial Summary (page 26)

- The Water and Sewer system activity are both exceeding the 75% Capital Spend Ratio assumption.

Master Bond Ordinance Transfers (page 29)

- For January, transfers of \$12.8 million and \$17.6 million were completed for the GLWA Water and Sewer funds, respectively.
- Also for January, 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 \$495 million in the Water fund and \$424 million in the Sewer fund.
- The total combined cumulative investment income for FY 2021 through January is \$4.7 million.

DWSD Retail Revenues, Receivables & Collections (page 40)

- Water usage through January 31, 2021 is at 92.74% and revenues at 93.84% of budget.
- Sewer usage through January 31, 2021 is at 92.78% and revenues at 98.09% of budget.
- Combined accounts receivable balances for the water and sewer funds report an increase of \$22.7 million over the prior year.
- Past dues over 180 days make up 64% 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 is less than 3.5% of the total accounts receivable balance.
- The Highland Park past due balance is \$46.1 million. It includes \$35.1 million for wastewater treatment services, \$1.8 million for industrial waste control services, and \$9.2 million for water supply services. In FY 2021, Highland Park has made five payments totaling \$2.3 million through January 2021.

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 January 2021, the pro-rata benchmark is 58.3% (7 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 January 31, 2021 these payments total \$3.9 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 225.0%; while the *sewer* system is at 186.7%. 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 less than the pro-rata benchmark for FY 2021 at 55.8%. The *sewer* system O&M expenses, at 53.9%, 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 59.1%; while the *sewer* system is at 59.4%. 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 \$558 thousand and the DWSD *sewer* system has a budgetary shortfall of \$2.8 million through January 31, 2021. 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 1/31/2020	Percent Year-to- Date	FY 2021 BOARD ADOPTED BUDGET	FY 2021 AMENDED BUDGET	FY 2021 THRU 1/31/2021	Percent Year-to- Date
Water System							
Revenues							
Suburban Wholesale Customer Charges	\$ 304,634	\$ 181,973	59.7%	\$ 314,252	\$ 313,134	\$ 188,475	60.2%
Retail Service Charges	21,296	12,422	58.3%	22,555	21,926	12,921	58.9%
Investment Earnings	8,084	5,571	68.9%	4,834	1,270	2,856	225.0%
Other Revenues	2	2	91.7%	-	-	161	0.0%
Total Revenues	\$ 334,016	\$ 199,968	59.9%	\$ 341,642	\$ 336,329	\$ 204,414	60.8%
Revenue Requirements							
Operations & Maintenance Expense	\$ 126,840	\$ 74,020	58.4%	\$ 137,127	\$ 134,127	\$ 74,903	55.8%
General Retirement System Legacy Pension	6,048	3,528	58.3%	6,048	6,048	3,528	58.3%
Debt Service	135,999	76,742	56.4%	143,190	137,436	81,183	59.1%
General Retirement System Accelerated Pension	6,268	3,657	58.3%	6,268	6,268	3,657	58.3%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	1,698	991	58.3%	1,669	1,669	974	58.3%
Lease Payment	22,500	13,125	58.3%	22,500	22,500	13,125	58.3%
Operating Reserve Deposit	3,976	-	0.0%	877	-	-	0.0%
DWSD Budget Shortfall/(Surplus) Pending Improvement & Extension Fund Transfer Pending	1,230	(2,298)	-186.8%	-	-	(558)	0.0%
	29,456	17,183	58.3%	23,963	28,280	16,496	58.3%
Total Revenue Requirements	\$ 334,016	\$ 186,947	56.0%	\$ 341,642	\$ 336,329	\$ 193,308	57.5%
Net Difference		\$ 13,021				\$ 11,106	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ 5,126				\$ 8,222	
Revenue Requirement Variance		7,896				2,884	
Overall Variance		\$ 13,021				\$ 11,106	

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

	FY 2020 AMENDED BUDGET	FY 2020 THRU 1/31/2020	Percent Year-to- Date	FY 2021 BOARD ADOPTED BUDGET	FY 2021 AMENDED BUDGET	FY 2021 THRU 1/31/2021	Percent Year-to- Date
Sewer System							
Revenues							
Suburban Wholesale Customer Charges	\$ 272,324	\$ 156,535	57.5%	\$ 277,012	\$ 274,054	\$ 157,012	57.3%
Retail Service Charges	185,807	108,388	58.3%	190,112	187,960	110,092	58.6%
Industrial Waste Control Charges	7,834	4,842	61.8%	8,775	8,683	4,629	53.3%
Pollutant Surcharges	5,910	3,523	59.6%	5,263	5,208	3,528	67.7%
Investment Earnings	7,731	4,650	60.1%	5,589	987	1,843	186.7%
Other Revenues	400	272	67.9%	-	-	327	0.0%
Total Revenues	\$ 480,005	\$ 278,208	58.0%	\$ 486,751	\$ 476,891	\$ 277,431	58.2%
Revenue Requirements							
Operations & Maintenance Expense	\$ 181,926	\$ 97,344	53.5%	\$ 184,946	\$ 182,296	\$ 98,209	53.9%
General Retirement System Legacy Pension	10,824	6,314	58.3%	10,824	10,824	6,314	58.3%
Debt Service	214,691	122,656	57.1%	209,740	201,780	119,793	59.4%
General Retirement System Accelerated Pension	11,621	6,779	58.3%	11,621	11,621	6,779	58.3%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	2,403	1,402	58.3%	2,415	2,415	1,409	58.3%
Lease Payment	27,500	16,042	58.3%	27,500	27,500	16,042	58.3%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall/(Surplus) Pending Improvement & Extension Fund Transfer Pending	10,244	4,954	48.4%	-	-	2,837	0.0%
	20,798	12,132	58.3%	39,706	40,455	23,474	58.0%
Total Revenue Requirements	\$ 480,005	\$ 267,623	55.8%	\$ 486,751	\$ 476,891	\$ 274,856	57.6%
Net Difference		\$ 10,585				\$ 2,575	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ (1,795)				\$ (755)	
Revenue Requirement Variance		12,380				3,330	
Overall Variance		\$ 10,585				\$ 2,575	

Operations & Maintenance Budget – Major Budget Categories

The year-over-year benchmark ratio as of January 31, 2021, is 58.3% (seven 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 1/31/2020	Percent Year- to-Date	FY 2021 BOARD ADOPTED BUDGET	FY 2021 AMENDED BUDGET	FY 2021 ACTIVITY THRU 1/31/2021	Percent Year- to-Date
Water	\$ 66,021	\$ 40,849	61.9%	\$ 71,966	\$ 70,820	\$ 42,096	59.4%
Sewer	115,985	61,477	53.0%	115,676	114,975	61,658	53.6%
Centralized	97,731	53,807	55.1%	102,721	100,338	53,965	53.8%
Administrative	29,028	16,195	55.8%	31,709	30,290	15,660	51.7%
Employee Benefits	-	(962)	0.0%	-	-	(267)	0.0%
Total O&M Budget	\$ 308,766	\$ 171,365	55.5%	\$ 322,073	\$ 316,423	\$ 173,112	54.7%

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 54.7% which is reasonably within the pro-rata benchmark of 58.3%. This positive variance equates to a dollar amount of \$11.5 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 58.4% through January 2021.

Utilities: The overall category is on target with the pro-rata benchmark; coming in at 58.2% through January 2021. 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 62.9%. 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 44.4% which is lower than the benchmark of 58.3%. 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 50.1%. 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 39.2%. 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 63.0% through January 2021. 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 44.1% through January 2021. 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 55.4% through January 2021. 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 51.8% through January 2021. 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 78.3% through January 2021. 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 1/31/2020	Percent Year-to- Date at 1/31/2020	FY 2020 ACTIVITY THRU 6/30/2020	Percent Year-to- Date at 6/30/2020	FY 2021 AMENDED BUDGET	FY 2021 PRORATED AMENDED BUDGET (7 MONTHS)	FY 2021 ACTIVITY THRU 1/31/2021	Percent Year-to- Date	FY 2021 PRORATED BUDGET LESS FY 2021
Entity-wide										
Salaries & Wages	\$ 64,703	\$ 37,605	58.1%	\$ 64,189	58.6%	\$ 69,842	\$ 40,741	\$ 37,828	54.2%	\$ 2,913
Workforce Development	1,271	554	43.5%	1,252	44.2%	948	553	512	54.0%	41
Overtime	7,191	4,458	62.0%	7,494	59.5%	6,988	4,076	4,517	64.6%	(441)
Employee Benefits	22,465	14,823	66.0%	25,001	59.3%	24,194	14,113	15,511	64.1%	(1,398)
Transition Services	5,872	3,167	53.9%	6,330	50.0%	6,834	3,986	5,482	80.2%	(1,496)
Employee Benefits Fund	-	(962)	0.0%	-	0.0%	-	-	(267)	0.0%	267
Personnel Costs	101,503	59,644	58.8%	104,267	57.2%	108,806	63,470	63,584	58.4%	(114)
Electric	39,549	24,333	61.5%	40,669	59.8%	39,240	22,890	24,691	62.9%	(1,801)
Gas	5,332	2,778	52.1%	5,196	53.5%	6,629	3,867	2,940	44.4%	927
Sewage Service	1,988	1,181	59.4%	2,109	56.0%	2,120	1,237	1,063	50.1%	174
Water Service	3,662	1,937	52.9%	3,179	61.0%	3,948	2,303	1,547	39.2%	756
Utilities	50,531	30,229	59.8%	51,153	59.1%	51,937	30,297	30,241	58.2%	56
Chemicals	14,019	8,317	59.3%	14,242	58.4%	13,420	7,828	8,456	63.0%	(628)
Supplies & Other	34,124	19,471	57.1%	35,402	55.0%	39,021	22,762	17,198	44.1%	5,564
Contractual Services	103,975	58,571	56.3%	106,372	55.1%	104,782	61,123	58,092	55.4%	3,031
Capital Program Allocation	(3,122)	(1,770)	56.7%	(3,347)	52.9%	(3,448)	(2,011)	(1,787)	51.8%	(224)
Shared Services	(4,995)	(3,097)	62.0%	(1,734)	178.6%	(3,413)	(1,991)	(2,672)	78.3%	681
Unallocated Reserve	12,731	-	0.0%	-	0.0%	5,318	3,102	-	0.0%	3,102
Total Expenses	\$ 308,766	\$ 171,365	55.5%	\$ 306,354	55.9%	\$ 316,423	\$ 184,580	\$ 173,112	54.7%	\$ 11,469

Totals may be off due to rounding



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 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 January 31, 2021
(\$000)

	Water	Sewage Disposal	Total Business- type Activities	Comparative June 30, 2020
Assets				
Cash - unrestricted (a)	\$ 132,349	\$ 157,108	\$ 289,457	\$ 208,357
Cash - restricted (a)	19,608	20,983	40,591	114,415
Investments - unrestricted (a)	249,080	143,511	392,591	473,549
Investments - restricted (a)	70,854	122,741	193,596	157,786
Accounts Receivable	88,300	70,796	159,097	193,719
Due from (to) Other Funds (b)	(485)	485	-	-
Other Assets (c)	680,461	434,264	1,114,725	1,114,230
Cash Held FBO DWSD Advance (d)	-	13,033	13,033	-
Capital Assets, net of Depreciation	1,331,849	2,212,500	3,544,350	3,689,047
Land	292,799	123,856	416,655	416,645
Construction Work in Process (e)	188,705	225,248	413,954	303,220
Total assets	3,053,521	3,524,526	6,578,047	6,670,969
Deferred Outflows (f)	55,785	139,995	195,780	217,097
Liabilities				
Liabilities - Short-Term (g)	132,195	150,110	282,305	305,598
Due to (from) Other Funds (b)	-	-	-	-
Other Liabilities (h)	3,000	7,024	10,024	9,179
Cash Held FBO DWSD (d)	1,804	-	1,804	1,250
Liabilities - Long-Term (i)	3,023,268	3,574,586	6,597,855	6,683,741
Total liabilities	3,160,267	3,731,721	6,891,987	6,999,768
Deferred Inflows (f)	52,643	43,094	95,737	109,876
Total net position (j)	\$ (103,605)	\$ (110,293)	\$ (213,897)	\$ (221,578)
<i>Totals may be off due to rounding</i>				

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 January 31, 2021 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 January 2021 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 Seven Months ended January 31, 2021
(\$000)

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business- Type Activities	Comparative June 30, 2020
Revenue						
Wholesale customer charges	\$ 192,356	93.6%	\$ 157,012	57.0%	\$ 349,368	\$ 578,705
Local system charges	12,921	6.3%	110,092	39.9%	123,013	207,103
Industrial waste charges		0.0%	4,629	1.7%	4,629	7,855
Pollutant surcharges		0.0%	3,528	1.3%	3,528	6,449
Other revenues	161	0.1%	327	0.1%	488	778
Total Revenues	205,438	100.0%	275,588	100.0%	481,026	800,889
Operating expenses						
Operations and Maintenance	74,763	36.4%	100,278	36.4%	175,041	309,482
Depreciation	72,155	35.1%	87,770	31.8%	159,925	280,104
Total operating expenses	146,918	71.5%	188,048	68.2%	334,966	589,586
Operating Income	58,520	28.5%	87,540	31.8%	146,060	211,303
Total Nonoperating (revenue) expense	65,715	32.0%	72,665	26.4%	138,380	232,056
Increase/(Decrease) in Net Position	(7,195)	-3.5%	14,875	5.4%	7,680	(20,753)
Net Position (deficit), beginning of year	(96,410)		(125,168)		(221,578)	(200,825)
Net position (deficit), end of year	\$ (103,605)		\$ (110,293)		\$ (213,897)	\$ (221,578)
<i>Totals may be off due to rounding</i>						

Water Fund

- ✓ The decrease in Water Fund Net Position is \$-7.2 million.
- ✓ Wholesale water customer charges of \$192.4 million account for 93.6% of Water System revenues.
- ✓ Operating expenses of \$146.9 million represent 71.5% of total operating revenue. Depreciation is the largest operating expense at \$72.2 million or 49.1% of operating expense.
- ✓ Operating income after operating expenses (including depreciation) equals \$58.5 million or 28.5% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$49.3 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 \$14.9 million.
- ✓ Wholesale customer charges of \$157.0 million account for 57.0% 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 \$110.1 million account for 39.9% of total operating revenues. These are also billed at one-twelfth of the annual revenue requirement.
- ✓ Operating expenses of \$188.0 million represent 68.2% of total operating revenue. Depreciation is the largest operating expense at \$87.8 million or 46.7% of total operating expense.
- ✓ Operating income after operating expenses (including depreciation) equals \$87.5 million or 31.8 % of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$56.3 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 January 2021 Financial Report Binder. Explanatory notes follow this schedule.

**Table 3 – Supplemental Schedule of Operations & Maintenance Expenses
– All Funds Combined
For the Seven Months ended January 31, 2021
(\$000)**

	Water	Percent of Total	Sewage Disposal	Percent of Total	Total Business- Type Activities	Percent of Total
Operating Expenses						
Personnel						
Salaries & Wages	13,459	18.0%	30,364	30.3%	43,823	25.0%
Overtime	2,763	3.7%	1,754	1.7%	4,517	2.6%
Benefits	9,990	13.4%	5,254	5.2%	15,244	8.7%
Total Personnel	\$ 26,211	35.1%	\$ 37,373	37.3%	\$ 63,584	36.3%
Utilities						
Electric	16,272	21.8%	8,419	8.4%	24,691	14.1%
Gas	539	0.7%	2,401	2.4%	2,940	1.7%
Sewage	134	0.2%	928	0.9%	1,063	0.6%
Water	1	0.0%	1,546	1.5%	1,547	0.9%
Total Utilities	\$ 16,946	22.7%	\$ 13,295	13.3%	\$ 30,241	17.3%
Chemicals	3,649	4.9%	4,807	4.8%	8,456	4.8%
Supplies and other	5,130	6.9%	12,067	12.0%	17,198	9.8%
Contractual services	26,659	35.7%	33,508	33.4%	60,166	34.4%
Capital Adjustment	-	0.0%	-	0.0%	-	0.0%
Capital program allocation	(1,213)	-1.6%	(574)	-0.6%	(1,787)	-1.0%
Intergovernmental Agreement	(145)	-0.2%	-	0.0%	(145)	-0.1%
Shared services allocation	(2,475)	-3.3%	(197)	-0.2%	(2,672)	-1.5%
Operations and Maintenance Expenses	\$ 74,763	100.0%	\$ 100,278	100.0%	\$ 175,041	100.0%

Totals may be off due to rounding

- ✓ Core expenses for water and sewage disposal systems are utilities (17.3% of total O&M expenses) and chemicals (4.8% of total O&M expenses).
- ✓ Personnel costs (36.3% 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 (34.4%) includes:
 - Water System costs of sludge removal and disposal services at the Northeast, Southwest and Springwells Water Treatment Plants (approximately \$4.4 million);
 - Sewage Disposal System costs for the operation and maintenance of the biosolids dryer facility (approximately \$9.0 million); and
 - Centralized and administrative contractual costs allocated to both systems for information technology, building maintenance, field, planning and other services.
- ✓ The Capital Program Allocation, Intergovernmental Agreement 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 Seven Months ended January 31, 2021
(\$000)**

	Water	Sewage Disposal	Total Business- type Activities	Comparative June 30, 2020
Nonoperating (Revenue)/Expense				
Interest income contractual obligation	\$ (14,776)	\$ (10,276)	\$ (25,052)	\$ (41,136)
Interest income DWSD Shortfall	-	(453)	(453)	(1,299)
Investment earnings	(2,875)	(1,865)	(4,741)	(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	64,103	66,608	130,711	243,745
Lease obligation	10,089	12,331	22,419	38,808
Other obligations	2,765	906	3,671	6,395
Total interest expense	76,957	79,845	156,802	288,948
Other non-capital expense	-	-	-	-
Memorandum of Understanding	-	-	-	-
Capital Contribution	-	(5,948)	(5,948)	(5,960)
Amortization, issuance costs, debt	(9,363)	(7,291)	(16,653)	(10,303)
Amortization, raw water rights	2,081	-	2,081	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	8,075	14,453	22,528	20,144
Total Nonoperating (Revenue)/Expense	\$ 65,715	\$ 72,665	\$ 138,380	\$ 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.

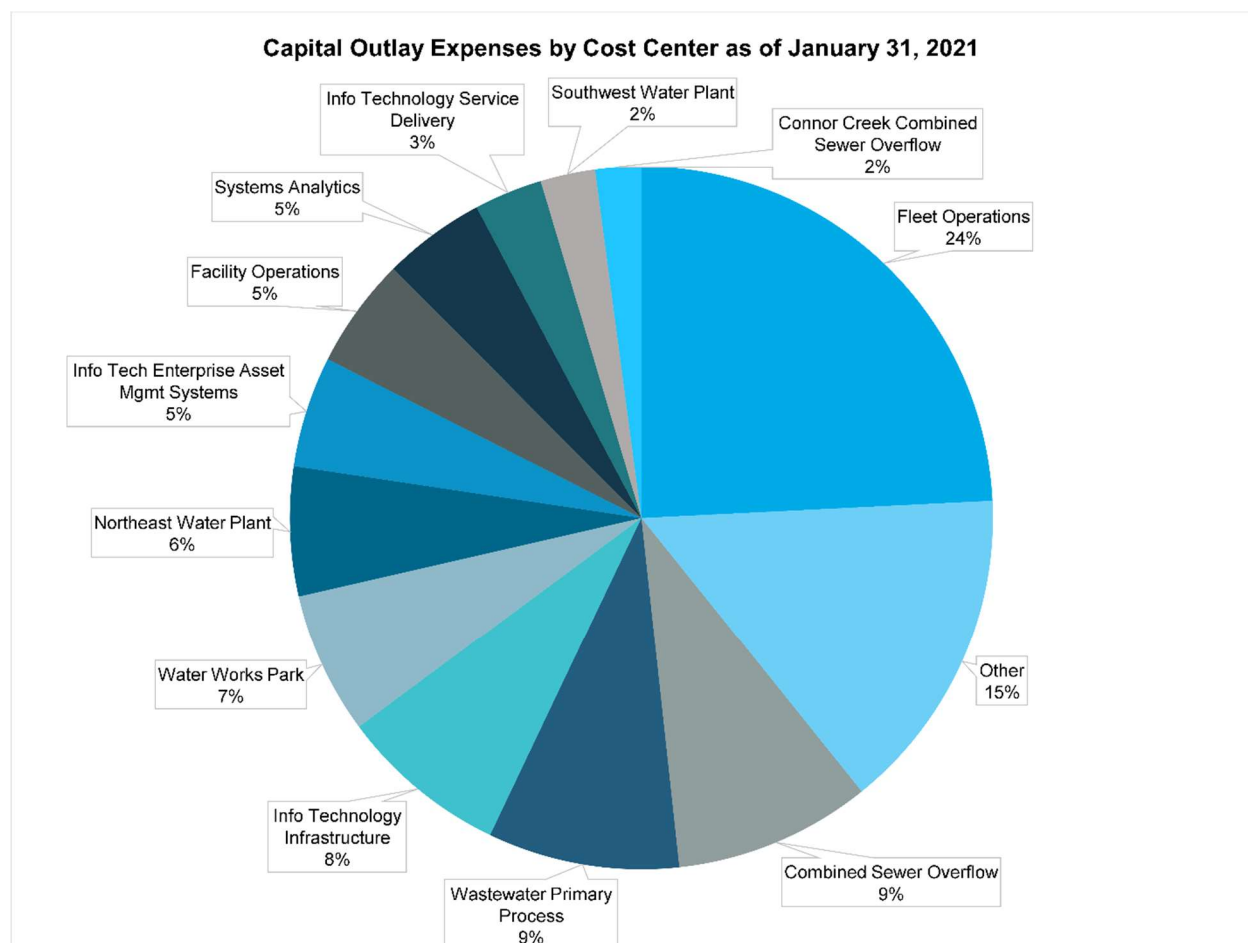
- ✓ Interest expense, the largest category of nonoperating expenses, is made up of three components:
 - Bonded debt;
 - Lease obligation for the regional assets from the City of Detroit; and
 - Other obligations such as an obligation payable to the City of Detroit for an allocation BC Notes related to 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 January 31, 2021, total capital outlay spend is \$9.7 million. Following this chart is a sample list of projects and purchases from the total spend of \$9.7 million:



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

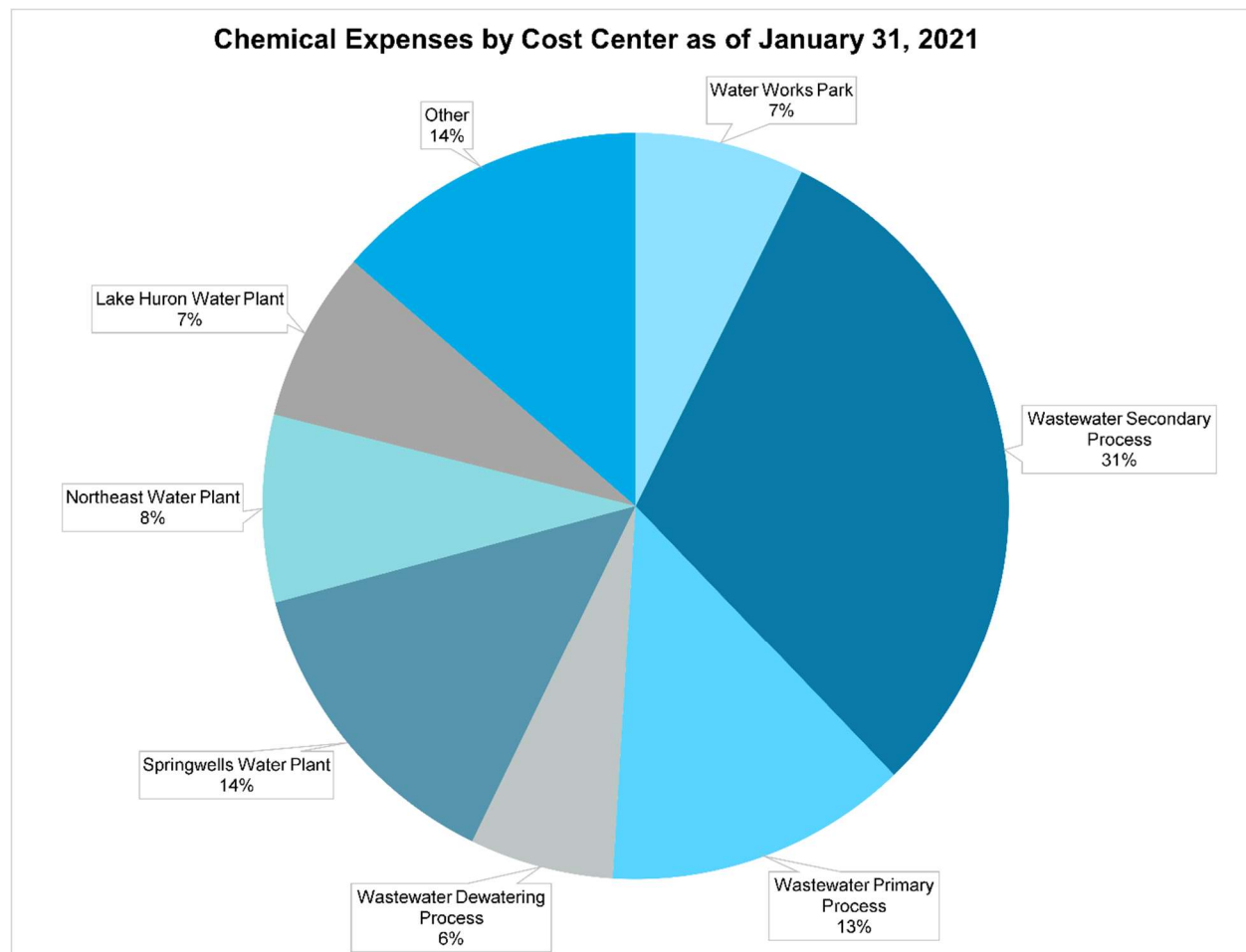
Water Operations: Water Works Park generator (\$271k); high-pressure water tank (\$226k); Water Works Park Ovation upgrade (\$205k); Southwest Water Plant feed system (\$110k); evaporators (\$101k) and water pumps (\$83k).

Wastewater Operations: Chemical containment improvements (\$879k); pump at WRRF (\$742k); level and flow instrumentation (\$169k); submersible mixers (\$135k); turbimeter, controller and process head (\$134k); magnetic drive (\$129k); actuators (\$121k); B-Houses (\$89k); Complex A Bio Solids dryer (\$68k) Camera (\$57k); dilute water control (\$56k) and electric check valve (\$46k).

Centralized & Administrative Facilities: Trucks and vehicles (\$2.3m); IT software (\$781k); bleacher design (\$488k); datacenter modernization (\$320k); sewer meter support (\$255k); IT computers (\$188k); SCADA packs (\$105k); universal power supply (\$101k); server drives (\$61k) and CSF buildout (\$49k).

Chart 2 – Chemical Expenses – Water and Sewer System Combined

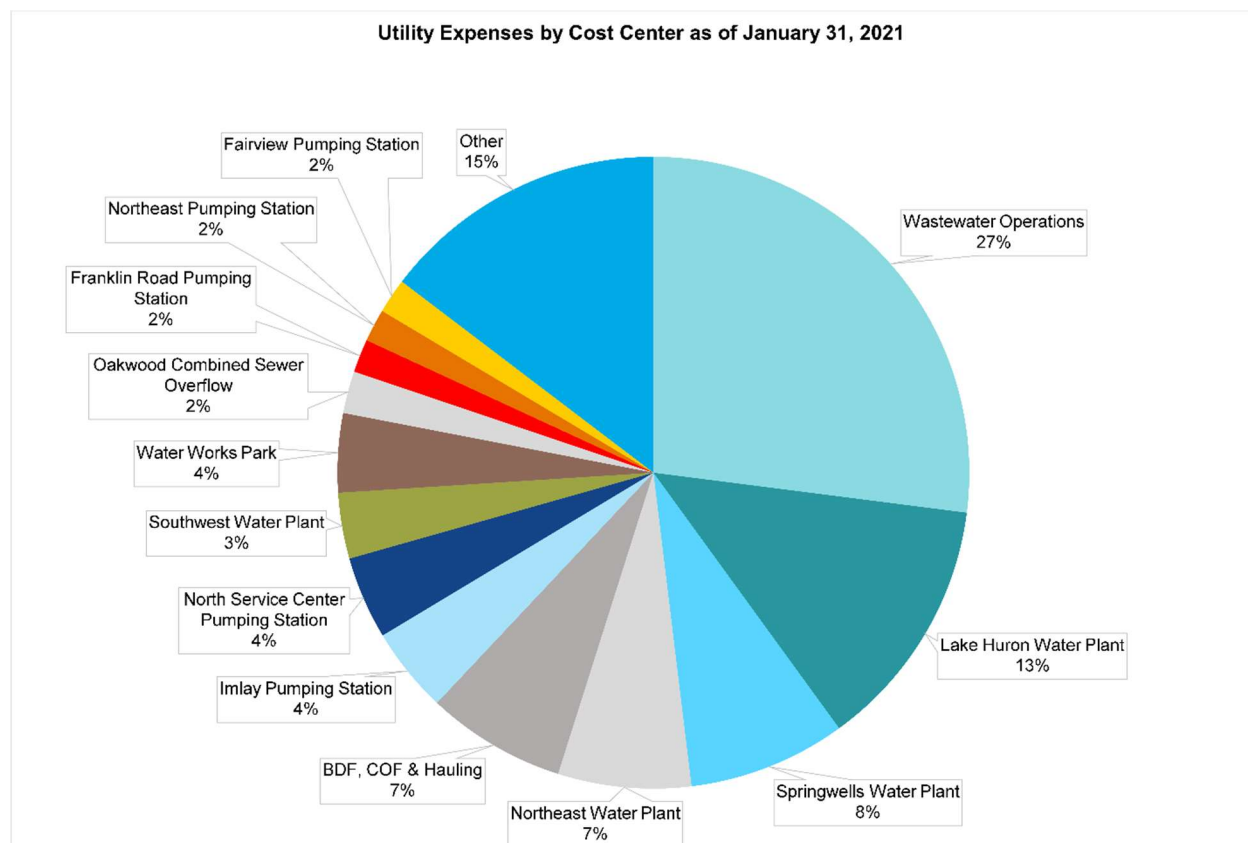
Chemical expenses are \$8.5 million through January 31, 2021. The allocation is shown in the chart below and remains consistent with prior periods.



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 \$30.2 million through January 31, 2021. 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 January 31, 2021 all reconciliations are up-to-date and complete.

There were no changes from December 2020.

Chart 1 – Bank Reconciliation Completion Status

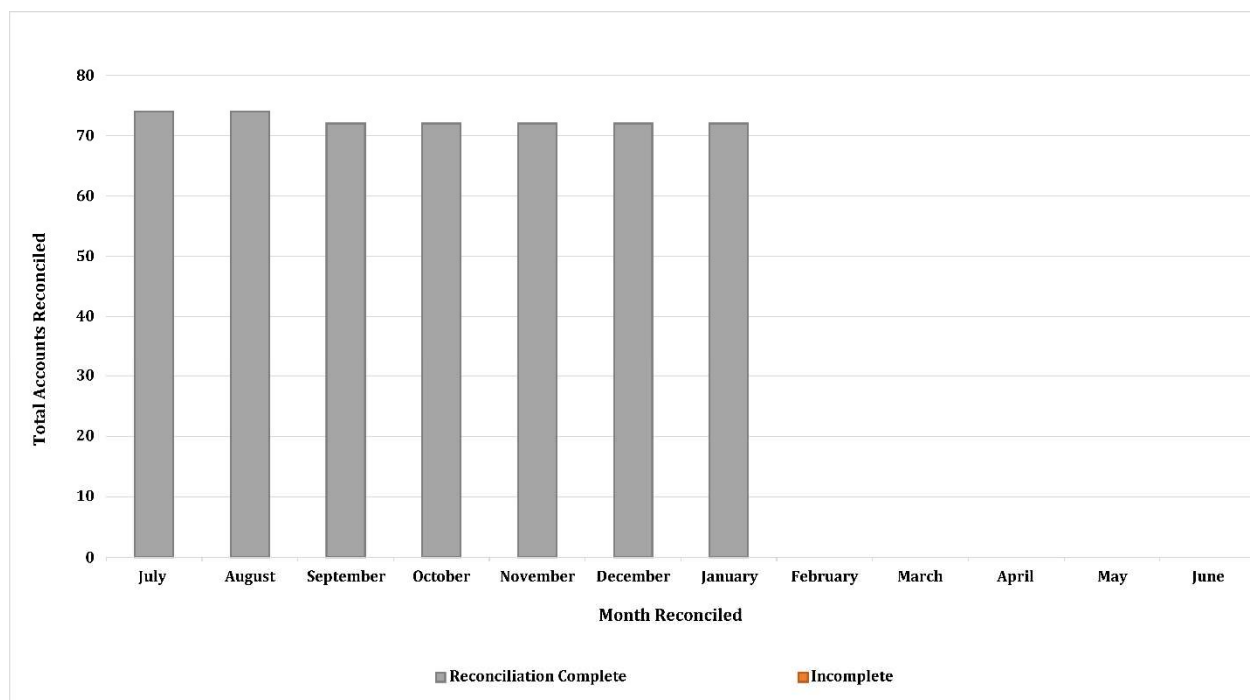


Table 1 – Fiscal Year 2021 GL Cash Account Rollforward

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 January 31, 2021	<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 Seven Months Ended January 31, 2021

	Water	Sewer	Total
Net Revenue Requirement Budget Variance (a)	\$ 11,106	\$ 2,575	\$ 13,681
Budgetary categories adjustments to financial reporting basis			
Pension delayed accounting election adjustments			
Current year pension transfers/payments recorded as deferral (c)	6,674	11,944	18,618
Prior year pension contribution accounted for in current year (d)	(8,075)	(14,453)	(22,528)
Administrative prepaid adjustment (e)	-	-	-
Debt service (f)	31,856	63,462	95,318
Accelerated pension B&C notes obligation portion (g)	108	243	351
Lease payment (h)	3,036	3,711	6,747
WRAP (i)	400	607	1,007
DWSD short term allocation (j)	(557)	2,837	2,280
Operating Reserve Deposit (j)	-	-	-
Improvement & Extension Fund (j)	16,491	21,404	37,895
Nonbudgeted financial reporting categories adjustments			
Depreciation (k)	(72,155)	(87,770)	(159,925)
Amortization (k)	7,282	7,291	14,573
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)	1,518	-	1,518
Investment earnings for construction fund (m)	19	21	40
Interest on DWSD note receivable (n)	-	453	453
Investment earnings unrealized gain/loss (o)	(4,946)	(3,340)	(8,286)
Interlocal agreement reimbursements to improvement & extension fund (p)	145	-	145
Capital contribution (q)	-	5,948	5,948
Net Position Increase/(Decrease) per Financial Statements (b)	\$ (7,195)	\$ 14,875	\$ 7,680

Table 2- Explanatory Notes for Crosswalk

- (a) Source: Budget to Actual Table 1A and Table 1B in Monthly Financial Report
- (b) Source: Basic Financial Statements Table 2 in Monthly Financial Report
- (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.
- (n) 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.
- (o) 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.
- (p) GLWA enters Interlocal Agreements with other local governments to coordinate projects and services and reduce overlapping expense. Many of these agreements relate to current capital improvement projects. Where another local government reimburses GLWA for direct expenses associated with a capital improvement project financed using improvement and extension funds, those reimbursements received under the agreement are transferred back to the improvement and extension fund.
- (q) 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. In line with this change, the charts in this report have been revised as of March 2021 to show actual spend in terms of funding source.

This scope of this report and the associated charts were also expanded to the Capital Improvement Plan where in prior periods the focus had been solely on Construction Work in Progress. This change resulted in an increase of \$1 million in actual I&E spend in FY 2021 Q1 for the Sewer Fund and a slight shift in previously reported amounts for actual I&E and Revenue Bond spend in FY 2021 Q2 for the Sewer Fund.

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

As of January 2021, the Water system incurred over \$72 million of construction costs to date. This is 83% of the fiscal year 2021 prorated CIP through January and 111% 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 January 2021, the Sewer system incurred nearly \$48 million of construction costs to date. This is 76% of the fiscal year 2021 prorated CIP through January and 101% 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

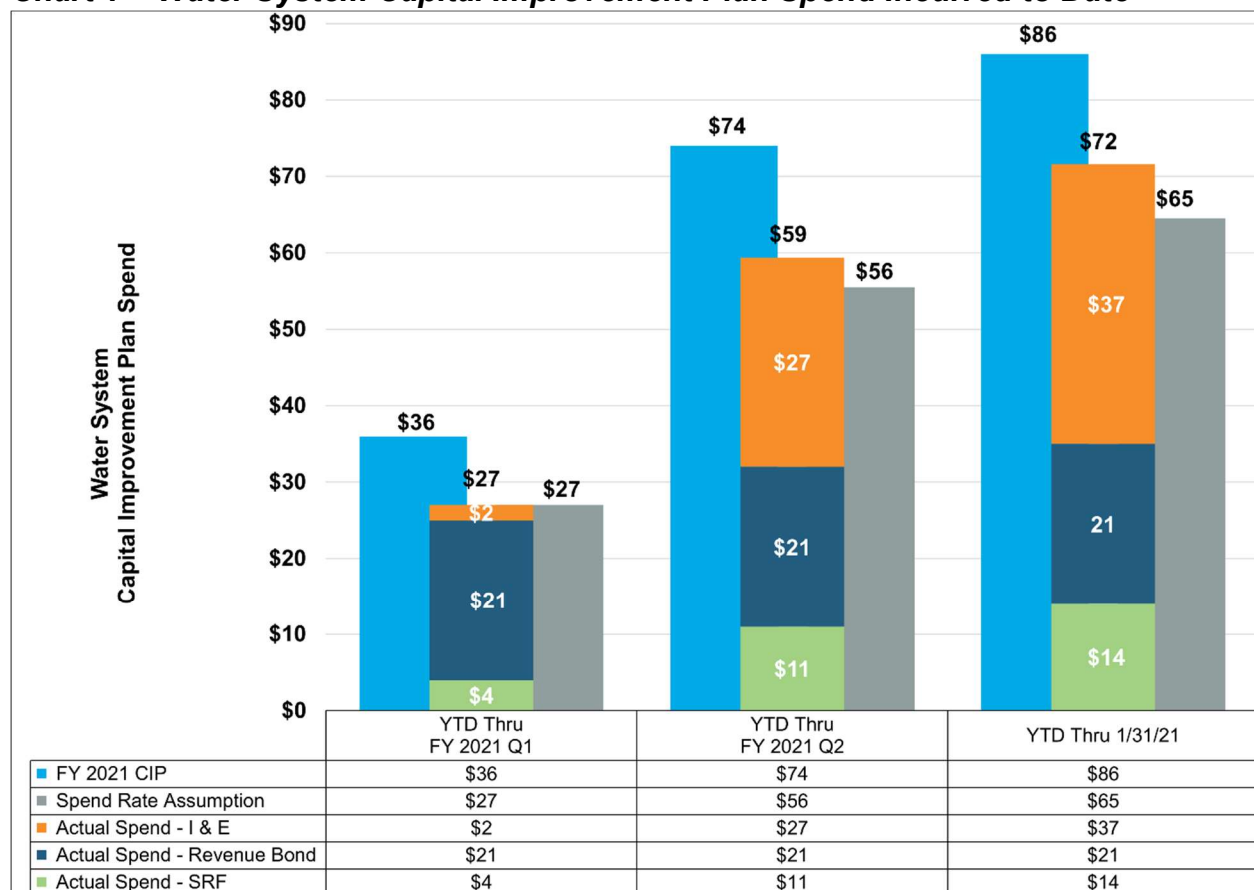
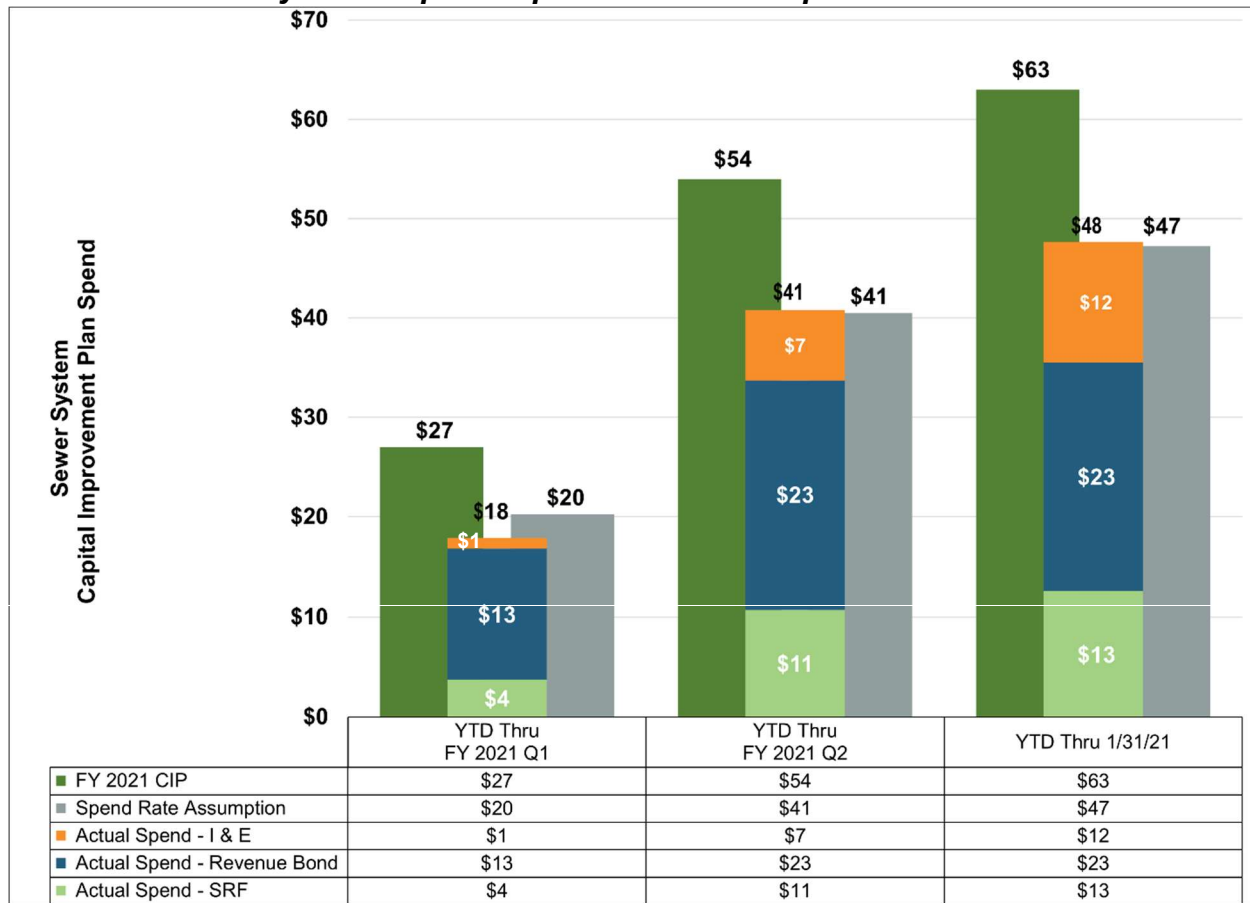


Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date




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 January 1, 2020. MBO transfers for water totaling \$90.1 million have been transferred to GLWA accounts. The total transfer amounts for November and December are different than the prior months 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 January 1, 2020. MBO transfers for sewer totaling \$124.1 million have been transferred to GLWA accounts. The total transfer amounts for November and December are different than the prior months 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
January 2021	11,177,275	504,000	891,308	193,684	-	-	12,766,267
Total FY 2021	\$ 78,990,925	\$3,528,000	\$6,239,156	\$1,355,788	\$ -	\$ -	\$90,113,869

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
January 2021	15,191,333	902,000	1,223,950	313,691	-	-	17,630,974
Total FY 2021	\$107,001,857	\$6,314,000	\$8,567,650	\$2,195,837	\$ -	\$ -	\$124,079,344

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 (7 months)	78,990,925	3,528,000	6,239,156	1,355,788	-	-	90,113,869
Life to Date	\$631,887,937	\$33,746,300	\$58,920,631	\$11,617,492	\$2,686,900	\$606,000	\$739,465,260
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 (7 months)	107,001,857	6,314,000	8,567,650	2,195,837	-	-	124,079,344
Life to Date	\$947,810,849	\$60,462,800	\$80,682,759	\$15,892,733	\$8,246,100	\$779,600	\$1,113,874,841

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 January 1, 2020. MBO transfers for Water totaling \$31.7 million have been transferred to accounts held by DWSD. The I&E transfer amounts for November and December are different than the prior months 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 January 1, 2020. MBO transfers for Sewer totaling \$56.6 million have been transferred to accounts held by DWSD. The I&E transfer amounts for November and December are different than the prior months 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
January 2021	2,986,158	356,000	1,185,142	4,527,300
Total FY 2021	\$20,903,106	\$2,492,000	\$8,295,994	\$31,691,100

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
January 2021	5,826,308	238,000	2,020,234	8,084,542
Total FY 2021	\$40,784,156	\$1,666,000	\$14,141,638	\$56,591,794

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 (7 months)				
MBO/Lease Requirement	20,903,106	2,492,000	13,125,000	36,520,106
Offset to Debt Service	-	-	(4,829,006)	(4,829,006)
Net MBO Transfer	20,903,106	2,492,000	8,295,994	31,691,100
Life-to-Date				
MBO/Lease Requirement	185,891,510	23,833,100	125,625,000	335,349,610
Offsets	-	-	(16,551,106)	(16,551,106)
Total Water	\$185,891,510	\$23,833,100	\$109,073,894	\$318,798,504

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 (7 months)				
MBO/Lease Requirement	40,784,156	1,666,000	16,041,667	58,491,823
Offset to Debt Service	-	-	(1,900,029)	(1,900,029)
Total MBO Transfer	40,784,156	1,666,000	14,141,638	56,591,794
Life-to-Date				
MBO/Lease Requirement	281,723,468	15,957,800	153,541,667	451,222,935
Offsets	(7,100,000)	-	(40,505,893)	(47,605,893)
Total Sewer	\$274,623,468	\$15,957,800	\$113,035,774	\$403,617,042

* 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

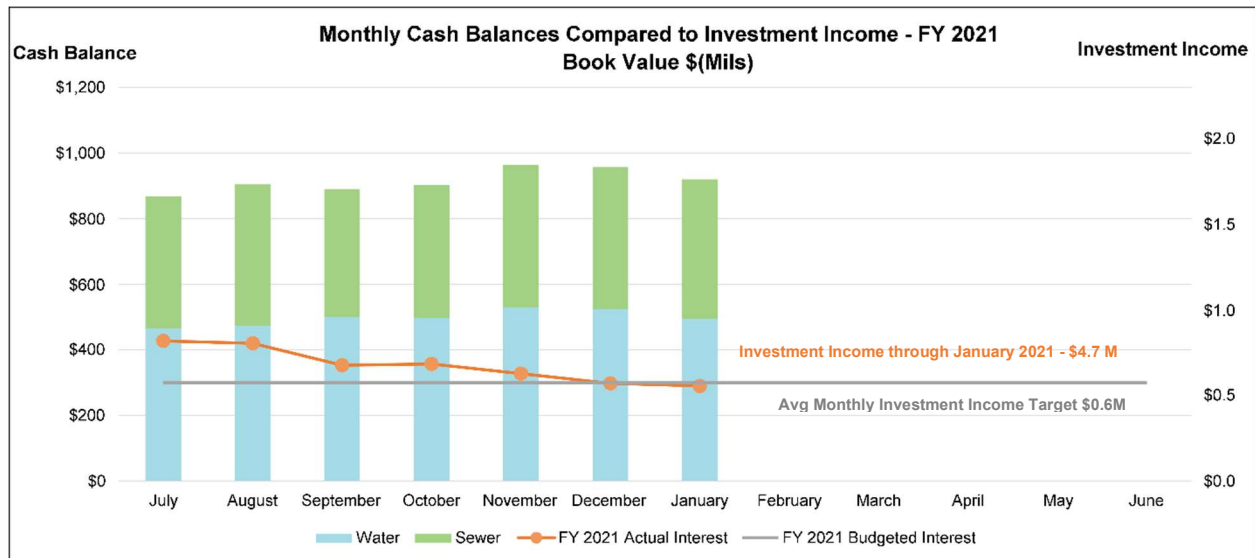
Monthly Cash Balances Compared to Investment Income

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 January 2021, GLWA earned investment income of \$0.6 million and the cumulative FY 2021 earnings through January is \$4.7 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. 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 January 2021



\$(Mils)	July	August	September	October	November	December	January	February	March	April	May	June
Water	\$464	\$473	\$499	497	530	525	495	-	-	-	-	-
Sewer	\$403	\$431	\$391	406	433	431	424	-	-	-	-	-
Total	\$867	\$904	\$890	903	963	956	919	-	-	-	-	-
Investment Income	\$0.8	\$0.8	\$0.7	\$0.7	\$0.6	\$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

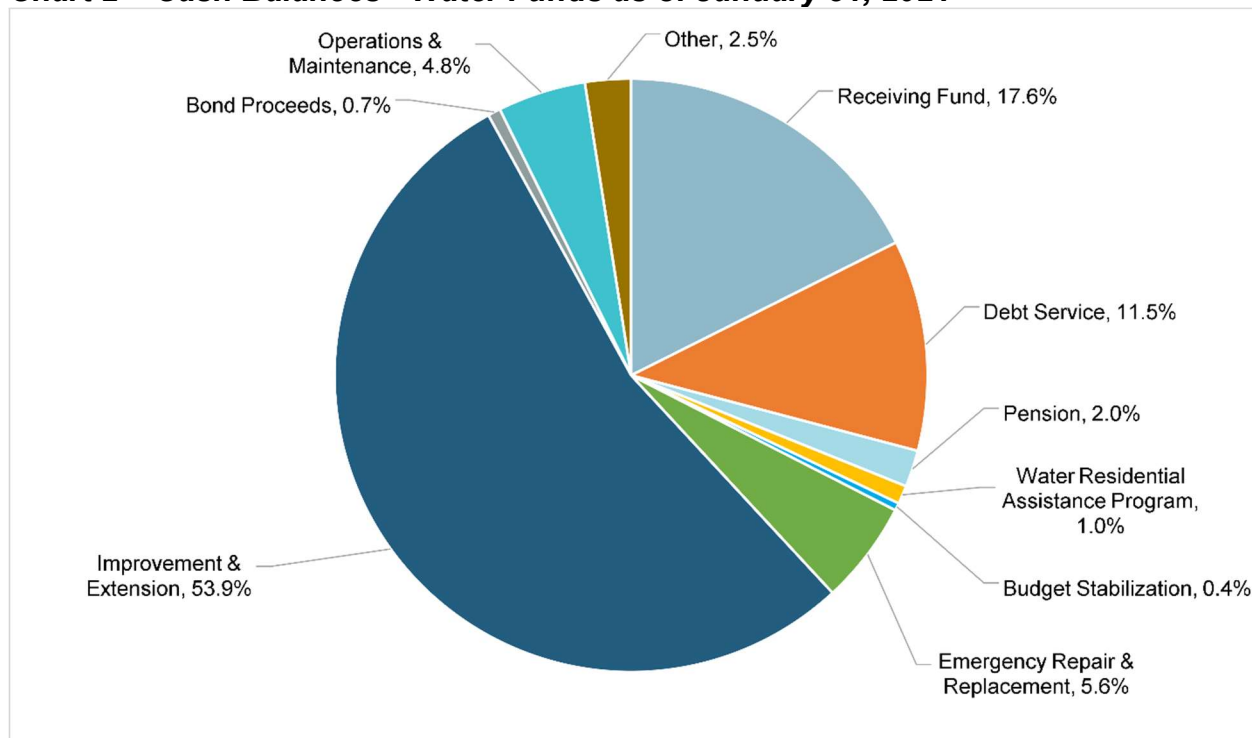
Funds Held Outside Trust:

- 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 January 2021 - Shows the allocation of the balance among the different categories defined in the section above. The total cash balance for Water Funds as of January 31, 2021 is \$495 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 January 31, 2021

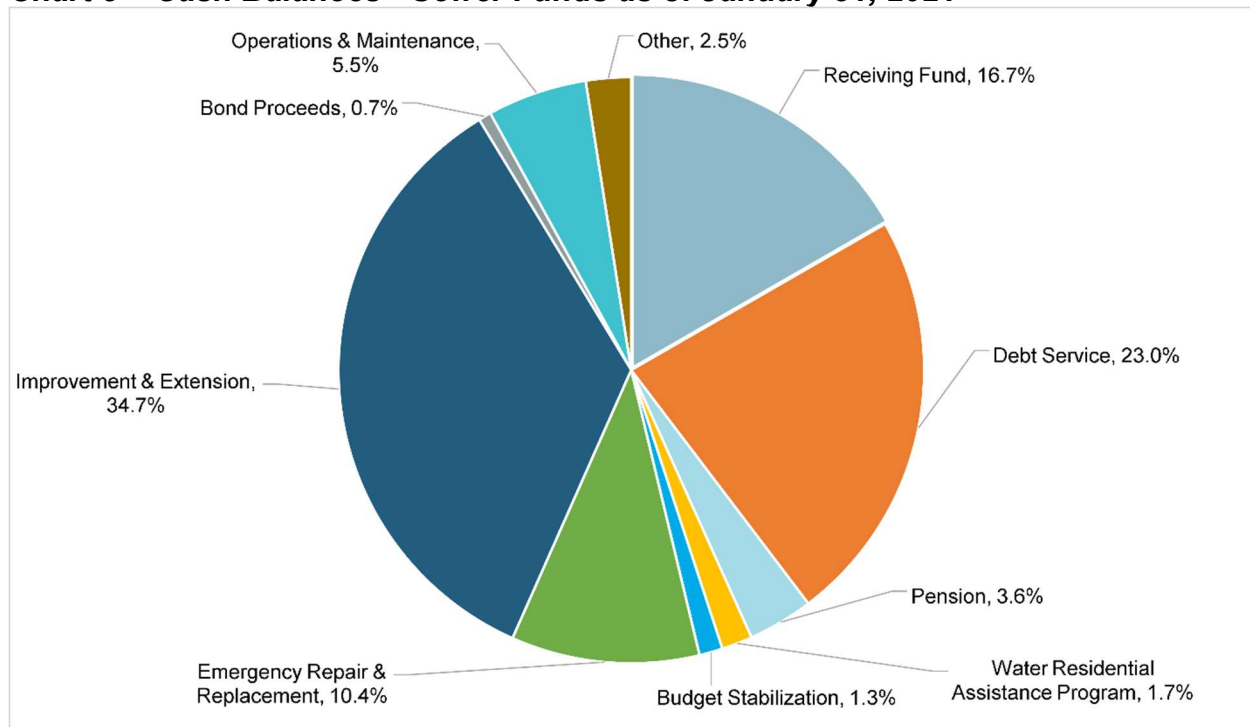


Note: Due to rounding totals may not equal 100%.

Chart 3 – Cash Balances - Sewer Funds as of January 2021 - Shows the allocation of the balance among the different funds defined in the section above. The total cash balance for Sewer Funds as of January 31, 2021 is \$424 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 January 31, 2021



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



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 January 31, 2021, the DWSD usage was at 92.74% of the budget and billed revenue was at 93.84% 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	190,289	7,827,536	(19,911)	(616,005)	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	1,514,368	59,415,120	(118,532)	(3,901,585)	2,622,321	100,400,903
Subtotals ytd	1,632,900	63,316,705	1,514,368	59,415,120	(118,532)	(3,901,585)		
Achievement of Budget			92.74%	93.84%				

(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
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%
January	7,884,889	9,076,091	(1,191,202)	-13.12%
Rolling, 12-Month Total	96,479,555	100,818,094		
Rolling, 12-Month Average	8,039,963	8,401,508		

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 January 31, 2021, the DWSD usage was at 92.78% of the budget and billed revenue was at 98.09% 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	179,115	26,098,738	(16,585)	(262,741)	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	1,439,767	191,188,321	(112,033)	(3,718,527)	2,496,224	310,999,906
Subtotals ytd	1,551,800	194,906,848	1,439,767	191,188,321		(3,718,527)		
Achievement of Budget/Goal			92.78%	98.09%				

(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
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%
January	22,057,276	23,512,702	(1,455,426)	-6.19%
Rolling 12-Month Total	275,149,491	266,257,944		
Rolling, 12-Month Average	22,929,124	22,188,162		

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 January 31, 2021 with comparative totals from January 31, 2020.

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	207,863	\$ 493.52	\$ 12,285,000 12.0%	\$ 6,774,000 6.6%	\$ 20,379,000 19.9%	\$ 63,146,000 61.6%	\$ 102,584,000 100.0%
Commercial	21,147	1,382.58	6,939,000 23.7%	2,562,000 8.8%	5,692,000 19.5%	14,044,000 48.0%	29,237,000 100.0%
Industrial	3,479	4,847.88	4,549,000 27.0%	1,705,000 10.1%	2,432,000 14.4%	8,179,000 48.5%	16,866,000 100.0%
Tax Exempt	3,651	812.54	402,000 13.6%	155,000 5.2%	506,000 17.0%	1,904,000 64.2%	2,967,000 100.0%
Government	59,088	321.67	1,626,000 8.6%	1,386,000 7.3%	5,183,000 27.3%	10,812,000 56.9%	19,007,000 100.0%
Drainage	39,887	718.34	3,159,000 11.0%	1,479,000 5.2%	5,452,000 19.0%	18,563,000 64.8%	28,652,000 100.0%
Subtotal - Active Accounts	335,115	\$ 594.76	\$ 28,960,000 14.5%	\$ 14,061,000 7.1%	\$ 39,644,000 19.9%	\$ 116,648,000 58.5%	\$ 199,313,000 100.0%
Inactive Accounts	290,829	96.65	(344,000) (1.2%)	(245,000) (0.9%)	(121,000) (0.4%)	28,819,000 102.5%	28,109,000 100.0%
Total	625,944	\$ 363.33	\$ 28,616,000	\$ 13,815,000	\$ 39,523,000	\$ 145,467,000	\$ 227,422,000
% of Total A/R			12.6%	6.1%	17.4%	64.0%	100.0%
Water Fund	223,700	187.52	\$ 5,419,000	\$ 2,614,000	\$ 6,400,000	\$ 27,515,000	\$ 41,949,000
Sewer Fund	273,518	678.10	\$ 23,196,000	\$ 11,201,000	\$ 33,123,000	\$ 117,952,000	\$ 185,473,000
Total January 31, 2021 (a)	625,944	363.33	\$ 28,616,000	\$ 13,815,000	\$ 39,523,000	\$ 145,467,000	\$ 227,422,000
Water Fund- Allowance							\$ (30,138,000)
Sewer Fund- Allowance							\$ (120,786,000)
Total Bad Debt Allowance							\$ (150,924,000)
Comparative - January 2020 (b)	607,499	337.04	\$ 28,947,000	\$ 12,692,000	\$ 33,711,000	\$ 129,401,000	\$ 204,751,000
Difference (a) - (b)	18,445	26.29	\$ (331,000)	\$ 1,123,000	\$ 5,812,000	\$ 16,066,000	\$ 22,671,000



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	83
Emergency	1
Older Contracts	3
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 January 31, 2021, the billed usage was at 104.92% of budget and billed revenue at 102.52% 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	969,483	25,235,130	(15,817)	(28,270)
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	8,777,010	192,330,681	411,310	4,728,981
Subtotals ytd	8,365,700	189,655,300	8,365,700	187,601,700	8,777,010	192,330,681	411,310	4,728,981
Achievement of Budget					104.92%	102.52%		

(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
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%
January	20,716,948	25,470,795	(4,753,847)	-18.66%
Rolling 12-Month Total	308,651,895	304,739,706		
Rolling, 12-Month Average	25,720,991	25,394,976		

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 January 31, 2021 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	22,633,025	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		156,572,123		-
Subtotals ytd		156,944,898		156,572,123		156,572,123		-
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
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%
January	25,968,849	17,121,812	8,847,037	51.67%
Rolling 12-Month Total	258,472,245	269,003,210		
Rolling, 12-Month Average	21,539,354	22,416,934		

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 January 31, 2021, Highland Park had a delinquent balance of \$46.1 million, including \$35.1 million for wastewater treatment services, \$1.8 million for industrial waste control services, and \$9.2 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 January 31, 2021. 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
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
January 2021 Billing	92,525	472,500	3,941	568,966
January 2021 Payments	-	(328,365)	-	(328,365)
January 31, 2021 Balance	9,237,168	35,080,899	1,749,502	46,067,569

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 January 31, 2021.

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 \$2.15 million of the current water past due balance.

Remaining water and IWC 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 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	\$ 43,758,752.67	\$ 32,953,087.15	\$ 1,125,314.00	\$ 836,324.73	\$ 8,844,026.79
Sewer	\$ 55,301,136.20	\$ 20,692,737.23	\$ 472,500.00	\$ 472,500.00	\$ 33,663,398.97
IWC	\$ 2,294,827.90	\$ 516,954.96	\$ 39,686.10	\$ -	\$ 1,738,186.84
Pollutant Surcharge	\$ 997,902.83	\$ 882,110.76	\$ 62,458.69	\$ 13,131.63	\$ 40,201.75
Total	\$ 102,352,619.60	\$ 55,044,890.10	\$ 1,699,958.79	\$ 1,321,956.36	\$ 44,285,814.35
	100.00%	53.78%	1.66%	1.29%	43.27%

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

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 34,521,584.17	\$ 32,763,979.83	\$ 1,026,350.85	\$ 731,253.49	\$ -
Sewer	\$ 20,220,237.23	\$ 20,220,237.23	\$ -	\$ -	\$ -
IWC	\$ 545,325.82	\$ 509,084.63	\$ 35,756.85	\$ -	\$ 484.34
Pollutant Surcharge	\$ 997,902.83	\$ 882,110.76	\$ 62,458.69	\$ 13,131.63	\$ 40,201.75
Total	\$ 56,285,050.05	\$ 54,375,412.45	\$ 1,124,566.39	\$ 744,385.12	\$ 40,686.09
	100.00%	96.61%	2.00%	1.32%	0.07%

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 seven months of activity to date.

Water fund receipts exceeded required disbursements by 13% through January 31, 2021 with a historical ratio of receipts exceeding required disbursements by 14% since January 1, 2016.

Sewer fund receipts exceeded required disbursements by 7% through January 31, 2021 with a historical ratio of receipts exceeding required disbursements by 6% since January 1, 2016.

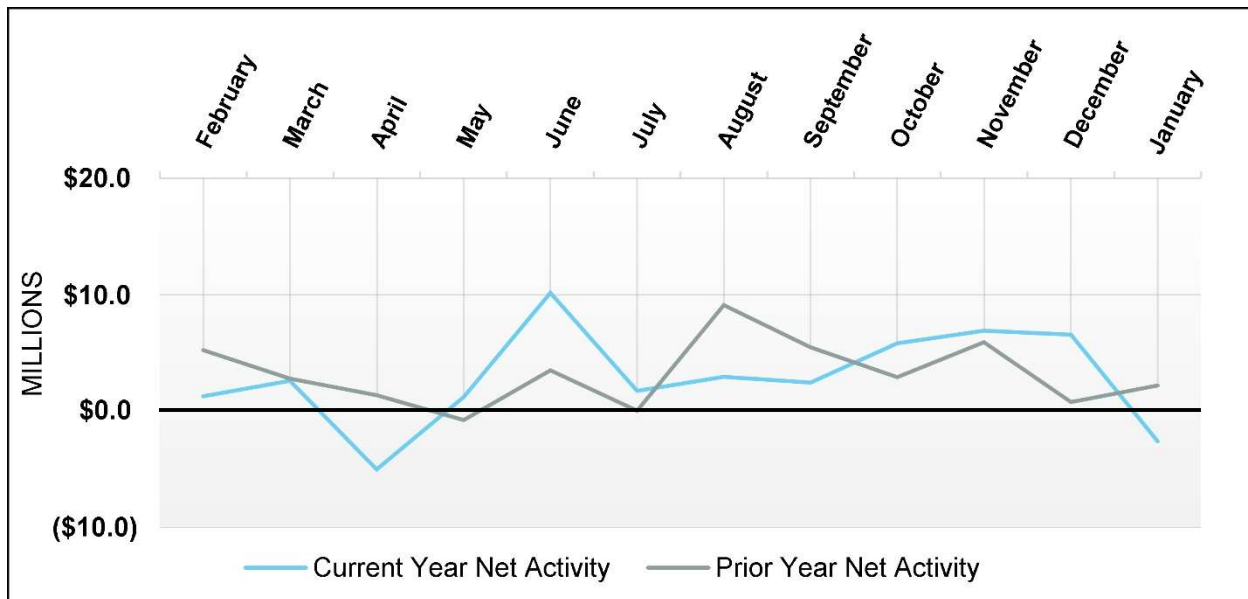
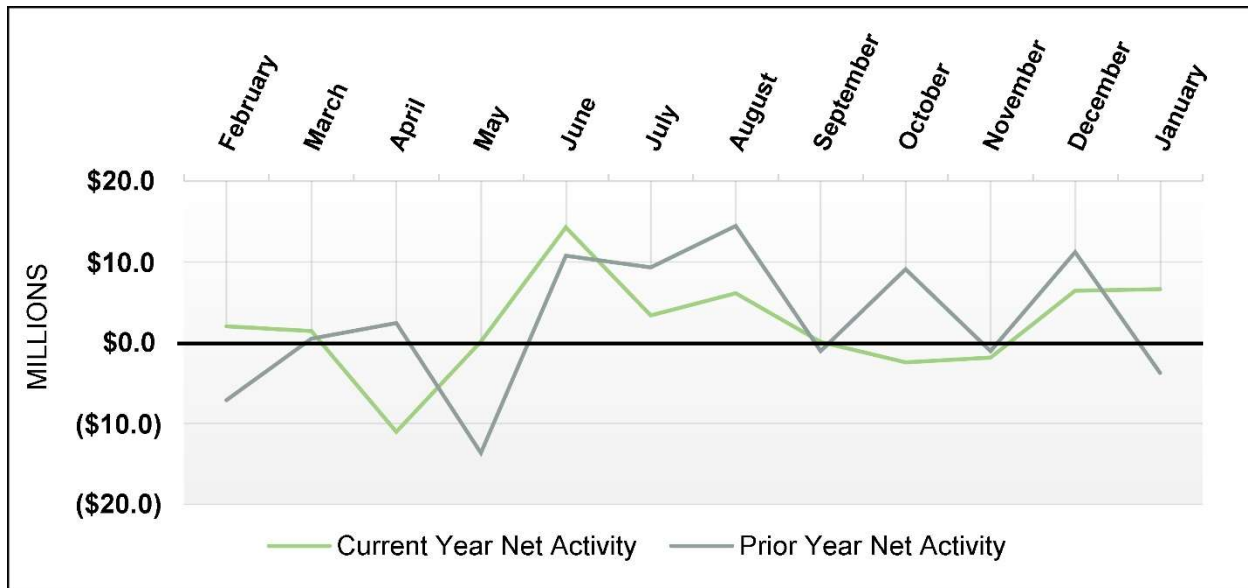
Chart 1 – GLWA 12-Month Net Receipts – Water outlines monthly cash receipt trends across two points of reference for the regional water system—current year and prior year. The black line at the zero highlights the minimum goal for net receipts.

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 Jan 31	Life-to-Date Total
Water							
1 Receipts	\$ 149,688,711	\$ 352,941,909	\$ 338,452,001	\$ 336,594,234	\$ 332,606,196	\$ 205,610,594	\$ 1,715,893,645
2 MOU Adjustments	-	-	-	-	-	-	-
3 Adjusted Receipts	149,688,711	352,941,909	338,452,001	336,594,234	332,606,196	205,610,594	1,715,893,645
4 Disbursements	(146,256,185)	(288,777,985)	(297,064,810)	(289,230,481)	(296,190,425)	(181,956,506)	(1,499,476,392)
5 Receipts Net of Required	3,432,526	64,163,924	41,387,191	47,363,753	36,415,771	23,654,088	216,417,253
6 I&E Transfer	-	-	(25,739,700)	(47,695,000)	(25,719,751)	(17,876,401)	(117,030,852)
7 Net Receipts	\$ 3,432,526	\$ 64,163,924	\$ 15,647,491	\$ (331,247)	\$ 10,696,020	\$ 5,777,687	\$ 99,386,401
8 Ratio of Receipts to Required Disbursements (Line 3/Line 4)	102%	122%	114%	116%	112%	113%	114%
Sewer							
9 Receipts	\$ 232,377,715	\$ 469,788,882	\$ 476,269,761	\$ 467,743,744	\$ 490,461,356	\$ 275,562,300	\$ 2,412,203,758
10 MOU Adjustments	-	-	-	-	-	-	-
11 Adjusted Receipts	232,377,715	469,788,882	476,269,761	467,743,744	490,461,356	275,562,300	2,412,203,758
12 Disbursements	(219,538,325)	(441,443,340)	(458,903,335)	(453,406,636)	(445,604,952)	(257,338,601)	(2,276,235,189)
13 Receipts Net of Required	12,839,390	28,345,542	17,366,426	14,337,108	44,856,404	18,223,699	135,968,569
14 I&E Transfer	-	-	(22,698,100)	(22,547,700)	(19,096,200)	(21,928,798)	(86,270,798)
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	\$ 5,313,575	\$ 32,213,436
18 Ratio of Receipts to Required Disbursements (Line 11/Line 12)	106%	106%	104%	103%	110%	107%	106%
Combined							
19 Receipts	\$ 382,066,426	\$ 822,730,791	\$ 814,721,762	\$ 804,337,978	\$ 823,067,552	\$ 481,172,894	\$ 4,128,097,403
20 MOU Adjustments	-	-	-	-	-	-	-
21 Adjusted Receipts	382,066,426	822,730,791	814,721,762	804,337,978	823,067,552	481,172,894	4,128,097,403
22 Disbursements	(365,794,510)	(730,221,325)	(755,968,145)	(742,637,117)	(741,795,377)	(439,295,107)	(3,775,711,581)
23 Receipts Net of Required	16,271,916	92,509,466	58,753,617	61,700,861	81,272,175	41,877,787	352,385,822
24 I&E Transfer	-	-	(48,437,800)	(70,242,700)	(44,815,951)	(39,805,199)	(203,301,650)
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	\$ 11,091,262	\$ 131,599,837
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 seven months of activity to date.

Water fund receipts exceeded required disbursements by 1% through January 31, 2021 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 2% through January 31, 2021 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 Jan 31	Life-to-Date Total
Water							
1 Receipts	\$ 26,201,881	\$ 96,451,105	\$ 101,233,147	\$ 99,868,219	\$ 96,885,723	\$ 59,362,635	\$ 480,002,710
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	59,362,635	498,448,810
4 Disbursements	(47,809,552)	(93,066,144)	(93,049,457)	(97,694,600)	(97,823,097)	(58,804,964)	(488,247,814)
5 Receipts Net of Required	(3,161,571)	3,384,961	8,183,690	2,173,619	(937,374)	557,671	10,200,996
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)	\$ 557,671	\$ 1,793,916
8 Ratio of Receipts to Required Disbursements (Line 3/Line 4)	93%	104%	109%	102%	99%	101%	102%
Sewer							
9 Receipts	\$ 65,256,734	\$ 233,723,367	\$ 242,104,791	\$ 265,339,797	\$ 264,689,559	\$ 169,837,635	\$1,240,951,883
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	169,837,635	1,303,234,183
12 Disbursements	(122,297,300)	(261,963,973)	(266,217,825)	(271,018,306)	(275,507,374)	(172,675,096)	(1,369,679,874)
13 Receipts Net of Required	(1,285,466)	(28,240,606)	(24,113,034)	848,691	(10,817,815)	(2,837,461)	(66,445,691)
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)	\$ (2,837,461)	\$ (13,032,657)
17 Ratio of Receipts to Required Disbursements (Line 11/Line 12)	99%	89%	91%	100%	96%	98%	95%
Combined							
18 Receipts	\$ 91,458,615	\$ 330,174,472	\$ 343,337,938	\$ 365,208,016	\$ 361,575,282	\$ 229,200,270	\$1,720,954,593
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	229,200,270	1,801,682,993
21 Disbursements	(170,106,852)	(355,030,117)	(359,267,282)	(368,712,906)	(373,330,471)	(231,480,060)	(1,857,927,688)
22 Receipts Net of Required	(4,447,037)	(24,855,645)	(15,929,344)	3,022,310	(11,755,189)	(2,279,790)	(56,244,695)
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)	\$ (2,279,790)	\$ (11,238,741)
26 Ratio of Receipts to Required Disbursements (Line 20/Line 21)	97%	93%	96%	101%	97%	99%	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
01-05-21	Payment for January 2021	849,021	4,289,083
		25,010,917	4,289,083

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
01-05-21	Payment for January 2021	849,021	17,662	866,683
		25,010,918	1,856,254	26,867,171

Table 5 – FY 2018 DWSD Loan Receivable – Sewer

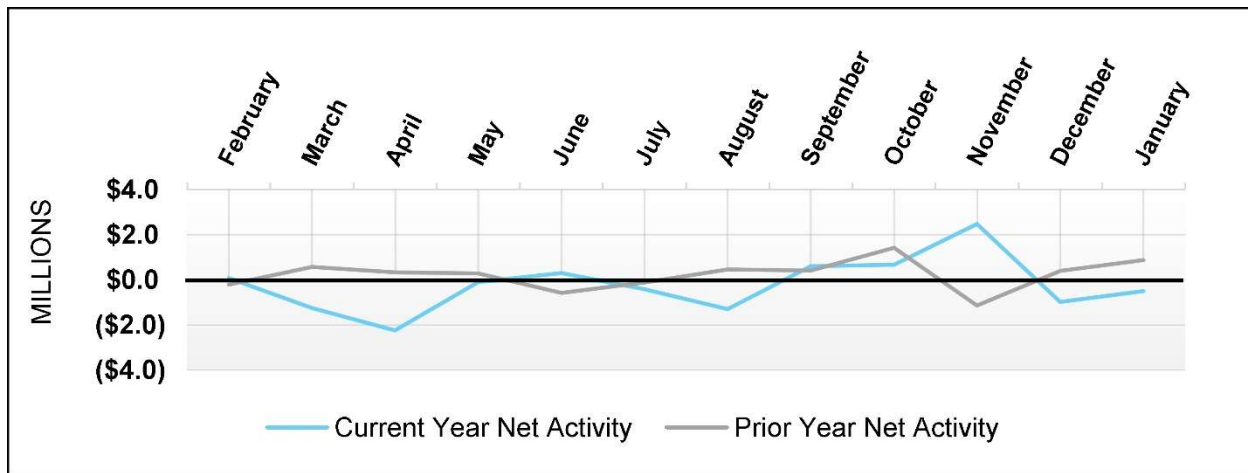
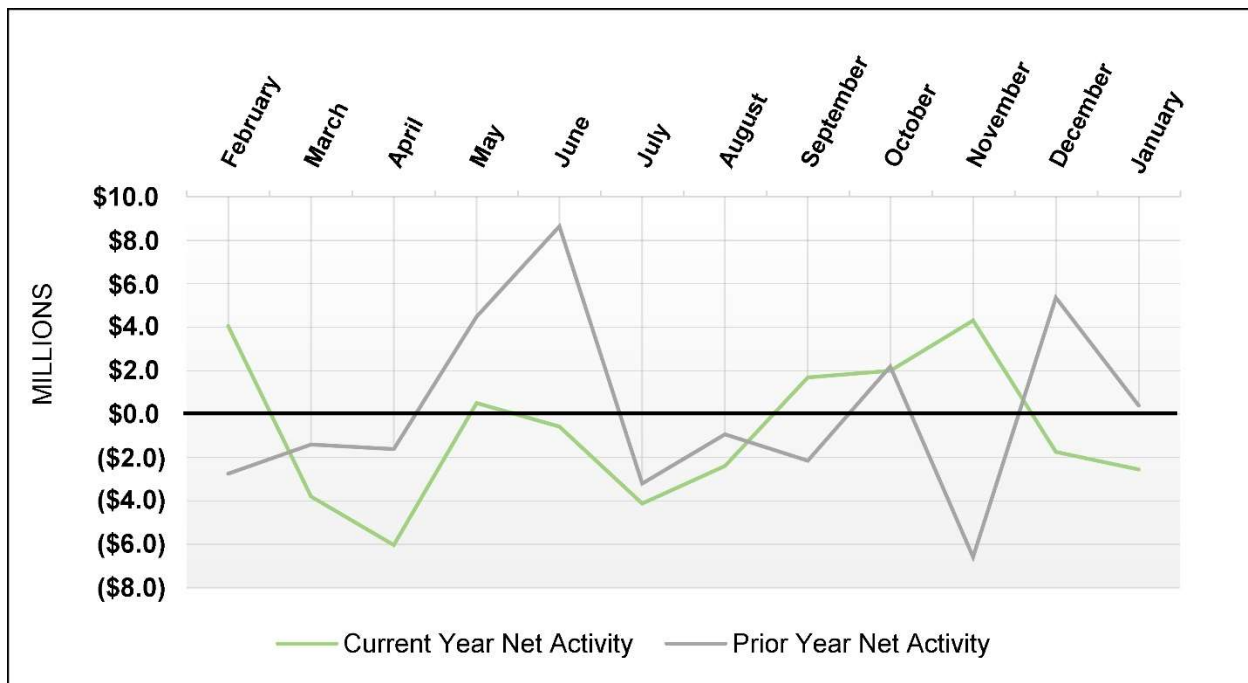
Date	Transaction	Amount	Balance
06-30-19	Record Loan Receivable		24,113,034
07-15-19	Payment for July 2019	638,978	23,474,056
08-08-19	Payment for August 2019	640,686	22,833,370
09-06-19	Payment for September 2019	642,400	22,190,970
10-02-19	Payment for October 2019	644,118	21,546,852
11-04-19	Payment 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
01-05-21	Payment for January 2021	670,444	11,675,788
		12,437,246	11,675,788

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
01-05-21	Payment for January 2021	670,444	33,016	703,460
		12,437,246	928,494	13,365,740

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
01-31-21	4,289,083	11,675,788	15,964,871

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 seven months of activity to date.

Water fund net receipts exceeded required disbursements by 10% through January 31, 2021 with a historical ratio of receipts exceeding required disbursements by 11% since January 1, 2016.

Sewer fund receipts exceeded required disbursements by 4% through January 31, 2021 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 Jan 31	Life-to-Date Total
Water							
1 Receipts	\$ 175,890,592	\$ 449,393,014	\$ 439,685,148	\$ 436,462,453	\$ 429,491,919	\$ 264,973,229	\$2,195,896,355
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	264,973,229	2,214,342,455
4 Disbursements	(194,065,737)	(381,844,129)	(390,114,267)	(386,925,081)	(394,013,522)	(240,761,470)	(1,987,724,206)
5 Receipts Net of Required	270,955	67,548,885	49,570,881	49,537,372	35,478,397	24,211,759	226,618,249
6 I&E Transfer	-	-	(25,739,700)	(56,102,080)	(25,719,751)	(17,876,401)	(125,437,932)
7 Net Receipts	\$ 270,955	\$ 67,548,885	\$ 23,831,181	\$ (6,564,708)	\$ 9,758,646	\$ 6,335,358	\$ 101,180,317
8 Ratio of Receipts to Required Disbursements (Line 3/Line 4)	100%	118%	113%	113%	109%	110%	111%
Sewer							
9 Receipts	\$ 297,634,449	\$ 703,512,249	\$ 718,374,552	\$ 733,083,541	\$ 755,150,915	\$ 445,399,935	\$3,653,155,641
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	445,399,935	3,715,437,941
12 Disbursements	(341,835,625)	(703,407,313)	(725,121,160)	(724,424,942)	(721,112,326)	(430,013,697)	(3,645,915,063)
13 Receipts Net of Required	11,553,924	104,936	(6,746,608)	15,185,799	34,038,589	15,386,238	69,522,878
14 I&E Transfer	-	-	(22,698,100)	(22,547,700)	(19,096,200)	(21,928,798)	(86,270,798)
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	\$ 2,476,114	\$ 19,180,779
18 Ratio of Receipts to Required Disbursements (Line 11/Line 12)	103%	100%	99%	102%	105%	104%	102%
Combined							
19 Receipts	\$ 473,525,041	\$1,152,905,263	\$1,158,059,700	\$1,169,545,994	\$1,184,642,834	\$ 710,373,164	\$5,849,051,996
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	710,373,164	5,929,780,396
22 Disbursements	(535,901,362)	(1,085,251,442)	(1,115,235,427)	(1,111,350,023)	(1,115,125,848)	(670,775,167)	(5,633,639,269)
23 Receipts Net of Required	11,824,879	67,653,821	42,824,273	64,723,171	69,516,986	39,597,997	296,141,127
24 I&E Transfer	-	-	(48,437,800)	(78,649,780)	(44,815,951)	(39,805,199)	(211,708,730)
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	\$ 8,811,472	\$ 120,361,096
28 Ratio of Receipts to Required Disbursements (Line 21/Line 22)	102%	106%	104%	106%	106%	106%	105%

APPENDIX

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$437,780.80	\$437,780.80	\$0.00	\$0.00	\$0.00
ALMONT VILLAGE	\$18,602.95	\$18,602.95	\$0.00	\$0.00	\$0.00
ASH TOWNSHIP	\$66,537.06	\$66,537.06	\$0.00	\$0.00	\$0.00
BELLEVILLE	\$25,718.48	\$25,718.48	\$0.00	\$0.00	\$0.00
BERLIN TOWNSHIP	\$57,948.88	\$57,948.88	\$0.00	\$0.00	\$0.00
BROWNSTOWN TOWNSHIP	\$282,731.09	\$282,731.09	\$0.00	\$0.00	\$0.00
BRUCE TOWNSHIP	\$21,428.24	\$21,428.24	\$0.00	\$0.00	\$0.00
BURTCHVILLE TOWNSHIP	\$25,603.12	\$25,603.12	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$1,596,269.01	\$1,596,269.01	\$0.00	\$0.00	\$0.00
CENTER LINE	\$38,636.51	\$38,636.51	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$341,878.77	\$341,878.77	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$1,166,415.43	\$1,166,415.43	\$0.00	\$0.00	\$0.00
COMMERCE TOWNSHIP	\$596,318.31	\$596,318.31	\$0.00	\$0.00	\$0.00
DEARBORN	\$3,450,351.94	\$1,728,503.35	\$990,595.10	\$731,253.49	\$0.00
DEARBORN HEIGHTS	\$300,563.53	\$300,563.53	\$0.00	\$0.00	\$0.00
EASTPOINTE	\$129,208.10	\$129,208.10	\$0.00	\$0.00	\$0.00
ECORSE	\$225,210.18	\$225,210.18	\$0.00	\$0.00	\$0.00
FARMINGTON	\$81,051.80	\$81,051.80	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$1,366,940.13	\$1,366,940.13	\$0.00	\$0.00	\$0.00
FERNDAL	\$87,339.84	\$87,339.84	\$0.00	\$0.00	\$0.00
FLAT ROCK	\$99,933.96	\$99,933.96	\$0.00	\$0.00	\$0.00
FLINT	\$298,042.95	\$298,042.95	\$0.00	\$0.00	\$0.00
FRASER	\$96,404.08	\$96,404.08	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
GARDEN CITY	\$132,324.00	\$132,324.00	\$0.00	\$0.00	\$0.00
GIBRALTAR	\$27,568.49	\$27,568.49	\$0.00	\$0.00	\$0.00
GROSSE ILE TOWNSHIP	\$82,906.19	\$82,906.19	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$250,077.13	\$223,376.88	\$26,700.25	\$0.00	\$0.00
GROSSE POINTE SHORES	\$45,870.89	\$45,870.89	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$113,031.43	\$113,031.43	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$67,073.13	\$67,073.13	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$142,603.38	\$135,054.87	\$7,548.51	\$0.00	\$0.00
HARRISON TWP	\$125,800.87	\$125,800.87	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$119,189.77	\$117,682.78	\$1,506.99	\$0.00	\$0.00
HIGHLAND PARK	\$9,237,168.50	\$189,107.32	\$98,963.15	\$105,071.24	\$8,844,026.79
HURON TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
IMLAY CITY	\$88,369.28	\$88,369.28	\$0.00	\$0.00	\$0.00
IMLAY TOWNSHIP	\$1,338.36	\$1,338.36	\$0.00	\$0.00	\$0.00
INKSTER	\$48,041.22	\$48,041.22	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$46,424.80	\$46,424.80	\$0.00	\$0.00	\$0.00
LAPEER	\$122,766.16	\$122,766.16	\$0.00	\$0.00	\$0.00
LENOX TOWNSHIP	\$46,409.19	\$46,409.19	\$0.00	\$0.00	\$0.00
LINCOLN PARK	\$188,448.23	\$188,448.23	\$0.00	\$0.00	\$0.00
LIVONIA	\$861,826.56	\$861,826.56	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$955,872.72	\$955,872.72	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$152,464.90	\$152,464.90	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MAYFIELD TOWNSHIP	\$2,990.84	\$2,990.84	\$0.00	\$0.00	\$0.00
MELVINDALE	\$103,772.48	\$103,772.48	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$29,170.89	\$29,170.89	\$0.00	\$0.00	\$0.00
NOCWA	\$1,698,553.47	\$1,698,553.47	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$68,122.98	\$68,122.98	\$0.00	\$0.00	\$0.00
NORTHVILLE TOWNSHIP	\$417,980.69	\$417,980.69	\$0.00	\$0.00	\$0.00
NOVI	\$679,144.89	\$679,144.89	\$0.00	\$0.00	\$0.00
OAK PARK	\$105,715.27	\$105,715.27	\$0.00	\$0.00	\$0.00
OAKLAND CO DR COM	\$5,534.30	\$5,534.30	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$83,783.47	\$83,783.47	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$335,065.43	\$335,065.43	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$508,512.21	\$508,512.21	\$0.00	\$0.00	\$0.00
RIVER ROUGE	\$114,301.81	\$114,301.81	\$0.00	\$0.00	\$0.00
RIVERVIEW	\$142,906.36	\$142,906.36	\$0.00	\$0.00	\$0.00
ROCKWOOD	\$23,036.81	\$23,036.81	\$0.00	\$0.00	\$0.00
ROMEO	\$18,940.47	\$18,940.47	\$0.00	\$0.00	\$0.00
ROMULUS	\$341,405.98	\$341,405.98	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$446,733.85	\$446,733.85	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$31,400.81	\$31,400.81	\$0.00	\$0.00	\$0.00
SHELBY TOWNSHIP	\$1,133,950.55	\$1,133,950.55	\$0.00	\$0.00	\$0.00
SOCWA	\$3,500,633.91	\$3,500,633.91	\$0.00	\$0.00	\$0.00
SOUTH ROCKWOOD	\$9,447.55	\$9,447.55	\$0.00	\$0.00	\$0.00
SOUTHGATE	\$178,674.54	\$178,674.54	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ST. CLAIR COUNTY-GREENWOOD T	\$78,895.39	\$78,895.39	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$247,749.64	\$247,749.64	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$2,439,703.97	\$2,439,703.97	\$0.00	\$0.00	\$0.00
SUMPTER TOWNSHIP	\$56,220.58	\$56,220.58	\$0.00	\$0.00	\$0.00
SYLVAN LAKE	\$18,932.74	\$18,932.74	\$0.00	\$0.00	\$0.00
TAYLOR	\$369,103.09	\$369,103.09	\$0.00	\$0.00	\$0.00
TRENTON	\$134,364.89	\$134,364.89	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$1,037,362.25	\$1,037,362.25	\$0.00	\$0.00	\$0.00
UTICA	\$41,965.17	\$41,965.17	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$273,874.67	\$273,874.67	\$0.00	\$0.00	\$0.00
WALLED LAKE	\$125,550.55	\$125,550.55	\$0.00	\$0.00	\$0.00
WARREN	\$834,228.43	\$834,228.43	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$170,868.49	\$170,868.49	\$0.00	\$0.00	\$0.00
WAYNE	\$265,592.77	\$265,592.77	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (C-O)	\$1,570,878.78	\$1,570,878.78	\$0.00	\$0.00	\$0.00
WESTLAND	\$490,336.17	\$490,336.17	\$0.00	\$0.00	\$0.00
WIXOM	\$189,519.23	\$189,519.23	\$0.00	\$0.00	\$0.00
WOODHAVEN	\$133,290.77	\$133,290.77	\$0.00	\$0.00	\$0.00
YCUA	\$1,634,045.17	\$1,634,045.17	\$0.00	\$0.00	\$0.00
TOTAL WATER ACCOUNTS	\$43,758,752.67	\$32,953,087.15	\$1,125,314.00	\$836,324.73	\$8,844,026.79

GLWA Aged Accounts Receivable- SEWER ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$71,200.00	\$71,200.00	\$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	\$95,900.00	\$95,900.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$229,200.00	\$229,200.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$151,000.00	\$151,000.00	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$332,900.00	\$332,900.00	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$18,300.00	\$18,300.00	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$35,080,898.97	\$472,500.00	\$472,500.00	\$472,500.00	\$33,663,398.97
MELVINDALE	\$127,800.00	\$127,800.00	\$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	\$5,823,137.73	\$5,823,137.73	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$21,900.00	\$21,900.00	\$0.00	\$0.00	\$0.00
ROUGE VALLEY	\$4,513,500.00	\$4,513,500.00	\$0.00	\$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	\$4,200.00	\$4,200.00	\$0.00	\$0.00	\$0.00
TOTAL SEWER ACCOUNTS	\$55,301,136.20	\$20,692,737.23	\$472,500.00	\$472,500.00	\$33,663,398.97

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 01/31/21

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)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O) ADMIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AUBURN HILLS (E-F)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BERKLEY	\$3,004.82	\$3,004.82	\$0.00	\$0.00	\$0.00
BEVERLY HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BINGHAM FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BIRMINGHAM (E-F)	\$4,644.12	\$4,644.12	\$0.00	\$0.00	\$0.00
BIRMINGHAM (SEOC)	\$10,631.79	\$10,631.79	\$0.00	\$0.00	\$0.00
BLOOMFIELD HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BLOOMFIELD TOWNSHIP	\$14,317.68	\$14,317.68	\$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	\$11,775.92	\$11,775.92	\$0.00	\$0.00	\$0.00
CITY OF FARMINGTON (E-F)	\$190.97	\$190.97	\$0.00	\$0.00	\$0.00
CITY OF FERNDALE	\$8,466.90	\$8,466.90	\$0.00	\$0.00	\$0.00
CITY OF ROCHESTER	\$3,540.55	\$3,540.55	\$0.00	\$0.00	\$0.00
CLARKSTON (C-O) ADMIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLAWSON	\$2,626.26	\$2,626.26	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$49,652.20	\$49,652.20	\$0.00	\$0.00	\$0.00
DEARBORN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN HEIGHTS	\$9,837.49	\$9,837.49	\$0.00	\$0.00	\$0.00
DETROIT METRO WC AIRPORT	\$202.80	\$202.80	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 01/31/21

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	\$4,715.10	\$4,715.10	\$0.00	\$0.00	\$0.00
GARDEN CITY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$1,502.41	\$1,502.41	\$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	\$2,458.95	\$2,458.95	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$3,968.12	\$3,968.12	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$1,799.85	\$1,799.85	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$3,035.24	\$3,035.24	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$3,148.47	\$3,148.47	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$1,749,502.08	\$7,870.33	\$3,929.25	\$0.00	\$1,737,702.50
HUNTINGTON WOODS	\$816.27	\$544.18	\$272.09	\$0.00	\$0.00
INDEPENDENCE (C-O) ADMIN	\$2,343.60	\$2,343.60	\$0.00	\$0.00	\$0.00
INKSTER	\$5,286.32	\$5,286.32	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LAKE ORION	\$763.88	\$763.88	\$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 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
LIVONIA	\$38,346.10	\$38,346.10	\$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	\$3,342.82	\$3,342.82	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$584.74	\$584.74	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$1,691.69	\$1,691.69	\$0.00	\$0.00	\$0.00
NOVI	\$16,852.68	\$16,852.68	\$0.00	\$0.00	\$0.00
OAK PARK	\$6,738.03	\$6,738.03	\$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)	\$7,555.99	\$7,555.99	\$0.00	\$0.00	\$0.00
ORION TOWNSHIP (C-O) ADMIN	\$1,852.37	\$912.02	\$456.01	\$0.00	\$484.34
OXFORD TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
OXFORD VILLAGE	\$1,196.52	\$1,196.52	\$0.00	\$0.00	\$0.00
PLEASANT RIDGE	\$520.52	\$520.52	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$390.39	\$260.26	\$130.13	\$0.00	\$0.00
REDFORD TOWNSHIP	\$25,990.63	\$23,950.68	\$2,039.95	\$0.00	\$0.00
ROCHESTER HILLS	\$17,606.42	\$17,606.42	\$0.00	\$0.00	\$0.00
ROMULUS	\$880.49	\$880.49	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$27,817.40	\$27,817.40	\$0.00	\$0.00	\$0.00
ROYAL OAK	\$13,210.73	\$13,210.73	\$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 01/31/21

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)	\$81,481.66	\$54,353.78	\$27,127.88	\$0.00	\$0.00
SOUTHFIELD (SEOC)	\$11,461.58	\$7,659.08	\$3,802.50	\$0.00	\$0.00
ST. CLAIR SHORES	\$22,840.35	\$22,840.35	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$30,252.69	\$30,252.69	\$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	\$2,874.69	\$2,874.69	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$5,997.81	\$4,069.52	\$1,928.29	\$0.00	\$0.00
VILLAGE OF FRANKLIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$1,385.80	\$1,385.80	\$0.00	\$0.00	\$0.00
WATERFORD TOWNSHIP DPW (ADM)	\$2,954.27	\$2,954.27	\$0.00	\$0.00	\$0.00
WAYNE	\$4,770.87	\$4,770.87	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (E-F)	\$12,242.36	\$12,242.36	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP. (C-O) P	\$451.26	\$451.26	\$0.00	\$0.00	\$0.00
WESTLAND	\$21,471.45	\$21,471.45	\$0.00	\$0.00	\$0.00
TOTAL IWC ACCOUNTS	\$2,294,827.90	\$516,954.96	\$39,686.10	\$0.00	\$1,738,186.84

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
3M COMPANY	\$7,546.26	\$3,759.31	\$1,907.30	\$1,879.65	\$0.00
A & R PACKING CO., LLC	\$3,179.57	\$3,179.57	\$0.00	\$0.00	\$0.00
AACTRON	\$408.78	\$64.43	\$85.54	\$0.00	\$258.81
ACADEMY PACKING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ACME RUSTPROOF	\$52.12	\$52.12	\$0.00	\$0.00	\$0.00
ADORING PET FUNERAL HOME	\$332.45	\$249.34	\$83.11	\$0.00	\$0.00
AEVITAS SPECIALITY SERVICES	\$517.39	\$517.39	\$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	\$259.94	\$259.94	\$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	\$15.05	\$15.05	\$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	\$1.72	\$1.72	\$0.00	\$0.00	\$0.00
BAFFIN BREWING COMPANY	\$ (158.54)	\$0.00	\$0.00	\$ (158.54)	\$0.00
BARON INDUSTRIES	\$984.18	\$984.18	\$0.00	\$0.00	\$0.00
BARTZ BAKERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BASTONE BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BATCH BREWING COMPANY	\$739.20	\$184.80	\$0.00	\$184.80	\$369.60
BAYS MICHIGAN CORPORATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
BEIRUT BAKERY, INC.	\$37.00	\$0.00	\$37.00	\$0.00	\$0.00
BETTER MADE SNACK FOOD	\$42,657.98	\$26,391.11	\$16,266.87	\$0.00	\$0.00
BLACK LOTUS BREWING CO.	\$61.25	\$0.00	\$0.00	\$0.00	\$61.25
BOZEK'S MARKET	\$113.84	\$113.84	\$0.00	\$0.00	\$0.00
BREW DETROIT	\$6,050.58	\$3,578.80	\$2,471.78	\$0.00	\$0.00
BROADWAY MKT CORNED BEEF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BROOKS BREWING, LLC.	\$152.69	\$60.38	\$0.00	\$71.31	\$21.00
BROWN IRON BREWHOUSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CADILLAC STRAITS BREWING CO.	\$24.50	\$24.50	\$0.00	\$0.00	\$0.00
CANTON BREW WORKS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CAPITAL REPRODUCTIONS	\$3.58	\$3.58	\$0.00	\$0.00	\$0.00
CF BURGER CREAMERY	\$17,908.80	\$17,908.80	\$0.00	\$0.00	\$0.00
CHILANGO'S BAKERY	\$1,836.06	\$33.78	\$19.30	\$16.09	\$1,766.89
CINTAS CORP. - MACOMB TWP.	\$35,090.94	\$35,090.94	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$29,917.87	\$29,917.87	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$11,748.52	\$11,748.52	\$0.00	\$0.00	\$0.00
CITY LAUNDRY, INC.	\$16.52	\$16.52	\$0.00	\$0.00	\$0.00
CLASSIC CONTAINER CORP.	\$7.04	\$7.04	\$0.00	\$0.00	\$0.00
COCA-COLA REFRESHMENTS USA,	\$2,125.17	\$2,125.17	\$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 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COUNTRY FRESH DAIRY CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CROSS CHEMICAL COMPANY, INC.	\$1,153.58	\$1,153.58	\$0.00	\$0.00	\$0.00
DARLING INGREDIENTS, INC.	\$6,809.55	\$6,809.55	\$0.00	\$0.00	\$0.00
DAVE'S SAUSAGE FACTORY 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN BREWING	\$103.78	\$16.48	\$0.00	\$30.49	\$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.	\$5.59	\$5.59	\$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	\$1,253.75	\$1,253.75	\$0.00	\$0.00	\$0.00
DETROIT SAUSAGES CO INC	\$5.70	\$5.70	\$0.00	\$0.00	\$0.00
DETRONIC INDUSTRIES, INC.	\$26.73	\$26.73	\$0.00	\$0.00	\$0.00
DIFCO LABORATORIES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DIVERSIFIED CHEM TECH. INC.	\$11.24	\$11.24	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$4,706.01	\$4,706.01	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$1,782.48	\$1,782.48	\$0.00	\$0.00	\$0.00
DOWNEY BREWING COMPANY	\$15.75	\$15.75	\$0.00	\$0.00	\$0.00
E.W. GROBBEL'S SONS, INC.	\$4,442.46	\$4,442.46	\$0.00	\$0.00	\$0.00
EASTERN MARKET BREWING COMP	\$215.64	\$122.50	\$0.00	\$93.14	\$0.00
ENVIROSOLIDS, L.L.C.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$2,379.00	\$2,079.00	\$300.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
EQ DETROIT, INC.	\$18,225.96	\$18,225.96	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ETON ST BREWERY- GRIFFIN CLF	\$2,367.30	\$2,367.30	\$0.00	\$0.00	\$0.00
EXTRUDE HONE CORPORATION	\$112.67	\$112.67	\$0.00	\$0.00	\$0.00
EXTRUDEHODE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FARMINGTON BREWING COMPANY	\$4.10	\$4.10	\$0.00	\$0.00	\$0.00
FAYGO BEVERAGES, INC.	\$21,188.57	\$21,188.57	\$0.00	\$0.00	\$0.00
FIVES CINETIC CORP.	\$7,599.47	\$3,691.94	\$0.00	\$3,907.53	\$0.00
FOUNDERS BREWING COMPANY	\$116.50	\$9.83	\$0.00	\$44.21	\$62.46
FRESH-PAK	\$436.15	\$298.65	\$137.50	\$0.00	\$0.00
FRESH-PAK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
G2O ENERGY, LLC	\$3,321.48	\$3,321.48	\$0.00	\$0.00	\$0.00
GENERAL LINEN SUPPLY CO.	\$4,381.40	\$4,381.40	\$0.00	\$0.00	\$0.00
GLOBAL TITANIUM, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$28.41	\$28.41	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$ (16.18)	\$0.00	\$0.00	\$ (16.18)	\$0.00
GREAT BARABOO BREWING CO.	\$61.25	\$61.25	\$0.00	\$0.00	\$0.00
HACIENDA MEXICAN FOODS	\$2,292.88	\$927.35	\$530.32	\$635.25	\$199.96
HENKEL CORPORATION	\$ (43.28)	\$0.00	\$0.00	\$ (43.28)	\$0.00
HOME STYLE FOOD INC.	\$2,056.77	\$2,056.77	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
HOMEGROWN BREWING COMPANY	\$144.46	\$43.84	\$0.00	\$50.31	\$50.31
HOODS CLEANERS	\$211.33	\$0.00	\$0.00	\$0.00	\$211.33
HOUGHTON INTERNATIONAL INC.	\$1,304.92	\$369.87	\$265.97	\$170.39	\$498.69
HOUGHTON INTERNATIONAL INC.	\$2,185.92	\$818.68	\$428.04	\$457.13	\$482.07
HOUGHTON INTERNATIONAL INC.	\$25,906.87	\$12,986.68	\$5,402.46	\$3,615.49	\$3,902.24
HUNTINGTON CLEANERS	\$650.77	\$650.77	\$0.00	\$0.00	\$0.00
IDP, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDUSTRIAL METAL COATING	\$1,069.08	\$558.07	\$363.24	\$147.77	\$0.00
ISLAMIC SLAUGHTER HOUSE	\$2,422.09	\$2,422.09	\$0.00	\$0.00	\$0.00
ITALIAN BUTTER BREAD STICKS	\$11.27	\$0.00	\$1.61	\$1.61	\$8.05
JAMEX BREWING CO.	\$151.81	\$36.75	\$0.00	\$38.50	\$76.56
KAR NUT PRODUCTS	\$1,000.02	\$1,000.02	\$0.00	\$0.00	\$0.00
KOWALSKI SAUSAGES, CO.	\$1,304.83	\$1,304.83	\$0.00	\$0.00	\$0.00
KUHNHENN BREWING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$518.97	\$518.97	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$42.54	\$42.54	\$0.00	\$0.00	\$0.00
LEAR CORPORATION DBA EAGLE C	\$3,125.76	\$3,125.76	\$0.00	\$0.00	\$0.00
LIBERTY STREET PROD. BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LIFE TECHNOLOGIES	\$34,668.94	\$34,668.94	\$0.00	\$0.00	\$0.00
LILY'S SEAFOOD GRILL & BREWE	\$43.75	\$43.75	\$0.00	\$0.00	\$0.00
MACDERMID, INC.	\$1,938.36	\$1,938.36	\$0.00	\$0.00	\$0.00
MCCLURE'S PICKLES	\$607.56	\$607.56	\$0.00	\$0.00	\$0.00
MCNICHOLS POLISHING & ANODIZ	\$18.72	\$0.00	\$18.72	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MELLO MEATS INC, - KUBISCH S	\$199.17	\$199.17	\$0.00	\$0.00	\$0.00
METROPOLITAN BAKERY	\$738.31	\$738.31	\$0.00	\$0.00	\$0.00
MIBA HYDRAMECHANICA CORP.	\$232.73	\$232.73	\$0.00	\$0.00	\$0.00
MICHIGAN DAIRY	\$85,898.33	\$85,898.33	\$0.00	\$0.00	\$0.00
MICHIGAN PROD. MACHINING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MICHIGAN SOY PRODUCTS CO.	\$513.30	\$513.30	\$0.00	\$0.00	\$0.00
MIDWEST WIRE PRODUCTS, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MILANO BAKERY	\$ (217.72)	\$0.00	\$0.00	\$ (217.72)	\$0.00
MILTON CHILI CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MINNIE MARIE BAKERS, INC	\$3,630.64	\$3,630.64	\$0.00	\$0.00	\$0.00
MISTER UNIFORM & MAT RENTALS	\$3.13	\$3.13	\$0.00	\$0.00	\$0.00
MOTOR CITY BREWING WORKS	\$1,820.67	\$78.75	\$0.00	\$161.88	\$1,580.04
NATIONAL CHILI COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NEAPCO DRIVELINES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTH CENTER BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTHERN LAKES SEAFOOD & MEAT	\$23.36	\$23.36	\$0.00	\$0.00	\$0.00
OAKWOOD BAKERY	\$462.65	\$326.58	\$136.07	\$0.00	\$0.00
PARKER'S HILLTOP BREWER & SE	\$37.45	\$37.45	\$0.00	\$0.00	\$0.00
PELLERITO FOODS INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PEPSI COLA, INC.	\$42,585.71	\$42,585.71	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$66,425.22	\$66,425.22	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$17,513.68	\$17,513.68	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
PERDUE PREMIUM MEAT COMPANY	\$1,537.40	\$1,537.40	\$0.00	\$0.00	\$0.00
PERSONAL UNIFORM SERVICE, IN	\$ (16.31)	\$0.00	\$ (16.31)	\$0.00	\$0.00
PETRO ENVIRON TECH, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PINE TREE ACRES, INC.	\$9,583.95	\$9,583.95	\$0.00	\$0.00	\$0.00
PLATING SPEC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
POWER VAC OF MICHIGAN, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PREMIER PLATING, LLC	\$2,650.55	\$2,650.55	\$0.00	\$0.00	\$0.00
PRODUCTION SPRING, LLC.	\$86.17	\$86.17	\$0.00	\$0.00	\$0.00
QUALA SERVICES, LLC	\$841.44	\$841.44	\$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	\$549.29	\$549.29	\$0.00	\$0.00	\$0.00
ROAK BREWING CO. LLC	\$301.73	\$301.73	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS BEER COMPANY	\$107.54	\$107.54	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS PROD BREWERY	\$4,143.26	\$1,311.99	\$0.00	\$1,894.40	\$936.87
ROYAL OAK BREWERY	\$ (574.60)	\$0.00	\$0.00	\$0.00	\$ (574.60)
RTT	\$27,772.36	\$0.00	\$0.00	\$0.00	\$27,772.36
SEAFARE FOODS, INC.	\$87.91	\$87.91	\$0.00	\$0.00	\$0.00
SHERWOOD BREWING COMPANY	\$1,193.63	\$31.50	\$0.00	\$31.50	\$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	\$198.34	\$73.50	\$0.00	\$60.38	\$64.46
SWEETHEART BAKERY, INC.	\$1,459.26	\$130.70	\$78.42	\$75.52	\$1,174.62

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
THE CROWN GROUP-LIVONIA PLAN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
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	\$282,977.17	\$282,977.17	\$0.00	\$0.00	\$0.00
U-METCO, INC.	\$1,920.45	\$1,920.45	\$0.00	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$86,948.72	\$54,264.94	\$32,683.78	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$3,155.01	\$2,187.32	\$967.69	\$0.00	\$0.00
UNIQUE LINEN SERVICES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNITED FISH DISTRIBUTORS	\$6.79	\$6.79	\$0.00	\$0.00	\$0.00
UNITED LINEN SERVICE, LLC.	\$294.27	\$294.27	\$0.00	\$0.00	\$0.00
UNITED MEAT & DELI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
URBANREST BREWING COMPANY	\$52.09	\$52.09	\$0.00	\$0.00	\$0.00
US ECOLOGY MICHIGAN	\$695.92	\$695.92	\$0.00	\$0.00	\$0.00
US ECOLOGY ROMULUS, INC.	\$1,835.78	\$1,835.78	\$0.00	\$0.00	\$0.00
USHER OIL SERVICES	\$4,263.34	\$4,263.34	\$0.00	\$0.00	\$0.00
VALICOR ENVIROMENTAL SERVICE	\$1,852.90	\$1,852.90	\$0.00	\$0.00	\$0.00
VAUGHAN INDUSTRIES, INC.	\$25.53	\$25.53	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS	\$5,331.62	\$5,331.62	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS, INC.	\$3,348.79	\$3,348.79	\$0.00	\$0.00	\$0.00
VERNOR FOOD PRODUCTS	\$ (36.26)	\$0.00	\$0.00	\$0.00	\$ (36.26)
WIGLEY'S MEAT PROCESS	\$998.91	\$708.63	\$290.28	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 01/31/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
WINTER SAUSAGE MFG. CO.	\$984.69	\$984.69	\$0.00	\$0.00	\$0.00
WINTER SAUSAGE MFG. CO.	\$199.22	\$199.22	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO	\$6,479.06	\$6,479.06	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO.	\$2,649.54	\$2,649.54	\$0.00	\$0.00	\$0.00
WOODWARD AVENUE BREWERS	\$144.24	\$0.00	\$0.00	\$0.00	\$144.24
TOTAL POLLUTANT SURCHARGE ACCOUNTS	\$997,902.83	\$882,110.76	\$62,458.69	\$13,131.63	\$40,201.75

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 (7 Months)	703,484	3,307,500	27,162	4,038,146
FY 2021 Payments (7 Months)	-	(2,338,728)	-	(2,338,728)
				-
Balance as of January 31, 2021	\$ 9,237,168	\$ 35,080,899	\$ 1,749,502	\$ 46,067,569



Financial Services Audit Committee Communication

Date: April 23, 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. Drafted final report and recommendations based on research into the Inclusion & Diversity Programs of other national utilities and public sector entities.
2. Created and presented education materials for GLWA Team Member training on B.I.D. Program Requirements. This includes the Executive Leadership Team and Area Chiefs with their team members to convey program details as well as Board and executive endorsement of the program.
3. Developed and delivered B.I.D. Program vendor outreach presentations for the Michigan Department of Transportation's 40th Annual Disadvantaged Business Enterprise Conference on March 23, 2021 and for Southwest Michigan PTAC's "Coffee & Contracting" series on April 14, 2021.

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

- Posting job description for B.I.D. Program Manager.
- Upcoming B.I.D. Program vendor outreach event hosted by the Michigan Department of Transportation (MDOT) on May 19, 2021.
- Developing contract language for B.I.D. Program requirements.
- Evaluating the insurance and bonding requirements for small and disadvantaged businesses enterprises.
- Identifying meaningful reporting and performance measures.

Note that there are two procurements due in late April that will be within the scope of this new program.

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: April 23, 2021

To: Great Lakes Water Authority Audit Committee

From: Michael Lasley, Procurement Manager

Re: Annual Procurement Report

Background: Pursuant to the Great Lakes Water Authority By-Laws Article XII, Section 4, the Procurement team has prepared an annual report detailing all contracts entered into by the GLWA for the last fiscal year ending June 30, 2020. Following review by the Audit Committee this report will be posted on the Vendors Page on the GLWA website.

Note: for reference, By-Laws Article XII, Section 4 states:

Section 4. The GLWA shall prepare an annual report detailing all contracts entered into by the GLWA during the immediately preceding fiscal year. This report shall be posted on the GLWA's website and shall be otherwise made available to the public pursuant the Michigan Freedom of Information Act.

Analysis: The attached report provides a summary of all purchases by GLWA for FY 2020 as well as summary statistics and analysis. This inaugural report also includes information for fiscal years ending June 30, 2019 and June 30, 2018 for comparative purposes.

It should also be noted that GLWA provides an extensive, searchable database of all executed contracts on the [Procurement Portal](#).

Proposed Action: Receive and file this report.



The Annual Procurement Report includes the following:

1. Key Takeaways
2. Key Terms & Assumptions
3. Fiscal Year Analysis
4. Awards by Contract Level
5. Awards by Vendor
6. Awards by Region
7. Detailed Appendices

Pursuant to the Great Lakes Water Authority By-Laws Article XII, Section 4, this annual report identifies all contracts entered into by the GLWA for the last fiscal year ending June 30, 2020. The report provides a detailed summary of all purchases by GLWA for FY 2020 as well as summary statistics and analysis. This inaugural report also includes information for additional fiscal years for comparative purposes and trend analysis.

The GLWA Procurement Team is a strategic cross-functional partner whose goal within the Financial Services Area (FSA) is to provide and manage effective procurement processes and procedures for the acquisition of quality goods and services in support of the Great Lakes Water Authority's mission and goals. GLWA Procurement utilizes the Bonfire Public Procurement application to manage the process of gathering, reviewing, awarding, and monitoring contracts and services with vendors. This system is used in tandem with the GLWA BS&A (the primary source for these reports) financial system to assign requisitions, purchase orders, and to ultimately process vendor payments. The GLWA Procurement team works very closely with other FSA teams throughout the process of the procure to pay cycle.

The information contained in this report is a comprehensive compilation of data from these systems organized in a manner that not only satisfies the base requirement of the GLWA By-Laws but also highlights key insights and trends apparent to the GLWA FSA team upon review. Following review by the GLWA Audit Committee, this information will be available on the GLWA website Vendors page at www.glwater.org where you can also find an entire section dedicated to vendors and communication of GLWA procurement policies, programs, and current solicitations.

Note that all contracts since the effective date are publicly available on the procurement portal on GLWA's website.

Key Takeaways

- ✓ GLWA's FY 2020 awarded contracts and purchase orders totaled \$454 million.
- ✓ Of that \$454 million, \$288 million or 63% was awarded to Michigan-based businesses.
- ✓ \$284 million or 62% of the total Michigan award was awarded to businesses located in Macomb, Wayne, Oakland, and Genesee counties.
- ✓ \$96 million or 21% of the total Michigan award was awarded to Detroit-based businesses.
- ✓ This inaugural report includes multiple years to provide context and is the result of evolving technology and staff resources since GLWA's operational effective date. For this reason, in some instances, data is presented for some years but not all.

Key Terms & Assumptions

Following are key terms that will assist the reader in understanding the information presented in this report.

- **Contract:** A written binding agreement between GLWA and outside vendors based on GLWA's Terms and Conditions. All contracts are associated with an approved purchase order.
- **Fiscal Year:** GLWA's one year period used for financial reporting extending from July 1 to June 30 the following year.
- **Invoice:** Issued by the seller/vendor to acquire payment and includes an itemized list of goods shipped specifying the price, products, and quantities.
- **Purchase Order (PO):** A document generated by GLWA that authorizes a purchase transaction. When accepted by the seller/vendor, it becomes a contract binding on both parties.
- **Requisitions:** A formal request for obtaining a good and/or service including supplies, raw materials, construction projects, and services. It is also used in requesting additional amendments and change orders for current purchase orders and contracts.

In addition to these key terms, certain assumptions were utilized in the presentation of this information. Key assumptions include the following:

- Purchase order data presented is based on the date the approved purchase order transaction was posted to the general ledger for accounting purposes.
- Invoice data presented is also based on the date the invoice is posted to the general ledger for accounting purposes.
- Purchase order amounts do not remain static, unlike invoice totals.
- Procurement continually processes amendments (including renewals) and change orders that can decrease or more often increase the purchase order total and those changes impact the original fiscal year totals.

Fiscal Year Analysis

The Fiscal Year Analysis section of this report examines the GLWA procurement purchase order and contract information comprehensively with comparative data between fiscal years to provide context and highlight trends developing over time.

Chart 1 – FY 2020 Total Combined Contracts and Purchase Orders Awards and Invoices issued without a Purchase Order - identifies the total Contracts/Purchase Orders awarded through Procurement and in addition total invoices not tied to a Purchase Order (typically utilities or approved employee benefit payments). The majority (86% in FY 2020) of all GLWA activity is tracked through approved/awarded purchase orders.

Chart 1 – FY 2020 Total Combined Contracts and Purchase Orders Awards and Invoices issued without a Purchase Order

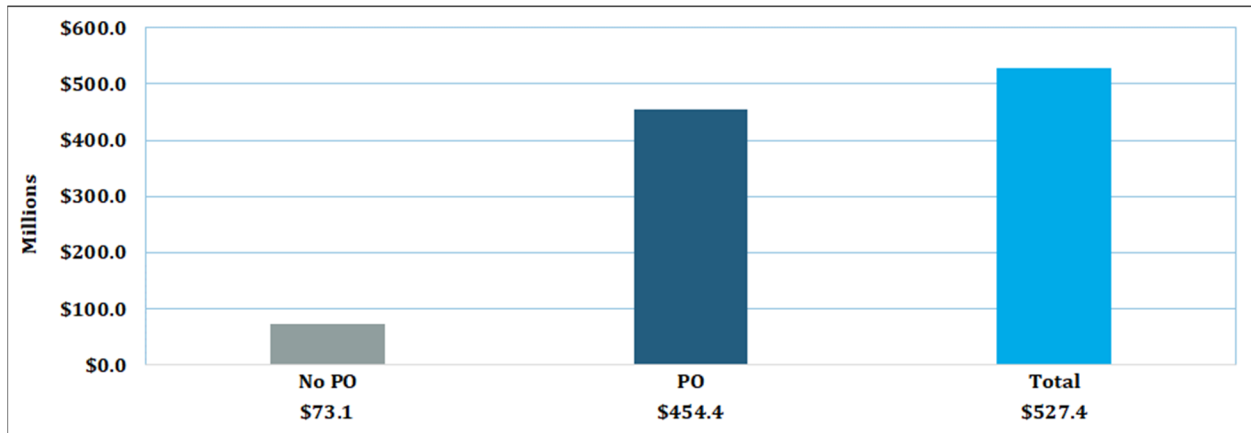


Table 1 – Total Awarded Contracts and Purchase Orders as a % of Total Issued highlights purchases that are larger than \$50 thousand and/or purchases necessitating legal documentation and enforcement and therefore requiring formal contracts. In addition to providing legal safeguards and quality of services protections, contracts restrain costs by reducing the number of PO's and combining purchases to drive cost down.

The table below identifies the total awarded amount of PO's requiring and issued with a contract and those that were able to be awarded without a contract. It also includes the count of associated purchased orders included in those totals.

Requisition information is provided in this table to show the relationship between purchase orders and the volume of change orders (managed via requisitions). This assists in demonstrating the average amount of modification from the original, approved purchase order.

Table 1 – Total Awarded Contracts and Purchase Orders as a % of Total Issued

FY PO/Contract	Total Amount	Percentage of Amount	PO Count	Requisition Count	Average PO	Average Requisition
2018						
Contract	\$461,123,427	91.94%	390	390	\$1,182,368	\$1,182,368
PO	\$40,413,954	8.06%	3125	3125	\$12,932	\$12,932
2018 Total	\$501,537,381	33.29%	3515	3515	\$142,685	\$142,685
2019						
Contract	\$286,275,712	87.47%	411	444	\$696,535	\$644,765
PO	\$41,004,136	12.53%	3192	3356	\$12,846	\$12,218
2019 Total	\$327,279,847	21.72%	3603	3800	\$90,835	\$86,126
2020						
Contract	\$416,395,133	91.64%	398	540	\$1,046,219	\$771,102
PO	\$37,977,896	8.36%	3636	4137	\$10,445	\$9,180
2020 Total	\$454,373,029	30.16%	4034	4677	\$112,636	\$97,151
2021						
Contract	\$206,703,978	92.49%	178	292	\$1,161,258	\$707,890
PO	\$16,780,972	7.51%	2115	2503	\$7,934	\$6,704
2021 Total	\$223,484,950	14.83%	2293	2795	\$97,464	\$79,959

* Average PO does not include Amendments, CCD's and Change Orders in the calculation

* Average Requisition includes all Amendments, CCD's and Change Orders in the calculation

In FY 2020, \$416 million or 91.64% of PO's issued were attached to a contract reinforcing the fact that this best practice is well-utilized by GLWA. This has been a consistent trend since FY 2018 that is continuing into FY 2021.

Chart 2 – Average Purchase Orders Awarded by Amount and Chart 3 – Average Contract Awarded by Amount utilize the information in Table 1 to show the decrease in the average dollar amount of PO's and the corresponding the increase in contract amounts over the period FY 2018 through FY 2021 to date. It indicates more products/services are strategically procured through managed processes and bidding.

Chart 2 – Average Purchase Orders Awarded by Amount

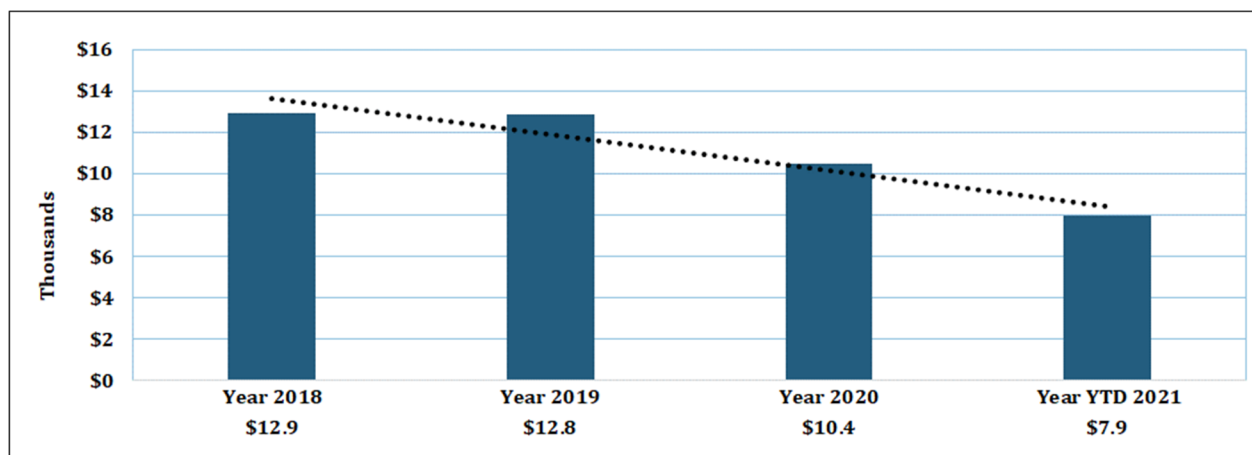
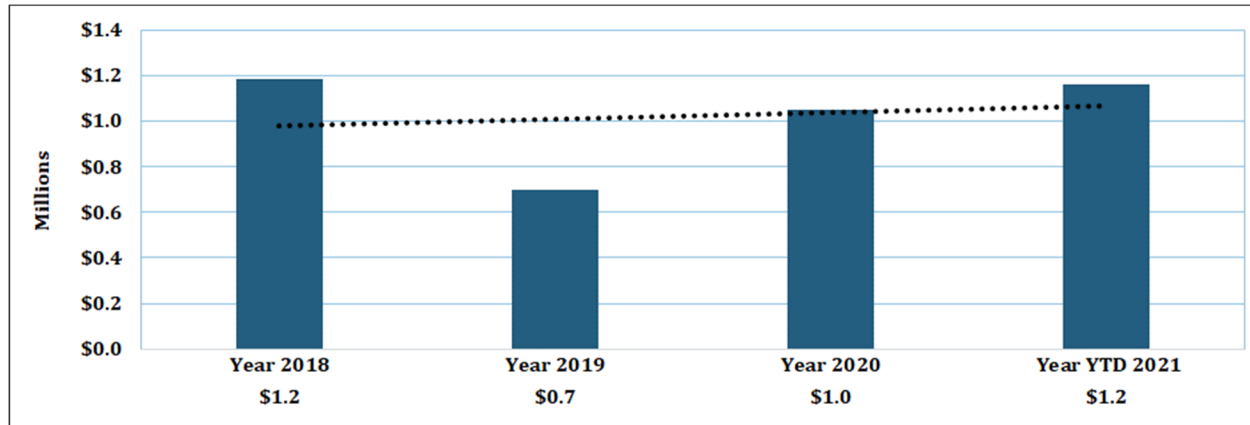


Chart 3 – Average Contract Awarded by Amount



Awards by Contract Level

Large contracts require the Procurement Group's continued attention to detail to ensure successful timetables are met and projects are completed to the satisfaction all GLWA stakeholders. A complete listing of contracts awarded over a million dollars for fiscal years 2020 can be found in **Appendix A – FY 2020 Contracts and Purchase Orders Awarded Over \$1 Million** of this report. The top ten contracts for FY 2020 in terms of dollar value of contracts awarded is extracted from that appendix summarized in **Table 2 – FY 2020 Top Ten Largest Contracts Awarded by Dollar Value** below. These Top Ten Contracts represent \$205.8 million or 45% of the total \$454 million awarded Contracts/Purchase Orders for FY 2020.

Table 2 – FY 2020 Top Ten Largest Contracts Awarded by Dollar Value

Contract	Vendor	Project Description	Amount (Millions)
1803312	Kokosing Industrial Inc.	Division Valves at West Service Center	\$44.9
1900741	Jacobs Consultants, Inc.	96" Main Relocation, Isolation Valve Inspection	\$26.6
GLWA-CON-149	Inland Waters Pollution Control Inc	CON-149: Inland: DRI Sec Insp,Eval,Des	\$25.8
1900744	Pullman SST, Inc.	Imlay, WCS,LH,SP,SW Reservoir Inspection	\$21.6
1803621	Ric-Man Construction Inc	Transmission Work: Wick Road Parallel	\$21.0
1802745	Ric-Man Construction Inc	Transmission System Valve Replacement	\$15.0
1804129	Lakeshore Global Corporation	Replacement Schoolcraft Water Main	\$14.5
1900134	Barton Malow Company	Springwells WTP Low and High Lift Improvement	\$13.7
1803776	Commercial Contracting Corporation	CON-280:IWC Laboratory Operation Construction	\$11.7
1901658	Lakeshore Global Corporation	Sewerage Treatment Operations	\$10.9
FY 2020 Total of Top 10 Projects Awarded			\$205.8

Awards by Vendor

Procurement recognizes strategic vendors that represent a majority of GLWA award activity and are essential to GLWA achieving its goals. **Table 3 – FY 2020 Top Ten Vendor Total Contract Awards** below identifies the top ten vendors by combined Contracts/Purchase Orders issued for FY 2020. These Top Ten Vendors represent \$274 million or 60% of the total \$454 million awarded to Vendors in FY 2020. A complete listing of vendors contracts awarded for fiscal years 2018, 2019 and 2020 can be found in **Appendix B - FY 2020 Vendors**

with Contracts and Purchase Orders Over \$1 Million and Appendix C - Total FY 2020 Contracts and Purchase Orders by Vendor (alphabetical) of this report.

Table 3 – FY 2020 Top Ten Vendor Total Contract Awards

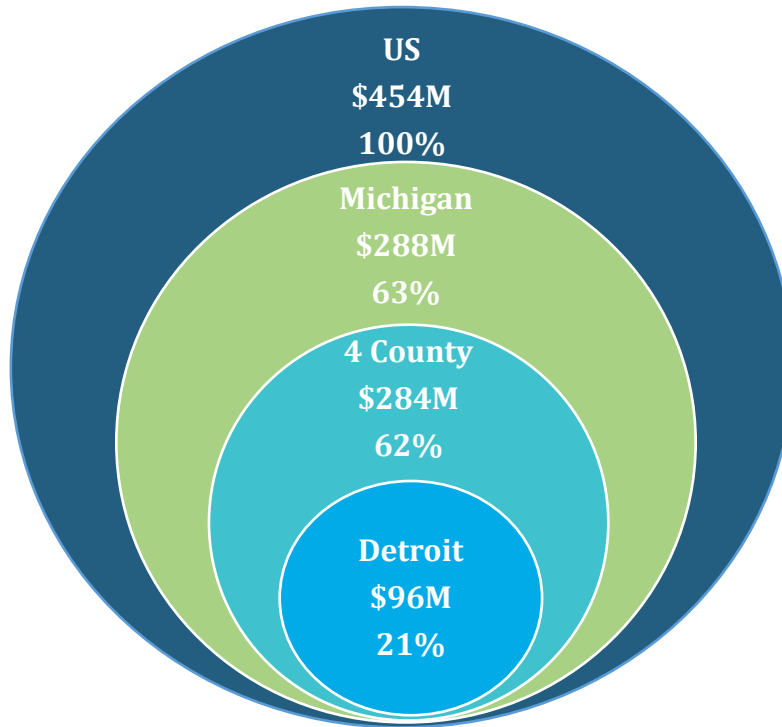
Vendor	PO Count	Amount (Millions)
Kokosing Industrial Inc.	3	\$45.0
Ric-Man Construction Inc	2	\$36.0
Lakeshore Global Corporation	9	\$33.7
Jacobs Consultants, Inc.	2	\$32.2
Inland Waters Pollution Control Inc	1	\$25.8
Commercial Contracting Corporation	5	\$24.5
Arcadis of Michigan LLC	4	\$22.4
Pullman SST, Inc.	1	\$21.6
Barton Malow Company	2	\$17.0
Weiss Construction Co LLC	6	\$15.8
FY 2020 Total of Top 10 Vendors Awarded	35	\$274.0

Awards by Region

GLWA Procurement is dedicated to supporting the vendor community as demonstrated by the Vendor Outreach team members within Procurement focused on this effort. A strong vendor outreach program improves the quality of vendors servicing GLWA as well as contributing to the local and regional economy.

The charts and tables in this section highlight these awards based upon vendor location and are specific to FY 2020. The section begins with **Chart 4 – FY 2020 Award Regional Impact** identifies the influence and impact GLWA has on the region and breaks the fiscal years total Contracts/Purchase Orders awarded of \$454 million down into several geographical cross-sections that will be reviewed further in subsequent charts. It should be noted here Contract/Purchase Orders awarded outside the United States was less than one percent.

Chart 4 – FY 2020 Award Impact by Overall Region



Note: The four-county area included in this chart are Wayne, Oakland, Macomb, and Genesee.

Chart 5 – FY 2020 Top Ten States with Highest Awards Volume – focuses on the State awards and specifically the top ten states awarded the highest amounts within the total \$454.4 million in U.S. purchase orders awarded by GLWA in FY 2020. As expected, the largest volume is awarded locally within the state of Michigan, followed by Ohio and closely by Illinois.

Chart 5 – FY 2020 Top Ten States with Highest Awards Volume

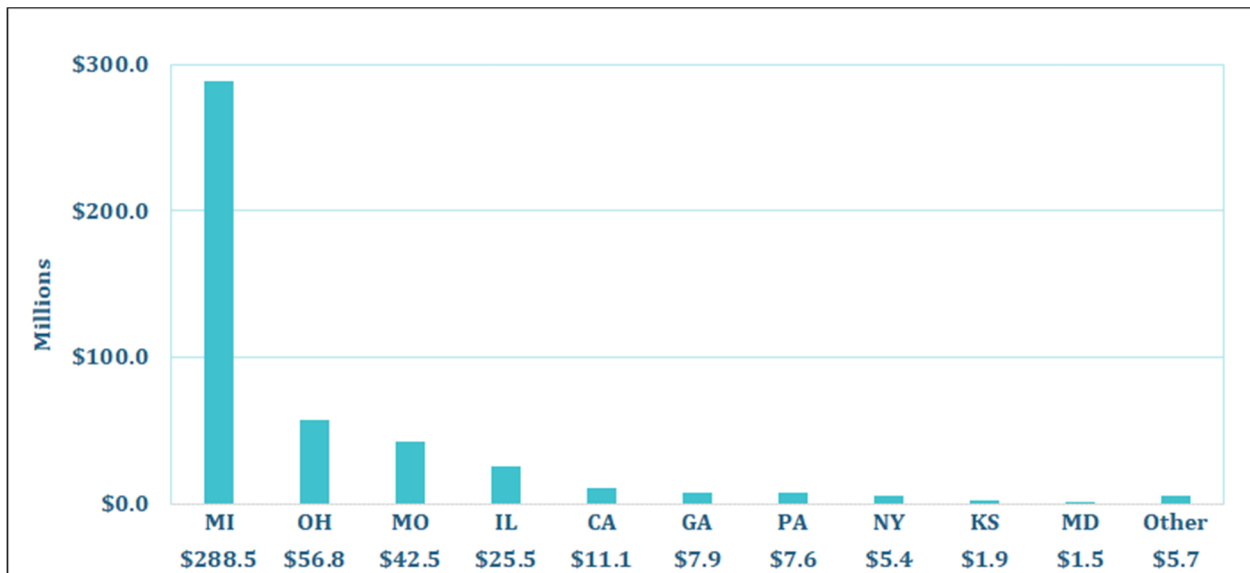


Table 4 – FY 2020 Top Three Vendors in each Top Ten State - identifies the top three vendors in each of the top ten states listed in the previous chart and provides insight regarding why these states are reflected in the top ten most highly awarded states.

Table 4 – FY 2020 Top Three Vendors in each Top Ten State

State	Top 3 Vendors in State	Amount (Millions)
Michigan	Ric-Man Construction Inc	\$36.0
	Lakeshore Global Corporation	\$35.2
	Inland Waters Pollution Control Inc	\$29.4
Ohio	Kokosing Industrial Inc.	\$45.5
	Marra Services Inc	\$6.2
	Dunbar Mechanical, Inc.	\$3.0
Missouri	Jacobs Consultants, Inc.	\$32.2
	Enterprise Fleet Management	\$9.2
	Black & Veatch Ltd	\$0.6
Illinois	Arcadis of Michigan LLC	\$6.9
	HDR Michigan, Inc.	\$5.0
	PVS Nolwood Chemical Inc	\$3.8
California	Brown and Caldwell LLC	\$10.3
	Clayton Industries	\$0.2
	Innovyze Inc	\$0.1
Georgia	DXC Technology Services LLC	\$7.0
	Idexx Laboratories	\$0.3
	Moody's Investors Service Inc	\$0.2
Pennsylvania	Emerson Process Management	\$3.6
	Dell Computer Corporation	\$1.5
	PFM Financial Advisors LLC	\$0.4
New York	Hazen and Sawyer	\$5.0
	Seagull Control Systems LLC	\$0.1
	Waterfall Security Solutions Ltd	\$0.1
Kansas	The Foster Group LLC	\$1.4
	Lubrication Engineers Inc.	\$0.5
	Andax Industries LLC	\$0.0
Maryland	PFM Asset Management LLC	\$1.4
	Process Wastewater Technologies LLC	\$0.1
	Transcat Inc	\$0.0

Chart 6 – FY 2020 Awards by County – identifies the volume of contracts awarded by county in Michigan. Of the \$288.5 million of awards in Michigan, 98% were awarded to vendors based in the four-county, GLWA service region.

Chart 6 – FY 2020 Awards by County

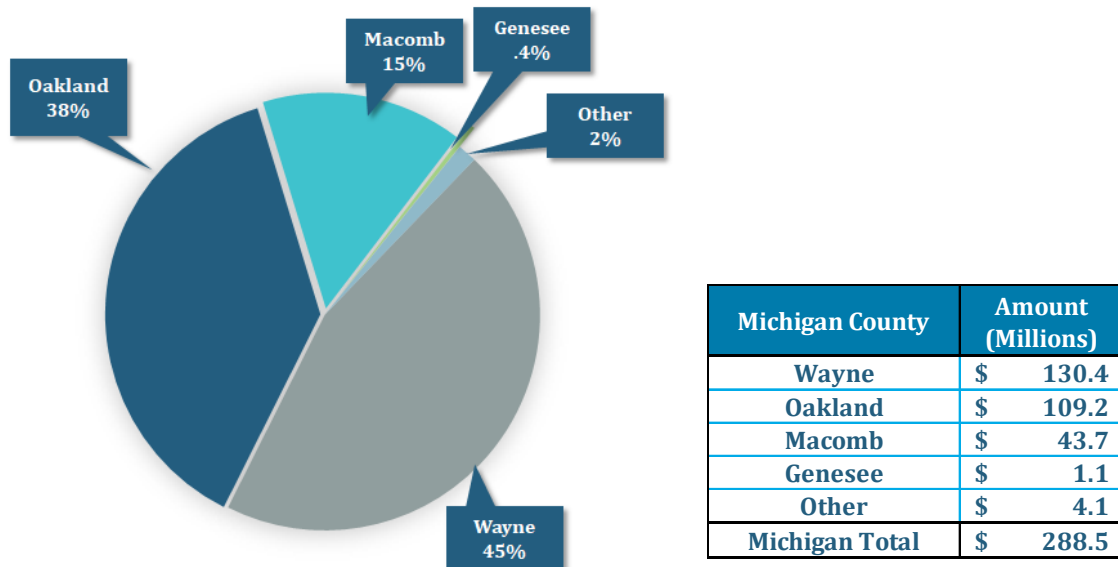


Table 5 – FY 2020 Top 10 Awards by City - focuses on the awards by City highlighting the natural tendency of bidders on common services to be from the local vendor pool as well as the GLWA focus of supporting local vendors.

Table 5 – FY 2020 Top 10 Awards by City

Michigan Top 10 City	Top 10 Michigan Cities	Amount (Millions)	Percentage of Total
1	Detroit-MI	\$96.1	33%
2	Sterling Heights-MI	\$37.8	13%
3	Novi-MI	\$26.4	9%
4	Auburn Hills-MI	\$24.6	9%
5	Southfield-MI	\$24.0	8%
6	Trenton-MI	\$21.6	7%
7	Wixom-MI	\$8.0	3%
8	Farmington Hills-MI	\$7.7	3%
9	Bloomfield Hills-MI	\$5.7	2%
10	Warren-MI	\$5.6	2%
Other	Other	\$30.8	11%
Michigan Total		\$288.5	100%

Detailed Appendices

Appendix A – FY 2020 Contracts and Purchase Orders Awarded Over \$1 Million

This report identifies all awards over one million dollars and identifies the vendor associated with each. It is generated using data downloaded from the BS&A accounts payable and procurement modules and includes award activity data generated as part of these processes. Items outside the scope of this report include such things as GLWA employee payroll, debt, and pension obligation payments. Award activity is based on the date range July 1, 2019 through June 30, 2020.

Appendix B – FY 2020 Vendors with Contracts and Purchase Orders Over \$1 Million

This report identifies all vendor with total awards over one million dollars and the awards that make up the total. It is generated using data downloaded from the BS&A accounts payable and procurement modules and includes award activity data generated as part of these processes. Items outside the scope of this report include such things as GLWA employee payroll, debt, and pension obligation payments. Award activity is based on the date range July 1, 2019 through June 30, 2020.

Appendix C – Total FY 2020 Contracts and Purchase Orders by Vendor (alphabetical)

This report is generated using data downloaded from the BS&A accounts payable and procurement modules and includes award activity data generated as part of these processes. Items outside the scope of this report include such things as GLWA employee payroll, debt, and pension obligation payments. Award activity is based on the date range July 1, 2019 through June 30, 2020.

Great Lakes Water Authority

FY 2020 Contracts and Purchase Orders Awarded Over \$1 Million

CONTRACT	Vendor GL Level	CIP/Project Desc	Amount
1803312	Kokosing Industrial Inc.	Divison Valves at West Service Center	\$44,900,000
1900741	Jacobs Consultants, Inc.	96" Main Relocation, Isolation Valve Ins	\$26,634,516
GLWA-CON-149	Inland Waters Pollution Control Inc	CON-149: Inland: DRI Sec Insp, Eval, Des	\$25,823,513
1900744	Pullman SST, Inc.	Imlay, WCS, LH, SP, SW Reservoir Inspection	\$21,597,998
1803621	Ric-Man Construction Inc	Transmission Work: Wick Road Parallel	\$20,962,361
1802745	Ric-Man Construction Inc	Transmission System Valve Replacement Pa	\$15,000,000
1804129	Lakeshore Global Corporation	Replacement Schoolcraft Water Main	\$14,490,960
1900134	Barton Malow Company	Springwells WTP Low and High Lift Improv	\$13,733,521
1803776	Commercial Contracting Corporation	CON-280: IWC Laboratory Operation Constr	\$11,749,000
1901658	Lakeshore Global Corporation	Sewerage Treatment Operations	\$10,944,780
1803769	Arcadis of Michigan LLC	Energy Management - Lake Huron	\$10,465,656
1802170	Enterprise Fleet Management	Centralized Services I&E	\$9,232,500
1803025-6	Weiss Construction Co LLC	Sewer I&E	\$7,750,000
1803025-2	Commercial Contracting Corporation	CSO Facilities Chemical Containment Sump	\$7,750,000
GLWA-CS-119(a)	DXC Technology Services LLC	Water Administration and General Expense	\$7,000,000
1803705	Arcadis of Michigan LLC	Water Administration and General Expense	\$6,931,619
GLWA-CS-299	Jacobs Consultants, Inc.	Sewer I&E	\$5,589,698
1902658	Marra Services Inc	Rehabilitation of Outfalls - Phase IV	\$5,399,075
GLWA-CON-238	Weiss Construction Co LLC	CON 238: Chlor-Decolor Process Imp	\$5,282,339
1900318-3	Hazen and Sawyer	Sewer I&E	\$5,000,000
1900318-4	Hubbell, Roth & Clark, Inc.	Sewer I&E	\$5,000,000
1900318-2	Black & Veatch Ltd Of Michigan	Sewer I&E	\$5,000,000
1900318-6	Wade Trim Associates Inc	Sewer I&E	\$5,000,000
1900318-5	HDR Michigan, Inc.	Sewer I&E	\$5,000,000
1900318-1	Arcadis of Michigan LLC	Sewer I&E	\$5,000,000
4000701 (1900516)	Commercial Contracting Corporation	Energy Mgt: Freeze Protection Pump Instal	\$4,994,000
1900796	Lakeshore Global Corporation	Rehabilitation of Outfalls - Phase II	\$4,914,846
1904332	GDI Services Inc	Water General Oper Maint- Bldg & Grounds	\$4,682,395
1803942	OHM and WSP, A Joint Venture	Downriver Transmission Main Loop	\$4,644,631
1803709	Applied Science Inc	CIP #222004 Conveyance System Infrastructure Improvements	\$4,575,838
1902063 (GLWA-CS-267)	Brown and Caldwell LLC	Ypsilanti Pumping Station Improvements	\$3,683,686
1901767	Brown and Caldwell LLC	Newburgh BPS - Pumping System & Building	\$3,503,413
1134	Emerson Process Management	I&E Water Fund	\$3,496,114
1803025-4	J F Cavanaugh Company	Water General Operating & Maintenance	\$3,250,000
1803025-1	Barton Malow Company	Water General Operating & Maintenance	\$3,250,000
1803025-5	Lakeshore Global Corporation	Water General Operating & Maintenance	\$3,250,000
1803025-3	DE-CAL Inc	Sewer I&E	\$3,250,000
1802575	Brown and Caldwell LLC	#N/A	\$3,149,897

CONTRACT	Vendor GL Level	CIP/Project Desc	Amount
1803483	Schreiber Corporation	Roof Replacement-Var Water Facilities	\$3,143,522
1905101	J F Cavanaugh Company	NEP High Pressure Water Tank (Emergency	\$3,000,000
0008901	PVS Nolwood Chemical Inc	Sewer Operations Secondary Sedimentation	\$2,967,442
50817	Motor City Electric Co	Water Source of Supply Operations	\$2,855,330
1803538	Weiss Construction Co LLC	Pressure and Control Imp Booster Pumping	\$2,650,866
1901569	Dell Computer Corporation	Water Administration and General Expense	\$2,188,164
1803685	Chemtrade Chemicals US LLC	Water Source of Supply Operations	\$2,038,600
2000068	Waste Management Of Michigan Inc	Sewerage Treatment Operations	\$2,000,000
1902702	Interior Environments LLC	Centralized Services I&E	\$1,784,534
1901995	Conti Corporation	Water General Oper Maint- Bldg & Grounds	\$1,700,000
1900702	Premier Group Associates LC	Water General Oper Maint- Bldg & Grounds	\$1,679,388
1901014	Chemtrade Chemicals US LLC	Water Operations Laboratory	\$1,665,500
2001082	Preventive Maintenance Technologies	Water Source of Supply Operations	\$1,587,500
1902721	PFM Asset Management LLC	Water Administration and General Expense	\$1,320,000
2000302	Dunbar Mechanical, Inc.	Water Pump Station Maintenance	\$1,297,600
2001521	GDI Services Inc	Water General Oper Maint- Bldg & Grounds	\$1,177,027
1901555	Premier Group Associates LC	Water General Oper Maint- Bldg & Grounds	\$1,079,063
1901036	LaSalle Construction Services	NE Steel Cover Replacement	\$1,003,000
GLWA-CS-195	The Foster Group LLC	Water Administration and General Expense	\$1,000,000
Grand Total			\$388,019,894

Great Lakes Water Authority**FY 2020 Vendors with Contracts and Purchase Orders Over \$1 Million**

Vendor/Contract/Description of Project	Amount
Kokosing Industrial Inc.	
1803312	
Divison Valves at West Service Center	\$44,900,000
Ric-Man Construction Inc	
1802745	
Transmission System Valve Replacement Pa	\$15,000,000
1803621	
Transmission Work: Wick Road Parallel	\$20,962,361
Lakeshore Global Corporation	
1803025-5	
Water General Operating & Maintenance	\$3,250,000
1804129	
Replacement Schoolcraft Water Main	\$14,490,960
1900796	
Rehabilitation of Outfalls - Phase II	\$4,914,846
1901658	
Sewerage Treatment Operations	\$10,944,780
Jacobs Consultants, Inc.	
1900741	
96" Main Relocation, Isolation Valve Ins	\$26,634,516
GLWA-CS-299	
Sewer I&E	\$5,589,698
Inland Waters Pollution Control Inc	
GLWA-CON-149	
CON-149: Inland: DRI Sec Insp, Eval, Des	\$25,823,513
Commercial Contracting Corporation	
1803025-2	
CSO Facilities Chemical Containment Sump	\$7,750,000
1803776	
CON-280: IWC Laboratory Operation Constr	\$11,749,000
4000701 (1900516)	
Energy Mgt: Freeze Protection Pump Instal	\$4,994,000
Arcadis of Michigan LLC	
1803705	
Water Administration and General Expense	\$6,931,619
1803769	
Energy Management - Lake Huron	\$10,465,656
1900318-1	
Sewer I&E	\$5,000,000
Pullman SST, Inc.	
1900744	
Imlay, WCS, LH, SP, SW Reservoir Inspection	\$21,597,998
Barton Malow Company	
1803025-1	
Water General Operating & Maintenance	\$3,250,000
1900134	
Springwells WTP Low and High Lift Improv	\$13,733,521
Weiss Construction Co LLC	
1803025-6	
Sewer I&E	\$7,750,000
1803538	
Pressure and Control Imp Booster Pumping	\$2,650,866
GLWA-CON-238	

Appendix B: Great Lakes Water Authority FY 2020 Vendors with Awards Over \$1 Million

Vendor/Contract/Description of Project	Amount
CON 238: Chlor-Declor Process Imp	\$5,282,339
Brown and Caldwell LLC	
1802575	
#N/A	\$3,149,897
1901767	
Newburgh BPS - Pumping System & Building	\$3,503,413
1902063 (GLWA-CS-267)	
Ypsilanti Pumping Station Improvements	\$3,683,686
Enterprise Fleet Management	
1802170	
Centralized Services I&E	\$9,232,500
DXC Technology Services LLC	
GLWA-CS-119(a)	
Water Administration and General Expense	\$7,000,000
J F Cavanaugh Company	
1803025-4	
Water General Operating & Maintenance	\$3,250,000
1905101	
NEP High Pressure Water Tank (Emergency	\$3,000,000
GDI Services Inc	
2001521	
Water General Oper Maint- Bldg & Grounds	\$1,177,027
1904332	
Water General Oper Maint- Bldg & Grounds	\$4,682,395
Marra Services Inc	
1902658	
Rehabilitation of Outfalls - Phase IV	\$5,399,075
Black & Veatch Ltd Of Michigan	
1900318-2	
Sewer I&E	\$5,000,000
HDR Michigan, Inc.	
1900318-5	
Sewer I&E	\$5,000,000
Wade Trim Associates Inc	
1900318-6	
Sewer I&E	\$5,000,000
Hazen and Sawyer	
1900318-3	
Sewer I&E	\$5,000,000
Hubbell, Roth & Clark, Inc.	
1900318-4	
Sewer I&E	\$5,000,000
OHM and WSP, A Joint Venture	
1803942	
Downriver Transmission Main Loop	\$4,644,631
Applied Science Inc	
1803709	
CIP #222004 Conveyance System Infrastructure Improvements	\$4,575,838
Chemtrade Chemicals US LLC	
1803685	
Water Source of Supply Operations	\$2,038,600
1901014	
Water Operations Laboratory	\$1,665,500
Emerson Process Management	
1134	

Appendix B: Great Lakes Water Authority FY 2020 Vendors with Awards Over \$1 Million

Vendor/Contract/Description of Project	Amount
I&E Water Fund	\$3,496,114
DE-CAL Inc	
1803025-3	
Sewer I&E	\$3,250,000
Schreiber Corporation	
1803483	
Roof Replacement-Var Water Facilities	\$3,143,522
PVS Nolwood Chemical Inc	
0008901	
Sewer Operations Secondary Sedimentation	\$2,967,442
Motor City Electric Co	
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Premier Group Associates LC	
1900702	
Water General Oper Maint- Bldg & Grounds	\$1,679,388
1901555	
Water General Oper Maint- Bldg & Grounds	\$1,079,063
Dell Computer Corporation	
1901569	
Water Administration and General Expense	\$2,188,164
Waste Management Of Michigan Inc	
2000068	
Sewerage Treatment Operations	\$2,000,000
Interior Environments LLC	
1902702	
Centralized Services I&E	\$1,784,534
Conti Corporation	
1901995	
Water General Oper Maint- Bldg & Grounds	\$1,700,000
Preventive Maintenance Technologies	
2001082	
Water Source of Supply Operations	\$1,587,500
PFM Asset Management LLC	
1902721	
Water Administration and General Expense	\$1,320,000
Dunbar Mechanical, Inc.	
2000302	
Water Pump Station Maintenance	\$1,297,600
LaSalle Construction Services	
1901036	
NE Steel Cover Replacement	\$1,003,000
The Foster Group LLC	
GLWA-CS-195	
Water Administration and General Expense	\$1,000,000
Grand Total	\$388,019,894

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

Great Lakes Water Authority**Total FY 2020 Contracts and Purchase Orders by Vendor (alphabetical)**

VENDOR	Awarded
A/C Service & Repair Inc.	\$206,672
A-1 Truck Parts Detroit	\$500
AAA Wire Rope & Splicing Inc	\$5,180
Able Label	\$3,141
Access Inc	\$83,220
Access Interactive	\$500,000
Accredited Lock & Door Hardware	\$77
Accredited Lock & Door Hardware	\$1,590
Acme Bolt & Nut Co Inc	\$36
Acromag, Inc.	\$715
Action Impact - Eastpointe	\$15,395
Action Mat & Towel Rental	\$19,547
Actuator Specialties	\$120,326
Advance Instrumentation Systems	\$95,400
Advance Plumbing & Heating Supply	\$2,454
Advanced Technology Services Inc.	\$11,206
Advanced Underground Inspection LLC	\$17,605
ADVISA	\$32,328
AECOM Great Lakes, Inc	\$60,000
Aero Filter Inc	\$100,000
Aerotek Inc.	\$182,149
Agilent Technologies Inc	\$6,746
AHB Tooling & Machinery LLC	\$1,227
Aircentric Corporation	\$11,426
Airtech Controls Co	\$555
AIS Construction Equipment Company	\$710
Alexander Chemical Corporation	\$44,832
Alfa Laval Inc	\$133,678
Alfonsi Railroad Construction Co	\$49,786
Alfred Benesch & Associates	\$39,425
Allied-Eagle Supply Company LLC	\$10,402
Allingham Corporation	\$167,016
Allstate Industrial Equipment	\$42,945
Alpha Psychological Services PC	\$24,925
Alro Steel Corporation	\$16,976
Amazon Web Services Inc	\$50,679
American Fence Supply Co Inc	\$44,500
American Gear & Engineering, Inc	\$5,470
American Public Works Association	\$8,340
American Red Cross	\$51,048
American Tower Management LLC	\$83,527
American Water Works Association	\$7,794
America's Green Line	\$601,350
Ametek Drexelbrook	\$18,044
Amy Hathaway PLC	\$1,225
Analytical Technology Inc	\$2,064

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Andax Industries LLC	\$7,707
ANL Spring Manufacturing Company	\$446
Apollo Fire Apparatus Repair Inc.	\$531
Applied Handling Inc	\$9,698
Applied Industrial Technologies Inc	\$5,767
Applied Power and Controls Inc.	\$9,200
Applied Science Inc	\$4,575,838
Aquasight LLC	\$37,500
Arcadis of Michigan LLC	\$22,447,225
Argonide Corporation	\$24,000
Association for Talent Development	\$1,875
Aston Carter Inc.	\$180,904
AT&T	\$73,473
Atlas Bleachers	\$624,536
AVE Office Supplies	\$640
B & H Machine Sales, Inc	\$3,330
B&H Photo-Video	\$5,099
Baileigh Industrial	\$19,927
Baker Tilly Virchow Krause, LLP	\$907,000
Barta Sales LLC	\$28,288
Barton Malow Company	\$16,983,521
BAVCO	\$7,950
Bearcom	\$3,016
Bearing Headquarters Co	\$6,866
Bearing Service Inc	\$961
Beaver Tile & Stone	\$20,000
Belding Tank Technologies	\$8,015
Bell Equipment Company	\$38,541
Bentley Systems Incorporated	\$1,999
Berry Moorman P.C.	\$250,000
Bert's Testing & Training Services	\$945
Best Aire Compressors Services Inc	\$30,261
Binkelman Corporation	\$163,068
Birclar Electric & Electronics LLC	\$130,125
Black & Veatch Ltd Of Michigan	\$5,670,842
Black Anvil Construction Supplies	\$118,954
Bluebeam, Inc.	\$2,533
Boli Optics Inc.	\$92
BondLink	\$43,011
Border States Industries, Inc.	\$3,201
Brehob Corporation	\$10,975
Bromberg & Associates LLC	\$3,033
Brooks Lumber Company	\$579
Brown and Caldwell LLC	\$10,336,996
BS&A Software	\$2,320
Calls Plus	\$112,710
Canfield Equipment Service Inc	\$39,329
Caniff Electric Supply Co., Inc.	\$10,874
Canon Solutions America Inc	\$18,486

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Capp USA	\$172,193
Capp USA	\$42,552
Capturis	\$8,400
Carahsoft Technology Group	\$129,790
Carlson-Dimond & Wright Inc	\$53,512
Carrier Corporation	\$12,700
Cashco Inc.	\$1,250
CDM Smith Michigan Inc	\$200,000
CDW Computer Centers Inc	\$886,054
Cech Corporation	\$7,424
CEM Corporation	\$2,680
Central Oil LLC	\$42,564
Central Poly-Bag Corp	\$12,472
Chemical Systems Inc	\$910
Chemtrac Inc	\$11,800
Chemtrade Chemicals US LLC	\$5,848,472
Choctaw-Kaul Distribution Company	\$60,474
Christy Glass Company, Inc.	\$990
Cincinnati Babbitt Inc	\$9,078
Cincinnati Time Systems	\$59
Cintas	\$131,317
Circuit Breaker Sales Co., Inc.	\$51,020
Cisco Systems Inc	\$112,399
City of Detroit	\$258
City of Highland Park	\$1,800
Clark & Associates LLC	\$5,005
Clark Hill	\$50,000
Clayton Industries	\$233,778
CLE Strategic Solutions LLC	\$4,400
Cloverdale Equipment Co	\$25,000
Cole-Parmer Instrument Company LLC	\$3,871
Commerce Controls Inc	\$49,000
Commercial Contracting Corporation	\$24,530,400
Communications Professionals Inc	\$11,716
Compass Minerals America Inc.	\$96,255
Complete Battery Source	\$2,800
Compressor Engineering Corporation	\$1,060
Computer Environments	\$3,142
Concentra Medical Centers	\$1,427
Consolidated Chemical	\$6,233
Consulting-Portal Inc	\$13,490
Conti Corporation	\$1,763,208
Continental Carbon Group Inc	\$12,375
Contractors Connection Inc	\$2,851
Conveyor Components Company	\$2,289
Core & Main LP	\$1,367
Core Electric Company Inc	\$26,235
Cornerstone Controls Inc	\$1,555
Cornerstone onDemand Inc.	\$44,479

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Corrosion Fluid Products	\$62,792
County Fire Protection Inc	\$55,679
Crain Communication Inc.	\$4,590
Crane Technologies Group Inc	\$83,155
Crown Lift Trucks	\$100
Cryogenic Pipe Freezing Solutions	\$18,576
D/A Central Inc	\$602,067
Dal-Tile Distribution	\$20,000
Dani's Transport	\$1,067
Dealer Auto Parts Sales Inc	\$2,718
DE-CAL Inc	\$3,303,227
Decima LLC	\$369,838
Dell Computer Corporation	\$2,486,702
DES Electric LLC	\$117,873
Design In LLC	\$14,000
Detroit Boiler Company	\$46,895
Detroit Contracting Inc	\$420,932
Detroit Legal News	\$791
Detroit Legal News	\$722
Detroit Pump & Mfg Co	\$585,783
Detroit Ready Mix Concrete Inc	\$610
Detroit Salt Company LLC	\$30,400
Detroit Stoker Company LLC	\$41
Dickinson Wright PLLC	\$917,535
Digital Assurance Certification LLC	\$7,500
Digital Science Group LLC	\$108,209
Discovery Solutions Inc	\$4,922
DLT Solutions LLC	\$29,887
DMC Consultants, Inc.	\$683,741
Downriver Refrigeration Supply Co	\$3,438
DP Brown Of Detroit Inc	\$25,677
Draeger, Inc.	\$47,978
Drinkpod LLC	\$270
DTE Energy	\$50
DTN LLC	\$4,944
Dubois-Cooper Associates Inc	\$69,999
Dun & Bradstreet Inc	\$51,597
Dunbar Mechanical, Inc.	\$3,819,484
Durawear Glove & Safety Co. Inc.	\$11,894
DXC Technology Services LLC	\$7,000,000
Eagle Industrial Contracting Inc	\$44,946
Eastern Oil Company	\$665,591
Echologics LLC	\$49,990
Edward Malindzak	\$10,000
EH Wachs	\$643
EJ USA Inc	\$76,573
Electro-Matic Products Inc	\$973
Elite Detection K9	\$9,560
EMC Corporation	\$177,957

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Emerson Process Management	\$3,609,650
EMP Industries Inc	\$5,631
Enerco Corporation	\$23,553
Energy Products Inc	\$68,521
Engineering Reproduction Inc.	\$2,500
Engineering Systems Inc.	\$100,000
Enterprise Fleet Management	\$9,232,500
EnviroCare International Inc.	\$34,200
Environmental Consulting	\$40,000
Environmental Resource Associates	\$17,681
EnviroScience, Inc.	\$1,300
EnviroSim Associates	\$8,040
Epitec Inc	\$128,700
eQuest	\$5,495
Eurofins Eaton Analytical Inc	\$6,239
Evoqua Water Technologies LLC	\$21,099
Evosite LLC	\$13,611
Excel Industrial Electronics, Inc.	\$2,034
Exotic Automation & Supply	\$733
Experis Finance US LLC	\$258,000
F B Wright Company	\$7,218
Fastsigns Detroit	\$371
Federal Pipe & Supply Co Inc	\$44,991
FedEx Freight Inc	\$3,000
Fibergrate Composite Structures	\$7,467
Fibre Industries	\$2,984
Field's Fire Protection Inc	\$1,990
Fisher Scientific Company LLC	\$928
Fitch Ratings Inc	\$20,000
Flood Defense Group	\$3,483
Flor Dri Supply Company Inc	\$1,283
Flowserve US Inc	\$927,439
Fluid Process Equipment	\$1,188
Forberg Scientific Inc	\$154,552
FranklinCovey Client Sales Inc.	\$16,608
Fred's Key Shop	\$3,263
Friends of the Detroit River	\$5,000
Future Fence Company	\$492,287
G&R Machine Tool Inc.	\$39,500
G.E. Distribution Service/ipromoteu	\$4,266
GALCO Industrial Electronics	\$616,795
Garden City Rental	\$4,037
Gardner Denver Nash LLC	\$4,157
GDI Services Inc	\$5,878,369
General Hardwood Company	\$5,000
GEO Jobe GIS Consulting	\$500
George Instrument Company	\$812
Gexpro	\$23,751
GHD Services Inc.	\$554,120

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Glassdoor, Inc.	\$12,100
Global Environmental Consulting LLC	\$2,150
Global Equipment Company Inc	\$1,285
Global Equipment Company Inc.	\$10,440
Global Green Service Group	\$113,653
Gordon Lang Septic Systems	\$195
Grainger	\$1,658,327
Granicus Inc	\$6,126
Granicus LLC	\$79,353
Gray Matter Systems LLC	\$40,002
Graybar Electric	\$22,296
Graybar Electric Company	\$4,322
Great Lakes Pump & Supply Co	\$129,712
H&H Metals Company	\$1
H.V. Burton Company	\$1,079
Hach Company	\$471,238
Hamlett Environmental Technologies	\$39,946
Hanna Instruments USA	\$1,633
Hantz Farms LLC	\$8,400
Harold Beck & Sons Inc	\$53,733
Harrington Industrial Plastics LLC	\$47,716
Hart EMS Medical Services PLLC	\$867,200
Hatteras Inc	\$358
Havener Tech	\$12,000
Hazen and Sawyer	\$5,049,890
HD Edwards & Company	\$4,846
HDR Michigan, Inc.	\$5,049,500
Heco Industrial Service Group, Inc.	\$148,241
Helwig Carbon Products Inc	\$4,958
Henry Ford College	\$66,360
Herc Rentals Inc.	\$6,166
HESCO Group Inc	\$701,262
HH Barnum Company	\$2,160
Highland Woodworking	\$462
Hi-Lo Industrial Trucks Co. Inc.	\$6,198
Home Depot USA, Inc.	\$2,196
Hotsy Midwest Cleaning Systems	\$343
Howard Commercial Door	\$137,250
Howrani Studios	\$4,150
HP Forklifts	\$1,814
HP INC	\$25,702
Hubbell, Roth & Clark, Inc.	\$5,000,000
I & C Sales North Inc	\$2,418
IBI Group Engineering Services USA	\$49,720
Ice Qube, Inc.	\$3,520
Ideation Orange	\$46,000
Identification Lamination Products	\$5,880
Idexx Laboratories	\$316,484
IDN Hardware Sales, Inc.	\$4,262

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Imagemaster, LLC	\$8,042
Indian Springs Mfg. Co Inc	\$9,553
Industrial Compressor Supplies	\$213
Industrial Furnace Co Inc	\$50,512
Ingersoll Rand Company	\$4,323
Inland Press	\$7,595
Inland Waters Pollution Control Inc	\$25,823,513
Inlay Casting & Repair	\$36,900
Innovative Hydraulics, LLC	\$904
Innovyze Inc	\$117,516
Integrated Power Services LLC	\$270,990
Interior Environments LLC	\$2,218,198
International Controls & Equipment	\$30,119
Interstate Trucksource Inc	\$391,889
iPROMOTEu.com Inc	\$40,596
Iron Mountain	\$52,194
Island Water Technologies Inc.	\$1,000
Isle Inc.	\$115,000
J F Cavanaugh Company	\$6,250,000
J.M.L. Contracting & Sales Inc.	\$1,660
Jack Doheny Companies Inc	\$1,143,728
Jacobs Consultants, Inc.	\$32,224,214
Jade Scientific Inc	\$3,587
Jan Door	\$6,667
Jax Inc	\$7,060
JCI Jones Chemicals Inc	\$408,816
JEM Industries, Inc.	\$25,190
Jett Pump & Valve LLC	\$4,112
JGM Valve Corporation	\$707,318
Jim Myers & Sons, Inc.	\$23,328
JJ Curran Crane Company	\$6,430
JL Geisler Sign Company	\$2,193
John A Obee PLC	\$1,820
Johnson Controls Fire Protection LP	\$253,642
Johnson Controls Inc.	\$25,702
Jones Equipment Rental	\$20,386
Jones Lang Lasalle Michigan LLC	\$100,000
Jorgensen Ford Sales Inc	\$345
Joseph Esuchanko	\$25,360
JWC Environmental Inc.	\$116,901
K & K Maintenance Supply Inc	\$3,543
KamarOE	\$207,352
Kennedy Industries Inc	\$641,624
Kerr Pump and Supply, Inc.	\$163,509
Keyence Corporation of America	\$1,656
Kiesler Police Supply Inc	\$1,071
Kinetics Industries, Inc.	\$7,300
Kirk's Automotive Inc	\$1,993
Kokosing Industrial Inc.	\$44,950,000

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Konica Minolta Business Solutions	\$288
KSB Dubric Inc	\$2,138
KVM Door Systems	\$4,189
Labconco Corp	\$61
LabStrong Corporation	\$733
Laird Plastics	\$85,554
Lakeshore Global Corporation	\$33,721,805
LARA	\$430
LaSalle Construction Services	\$1,363,283
LB Office Suppliers Inc	\$3,570
Linkedin Corporation	\$25,000
Linko Technology Inc	\$8,861
Littler Mendelson PC	\$300,000
LJB Inc.	\$19,800
Lubrication Engineers Inc.	\$469,045
M&E Sales LLP	\$5,653
M&M Control Service Inc	\$9,011
M.L. Chartier, Inc.	\$35,575
MacAllister Machinery Co Inc	\$210,717
Macomb Community College	\$1,688
Macomb Mechanical Inc	\$45,731
Madison Electric Company	\$233,842
Magid Glove and Safety Mfg Co LLC	\$4,839
Major Brand Oil Company Inc	\$36,166
Maple Press LLC	\$870
Marine Pollution Control Corp	\$26,263
Marra Services Inc	\$6,139,950
Marsh Power Tools, Inc	\$15,000
Marshall E. Campbell Company	\$20,796
Matterport, Inc.	\$10,623
Maza Construction Engineering Inc.	\$16,200
McLaren Port Huron Industrial	\$18,968
McMaster-Carr Industrial Supply Co	\$1,156
Mcnaughton Mckay Electric Company	\$395,693
Medler Electric Company	\$25,570
Merit Laboratories Inc	\$169,457
MetalFab Inc	\$48,138
Metalworking Lubricants Company	\$637
Metro CAD Group Inc.	\$2,025
Metro Welding Supply Corporation	\$423,606
Michfab Machinery Inc.	\$2,401
Michigan Air Solution LLC	\$1,186
Michigan CAT	\$692,858
Michigan Mechanical Services Inc	\$12,645
Michigan Municipal League	\$300
Michigan Rural Water Association	\$2,950
Michigan Section American Water	\$4,260
Michigan State University	\$495,456
Michigan Valve & Fitting Inc	\$1,025

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Michigan Water Environment	\$52,022
Michigan Water Environment	\$2,437
Michigan.com	\$111,849
Micro Motion Inc	\$14,331
Midwest Air Filter Inc	\$12,064
Midwest Municipal Instrumentation	\$22,327
Miller Canfield Paddock & Stone PLC	\$7,500
Miss Dig System Inc.	\$43,231
Modern Water Inc	\$26,476
Modern Water Inc.	\$54,730
Monroe County Road Commission	\$300
Moody's Investors Service Inc	\$228,000
Motion Industries Inc	\$11,584
Motor City Electric Co	\$4,368,149
Motor City Pipe & Supply Co	\$284,729
Mount Holly Ski Resort Inc	\$21,101
MSA Safety Sales LLC	\$4,001
MSC Filtration Technologies	\$12,769
MSC Industrial Supply Company	\$372,344
National Ladder & Scaffold Company	\$7,970
Nearmap US Inc.	\$135,000
Nelson Liquid Drive LLC	\$79,200
Nemeth Law PC	\$2,800
New Horizons Computer Learning	\$7,890
Newton Manufacturing Company	\$8,888
NOAR Technologies	\$3,200
Norkan Inc	\$1,430
North Channel Graphics	\$15,446
NSI Lab Solutions Inc	\$2,884
Nuair Fluid Power Inc	\$24,138
O I Analytical	\$6,026
Oakland Community College	\$4,218
OHM and WSP, A Joint Venture	\$4,644,631
Olympus America Inc	\$7,973
OSIsoft LLC	\$67,815
Overhead Door West Commercial Inc	\$2,945
Pace Analytical	\$14,292
Paragon Laboratories Inc	\$44,471
PCI LLC	\$1,041,079
PDQ.COM Corporation	\$900
PegEx, Inc	\$7,216
PeopleGro LLC	\$250,000
Perkinelmer Health Sciences, Inc	\$14,834
PFM Asset Management LLC	\$1,368,500
PFM Financial Advisors LLC	\$411,282
Phoenix Environmental Inc	\$201,741
Pine Knob Ski Resort Inc	\$35,160
Pipetek Infrastructure Services	\$2,250
Plante & Moran PLLC	\$980,045

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Plattco Corporation	\$12,659
Plunkett Cooney PC	\$100,000
Pluralsight	\$43,950
Poco Sales Inc	\$7,568
Pollardwater	\$431
Polydyne Inc	\$72,864
Powder Bulk Products Inc	\$10,818
Powder Buy The Pound	\$12,814
Powell Fabrication & Manufacturing	\$9,100
Power Plus Engineering Inc	\$2,350
Power Plus International	\$646
Praxair Distribution Inc	\$356
Praxair Inc	\$275
Preferred Contracting Group	\$36,344
Premier Group Associates LC	\$2,819,996
Premier Safety	\$247,861
Preventive Maintenance Technologies	\$1,781,753
PrinterLogic	\$25,953
Process Control Services Inc	\$19,754
Process Improvement Institute Inc.	\$26,950
Process Wastewater Technologies LLC	\$110,900
Production Tool Supply Company LLC	\$3,618
Professional Pump Inc	\$11,064
Progressive Plumbing Supply Co Inc	\$1,159
Project Innovations Inc	\$338,200
ProPac Inc.	\$29,611
PTS Contracting	\$550,000
PTS Professional Technical Service	\$6,275
Public Lumber Company	\$269
Public Rubber & Supply Co Inc	\$11,952
Pullman SST, Inc.	\$21,597,998
Pumps & Systems Inc	\$6,885
Pure Data Services, LLC	\$16,239
PVS Nolwood Chemical Inc	\$6,254,596
PVS Technologies Inc	\$98,464
Quadient Leasing USA Inc.	\$4,542
Quinn Evans	\$31,500
R L Deppmann Company	\$268
R&R Visual	\$17,944
R.S. Means Company LLC	\$12,088
Ram Meter Inc.	\$37,246
Raven Environmental Products Inc	\$2,061
REACH Media Network	\$26,576
Recourse Communications, Inc.	\$3,995
Recycle Away LLC	\$2,737
Regents of the University of Mich.	\$603,433
Rehmann Robson	\$150,000
Renee Walker & Associates LLC	\$2,800
Renew Valve & Machine Co	\$239

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Re-Source Partners	\$60,000
Rickman Enterprise Group LLC	\$907,290
Ric-Man Construction Inc	\$35,962,361
Ritter US LLC	\$15,375
Ritz Safety LLC	\$20,536
RJ Stacey LTD	\$91,125
RMF Nooter Inc	\$29,848
Robert Half Finance & Accounting	\$34,240
Robert Thomas CPA, LLC	\$6,000
Rose Moving & Storage Co. Inc.	\$76,000
Rose Pest Solutions	\$97,944
Rosemount Analytical Inc	\$125,656
Rosemount Inc	\$202,730
Rotolok Valves Inc	\$4,355
Rotor Electric Co	\$6,054
Roy Smith Company	\$95
Royal Roofing Co. Inc.	\$480,920
RS Technical Services Inc	\$289,327
RTI Laboratories Inc	\$1,650
Ruby Lee Transport LLC	\$1,425
S P Kinney Engineers Inc	\$5,491
S&P Global Ratings	\$176,850
Safety Services Inc	\$70,957
SafetySkills, LLC	\$15,525
Santoro Incorporated	\$23,464
SBT Instruments A/S	\$11,336
Scaffolding Incorporated	\$34,195
Schreiber Corporation	\$3,387,344
Schwing Bioset Inc	\$1,379
Scientific Methods Inc	\$29,895
SD Myers Inc.	\$8,310
SDSpro LLC	\$29,320
Seagull Control Systems LLC	\$87,000
Seal Tech Solutions	\$885
Secured Communications LLC	\$300
Sehi Computer Products Inc	\$8,777
Sellinger Associates Inc	\$7,000
Sell's Equipment	\$3,576
Sell's Equipment	\$2,931
Sentinel Self Defense / Federal Gun	\$3,880
Serpentix Conveyor	\$3,274
Service Electric Supply Inc	\$5,222
Service Specialists of America	\$1,284
Servomex Company	\$17,690
Sewer and Water Specialist Inc	\$76,115
Shimadzu Scientific Instruments Inc	\$12,405
Siemens Industry Inc	\$253,674
Signs & More	\$376
SkyNorth Software	\$56,700

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Smartsheet Inc	\$170,000
SmartSign	\$38
Smith's Waterproofing LLC	\$3,900
Solid Platforms Inc.	\$2,945
South Park Welding Supplies Inc	\$742
Southeast MI Community Alliance	\$1,000
Spartan Capital Group LLC	\$50,000
Spina Electric Company	\$1,675
Spiral Binding Company Inc	\$1,171
SPX Flow US LLC	\$65,867
Starr Butler, PLLC	\$600,000
State of Michigan	\$2,610
Stone Restoration Services	\$2,250
Suburban Industries Inc.	\$1,861
Summerville Law Firm PLLC	\$75,000
Sun Graphic Technologies Inc	\$1,198
Sunbelt Rentals, Inc.	\$12,703
SW Controls Inc	\$65,099
Systems Specialties	\$592,390
T & N Services Inc	\$724
Tactical Encounters Inc	\$1,200
Team Industrial Services Inc	\$3,971
Teledyne CETAC Technologies Inc	\$9,488
Teledyne Isco	\$2,730
Teletrac Inc	\$1,796
Telog Instruments Inc	\$1,520
TestAmerica Laboratories Inc	\$13,600
The Allen Law Group PC	\$100,000
The Creative Group	\$256,956
The Crowley Company	\$1,998
The Foster Group LLC	\$1,400,000
The Lab Depot Inc	\$33,778
The Macomb Group Inc	\$83,693
The Mike Cox Law Firm, PLLC	\$300,000
The Sheer Shop Inc.	\$5,679
The Webstaurant Store Inc.	\$333
Thermo Electron North America LLC	\$32,036
Thermo Fisher Scientific Asheville	\$5,695
Thomas Scientific Inc	\$2,786
Thyssenkrupp Elevator Corp	\$219,381
Ti Training LE, LLC	\$750
Tintometer Inc.	\$4,149
Titus Welding Company Inc	\$141,350
Tobys Instrument Shop Inc	\$2,494
Tooling University LLC	\$950
Torch Associates LLC	\$7,573
Towlift Inc	\$16,250
Trace Analytical Laboratories Inc	\$12,267
Tracker	\$25,400

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Transcat Inc	\$25,444
Trendset Communications Group, LLC	\$17,083
Tri Star Steel Corporation	\$350
Tri-County International Trucks Inc	\$950,000
Trimble Inc	\$87,105
Tru Steel Metals LLC	\$5,458
Truck & Trailer Specialties Inc.	\$750,000
Truckntow.com	\$1,948
TWN Consulting LLC	\$200,000
Uline, Inc.	\$19,624
Unconventional Solutions Inc	\$16,091
Unifirst Corporation	\$2,757
Unistrut Midwest	\$1,326
United Rentals North America Inc	\$5,894
United States Plastic	\$617
United Tank Trailer Company	\$410,250
Univar USA Inc	\$470,131
US Bank	\$16,000
USA Bluebook - Main	\$25,234
Valve Reconditioning Service	\$22,557
ValvePro Tech	\$3,848
Veolia Water Technologies Canada	\$150,025
Veolia Water Technologies Canada	\$39,413
VESCO Oil Corporation	\$2,187
Vieux & Associates Inc.	\$29,250
Visual Workplace Inc.	\$16,208
Vitalsmarts LC	\$107,777
Vossler & Co.	\$1,122
VWR International	\$96,648
W C Ducomb Company	\$309,611
Wade Trim Associates Inc	\$6,095,973
Wadsworth Solutions Northwest	\$21,000
Waste Management Of Michigan Inc	\$2,201,635
Water Research Foundation	\$448,651
Waterfall Security Solutions Ltd	\$71,253
Waterworks Systems & Equipment Inc	\$5,544
Watson-Marlow, Inc	\$504
Wayne County	\$2,722
Wayne County Community College	\$28,575
Wayne State University	\$192,153
Weiss Construction Co LLC	\$15,753,571
Westech Engineering, Inc.	\$154,927
Wolverine Oil & Supply Co., Inc.	\$8,564
Wolverine Power Systems	\$2,224
Wolverine Rental & Supply Inc	\$2,630
WPEngine Inc.	\$16,560
Wright Tool Co	\$24,572
Wurth Baer Supply	\$11,655
Wyandotte Electric Supply Co	\$155

Appendix C: Great Lakes Water Authority Total FY 2020 by Vendor

VENDOR	Awarded
Xerox Corporation	\$140,453
Xylem Water Solutions Usa Inc	\$2,180
Yates Industries Inc	\$82,082
York Repair Inc	\$2,917
YourMembership.com, Inc.	\$479
YSI Incorporated	\$3,194
Zausmer, P.C.	\$1,000,000
ZOHO Corporation #4926	\$4,036
Zones Inc	\$146,614
Grand Total	\$454,373,028



Financial Report
Quarterly WRAP Report
for the Period Ended March 31, 2021

The Quarterly WRAP Report includes the following:

1. Community Participation
2. Approved Program Changes
3. Current Year Budget Allocations
4. FY 2021 and FY 2020 Activity
5. Reallocation Activity

The Water Residential Assistance Program (“WRAP”) provides sustainable funding for qualifying low-income residents served by the Great Lakes Water Authority’s (“GLWA”) customers. The program is funded by GLWA at an amount equal to 0.5 percent of budgeted revenues for the Regional System and not less than 0.5 percent, but not greater than 1.0 percent of budgeted revenues for the DWSD Local System. The budgeted WRAP funding for FY 2021 \$6.1 million combined for water and sewer services.

The scope of funding uses includes a) payment assistance and b) water audit and water conservation measures. Eligible residential customers with a past due bill and/or who are in active shut off can receive assistance with paying down arrears and receive \$25 toward monthly bill payment assistance annually up to \$1,000. High volume water users can receive a one-time home audit and home water conservation services of an average \$1,500 per household. To participate in WRAP, an applicant must have household gross incomes at or below 200% of the federal poverty income thresholds. Customers with water usage at or above 120% of the average residential usage are eligible to participate in a water audit and install water conservation measures. WRAP participants are also encouraged to participate in both financial coaching and water conservation workshops as well as other support services. The program is administered by Wayne Metro Community Action Agency (“Wayne Metro”), a nonprofit agency.

The WRAP began assisting residents in the GLWA service area on March 1, 2016 and to date has committed over \$20.9 million in assistance and conservation funds to qualified WRAP participants. WRAP has the potential to serve over 100 communities within the GLWA service area, but to assist qualified households, each community must opt into the program and sign a Memorandum of Agreement (MOA) with Wayne Metro.

Community Participation

A community participating in WRAP must receive water and/or sewer service from GLWA. Eligible communities must formally opt into the program by signing a memorandum of agreement with Wayne Metro. To date, 79 communities have opted into WRAP. A list of current participating communities is presented in **Table 1 – WRAP Participating Communities**.

Table 1 – WRAP Participating Communities

This table shows the level of participation that each community has chosen. Option 1 includes bill assistance, arrearage assistance and conservation. Option 2 includes bill assistance and conservation and Option 3 includes conservation only.

County	Member Partner	Option #1	Option #2	Option #3	In Progress	Not Opted In
Genesee	Flint	X				
Lapeer	Almont		X			
Lapeer	Imlay City					X
Lapeer	Lapeer	X				
Macomb	Centerline	X				
Macomb	Chesterfield Township	X				
Macomb	Clinton Township		X			
Macomb	Eastpointe	X				
Macomb	Fraser					X
Macomb	Harrison Township					X
Macomb	Lenox Township					X
Macomb	Macomb Township	X				
Macomb	New Haven	X				
Macomb	Roseville					X
Macomb	Shelby Township	X				
Macomb	St. Clair Shores	X				
Macomb	Sterling Heights	X				
Macomb	Utica	X				
Macomb	Warren	X				
Macomb	Washington Township		X			
Monroe	Ash Township	X				
Monroe	Berlin					X
Monroe	South Rockwood					X
Oakland	Auburn Hills					X
Oakland	Berkley	X				
Oakland	Beverly Hills	X				
Oakland	Bingham Farms	X				
Oakland	Birmingham	X				
Oakland	Bloomfield Hills	X				
Oakland	Bloomfield Township	X				
Oakland	Clawson	X				
Oakland	Commerce Township	X				
Oakland	Farmington	X				
Oakland	Farmington Hills	X				
Oakland	Ferndale	X				
Oakland	Hazel Park		X			
Oakland	Huntington Woods	X				
Oakland	Keego Harbor	X				
Oakland	Lake Orion	X				
Oakland	Lathrup Village	X				
Oakland	Madison Heights	X				
Oakland	Novi					X
Oakland	Oak Park		X			
Oakland	Orchard Lake	X				
Oakland	Orion Township	X				
Oakland	Oxford	X				
Oakland	Pleasant Ridge	X				
Oakland	Pontiac	X				
Oakland	Rochester Hills					X
Oakland	Royal Oak	X				
Oakland	Royal Oak Township	X				
Oakland	Southfield	X				
Oakland	Sylvan Lake					X

County	Member Partner	Option #1	Option #2	Option #3	In Progress	Not Opted In
Oakland	Troy					X
Oakland	Walled Lake	X				
Oakland	Waterford Township		X			
Oakland	West Bloomfield Twp.		X			
Oakland	Wixom					X
St. Clair	Burtchville Township					X
Washtenaw	Augusta Township	X				
Washtenaw	Pittsfield Township	X				
Washtenaw	Superior Township	X				
Washtenaw	Ypsilanti	X				
Washtenaw	Ypsilanti Township	X				
Wayne	Allen Park	X				
Wayne	Belleville					X
Wayne	Brownstown Township	X				
Wayne	Canton Township	X				
Wayne	Dearborn	X				
Wayne	Dearborn Heights	X				
Wayne	Detroit	X				
Wayne	Ecorse	X				
Wayne	Flat Rock	X				
Wayne	Garden City	X				
Wayne	Gibraltar		X			
Wayne	Grosse Ile					X
Wayne	Grosse Pointe					X
Wayne	Grosse Pointe Farms					X
Wayne	Grosse Pointe Park					X
Wayne	Grosse Pointe Shores	X				
Wayne	Grosse Pointe Woods					X
Wayne	Hamtramck	X				
Wayne	Harper Woods		X			
Wayne	Huron Charter Township					X
Wayne	Inkster		X			
Wayne	Lincoln Park		X			
Wayne	Livonia	X				
Wayne	Melvindale	X				
Wayne	Northville	X				
Wayne	Northville Township					X
Wayne	Plymouth		X			
Wayne	Plymouth Township					X
Wayne	Redford Township	X				
Wayne	River Rouge	X				
Wayne	Riverview					X
Wayne	Rockwood					X
Wayne	Romulus		X			
Wayne	Southgate	X				
Wayne	Sumpter Township					X
Wayne	Taylor		X			
Wayne	Trenton	X				
Wayne	Van Buren Township	X				
Wayne	Wayne	X				
Wayne	Westland	X				
Wayne	Woodhaven		X			
Count		105	64	15	0	0
					26	

Color Key
Wayne Metro
Macomb Community Action
OLHSA

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee April 23, 2021

Approved Program Changes

As a first-of-its-kind assistance program in the state of Michigan, changes to WRAP may be required as the program matures. Following is a summary of program changes made to WRAP since 2016, as approved by the GLWA Board of Directors.

November 30, 2016:

Allow customer communities to opt into program features that best meet the needs of their community. This is captured in the three options below:

Option 1

- Assistance up to \$300 per year in the form of \$25 monthly bill credits. (Applicable if client continues to pay all current monthly/quarterly charges).
- Up to \$700 in arrearage assistance to be paid 50% (up to \$350) after six months in the program, and 50% (up to \$350) after one year. Enrollees are eligible for a second-year arrearage assistance totaling \$700.
- One-time home water audit for households above 120% of average usage.
- Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage (finding and fixing leaks, upgrading water using fixtures) and/or minor lead replacement assistance.

Option 2

- Assistance up to \$300 per year in the form of \$25 monthly bill credits. (Applicable if client continues to pay all current monthly/quarterly charges).
- One-time home water audit for households above 120% of average usage.
- Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage (finding and fixing leaks, upgrading water using fixtures) and/or minor lead replacement assistance.

Option 3

- One-time home water audit for households above 120% of average usage.
- Home repairs up to \$1,000 per household to fix minor plumbing issues leading to high usage (finding and fixing leaks, upgrading water using fixtures) and/or minor lead replacement assistance.

August 22, 2018:

Removal of the 120% usage requirement for the lead fixture replacement for in-home faucets that pre-date the lead-free plumbing code change.

January 23, 2019:

Extend the 2-year time limitation to provide monthly bill assistance to senior citizens and disabled citizens.

March 11, 2020:

- Increase eligibility for residential customers from 150% to 200% or less of federal poverty level;
- Increase conservation and plumbing repairs spending per household from \$1,000 to an average of \$1,500 and a cap of \$2,000 per customer for eligible residential customers; and
- Allow eligible residential customers that are renters to take advantage of conservation and plumbing repairs to reduce their water consumption, upon landlord executing an agreement not to raise rents for one year.

October 28, 2020:

- Temporary change to 1) allow program participants who are unable to make monthly payments on time to remain in WRAP if they demonstrate a significant loss of income or inability to make a timely payment due to COVID-19; and 2) participants will still be eligible to receive monthly bill credits and arrears payments if applicable, until December 31, 2020..

Current Budget and Allocations

Consistent with the previous fiscal years funding allocation for WRAP, the FY 2021 budgeted allocation is based on the proportionality of the revenues derived from each county and the City of Detroit, based on the approved FY 2021 water and sewer service charges and budget.

Table 2 - FY 2021 WRAP Budget and Allocations

This table shows the allocation of the FY 2021 budgeted WRAP funds, which is reflective of the approved FY 2021 budget of \$6.1 million. In the table below, the City of Detroit is shown separately from the remaining Wayne County allocation. The City of Detroit is currently allocated 26.6% of total wholesale WRAP funding and contributes additional, local WRAP funding which increases the overall program impact for the City.

Community	Budgeted Direct Assistance	Budgeted Conservation Assistance	Budgeted Administration Costs	Total Budgeted Revenue (1)	Allocation
CITY OF DETROIT					
SHARE OF WHOLESALE FUNDING	\$776,087	\$194,022	\$116,400	\$1,086,509	26.60%
LOCAL WRAP FUNDING	1,431,440	357,860	214,700	2,004,000	
TOTAL DETROIT	\$2,207,527	\$551,882	\$331,100	\$3,090,509	26.60%
WAYNE COUNTY	736,129	184,032	73,600	993,761	24.33%
OAKLAND COUNTY	851,554	212,889	85,200	1,149,643	28.15%
MACOMB COUNTY	551,503	137,876	55,100	744,479	18.23%
GENESEE COUNTY	18,150	4,538	1,800	24,488	0.60%
WASHTENAW COUNTY	40,932	10,233	4,100	55,265	1.35%
LAPEER COUNTY	12,891	3,223	1,300	17,414	0.43%
MONROE COUNTY	6,536	1,634	600	8,771	0.21%
ST. CLAIR COUNTY	3,097	774	300	4,171	0.10%
TOTAL	\$4,428,320	\$1,107,080	\$553,100	\$6,088,500	100.00%

(1) Based on FY 2021 Budgeted WRAP Funding of:

Wholesale Funding	\$4,084,500
Detroit Local Funding	2,004,000
Total WRAP Funding	\$6,088,500

FY 2021 and FY 2020 Activity

Monies are transferred from GLWA to Wayne Metro as needed to fund the program and support the WRAP Assistance and Conservation efforts. Wayne Metro maintains records of this activity which are reviewed and monitored by GLWA. The following is a summary of this activity for FY 2021 through March 31, 2021 as compared to FY 2020 activity through the same period.

Table 3A – WRAP Year to Date Activity FY 2021 Compared to FY 2020

A summary of the committed funds by community action agency is presented in **Table 3A**. The detailed reporting for FY 2021 through March 31, 2021, based on updated reporting metrics as presented by Public Sector Consultants, is shown in **Table 3B**. **Table 3B** also shows the budgeted versus committed performance for both Direct Assistance and Conservation as well as comparisons versus FY 2020 year to date performance is also included. Separate tables for Wayne Metro, Oakland Livingston Human Services Agency (OLHSA), Macomb County Community Action (MCCA) and Genesee County Community Action Resource Department (GCCARD) are also included with this report.

For FY 2021 (through March 31, 2021) \$3.2 million of the budgeted \$4.4 million in Direct Assistance has been committed and over \$813,000 of the budgeted \$1.1 million for Conservation has been spent.

Table 3A – Summary of WRAP Year to Date Activity FY 2021

Agency	Direct Assistance			FY 2021	FY 2020
	Budgeted	Committed	Uncommitted	YTD (1)	YTD (1)
Wayne Metro	\$2,991,124	\$2,860,387 (2)	\$130,737	95.6% (2)	114.6% (2)
Oakland Livingston Human Services Agency	\$851,554	\$175,591	\$675,963	20.6%	21.4%
Macomb County Community Action	\$567,491	\$91,648	\$475,843	16.1%	15.9%
Genesee County Community Action Resource Dept.	\$18,150	\$93,275 (2)	-\$75,125	513.9% (2)	1377.5% (2)
Total GLWA	<u>\$4,428,319</u>	<u>\$3,220,901</u>	<u>\$1,207,418</u>	<u>72.7%</u>	<u>83.8%</u>

Agency	Conservation			FY 2021	FY 2020
	Budgeted	Committed	Uncommitted	YTD (1)	YTD (1)
Wayne Metro	\$747,781	\$779,507 (2)	-\$31,726	104.2% (2)	114.6% (2)
Oakland Livingston Human Services Agency	\$212,889	\$30,490	\$182,399	14.3%	4.3%
Macomb County Community Action	\$141,873	\$3,072	\$138,801	2.2%	4.2%
Genesee County Community Action Resource Dept.	\$4,538	\$0	\$4,538	0.0%	904.0% (2)
Total GLWA	<u>\$1,107,081</u>	<u>\$813,069</u>	<u>\$294,012</u>	<u>73.4%</u>	<u>48.4%</u>

(1) Target YTD through March 31, 2021 is 75%

(2) Includes reallocated funds from prior years

Table 3B – WRAP Year to Date Activity for FY 2021 Compared to FY 2020

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee April 23, 2021

GLWA - WRAP Program Summary Report (FY 2021) - All Jurisdictions									
	Total FY 2021		Total FY 2020						
Budgeted Program Funding		\$6,888,500		\$4,868,100					
Total Funds Allocated - Direct Assistance		\$4,428,320		\$3,528,422					
Total Funds Allocated - Conservation Assistance		\$1,107,080		\$882,105					
Allocation Percentage		100.0%		100.0%					
	FY 2021 - Q1 July - September 2020	FY 2021 - Q2 Oct. - Dec. 2020	FY 2021 - Q3 January - March 2021	FY 2021 Year to date	FY 2020 Year to date	FY 2020 Total			
Goal One									
Number of enrollment appointments	1,416	1,056	346	2,818	2,928			3,913	
Number of applicants not eligible for participation*									
Number of households enrolled	1,492	1,622	1,766	4,880	4,771			5,627	
Amount (\$) of total assistance provided (Committed)	\$994,714.17	\$1,050,620.76	\$1,175,566.57	\$3,220,901.50	\$2,955,512.11			\$3,522,396.66	
Amount (\$) of total assistance uncommitted	\$3,433,605.83	\$2,382,985.07	\$1,207,418.50	\$1,207,418.50	\$572,909.89			\$6,025.34	
Amount (\$) of average assistance provided per household	\$666.70	\$647.73	\$665.67	\$660.02	\$619.47			\$625.98	
Number of repeat participants									
Year 1	1,023	1,068	1,158	3,249	2,482			2,965	
Year 2	392	438	435	1,265	1,597			1,904	
WRAP Finity	77	116	174	367	692			759	
Timeframe from application to program enrollment*									
Number of participants removed from the program*									
Goal Two									
Number of shut-offs avoided	460	154	201	815	1,927			2,210	
Number of households enrolled with an arrearage balance	1,543	1,229	1,338	4,110	3,620			4,454	
Percentage of enrolled households	103%	76%	76%	84%	76%			79%	
Average arrearage balance per household	\$923.81	\$886.65	\$1,877.07	\$1,223.03	\$991.18			\$1,001.72	
Amount of arrearses paid (awarded) per household	\$517.64	\$490.38	\$497.96	\$501.51	\$474.41			\$478.81	
Goal Three									
Number enrolled household with high water consumption	723	523	535	1,781	1,122			1,445	
Percentage of households with high water consumption	48%	32%	30%	36%	24%			37%	
Number of water audits completed	169	351	405	925	567			567	
Number of repairs performed	127	220	144	491	321			321	
Amount (\$) of conservation assistance provided - Water Audits	\$80,275.00	\$166,725.00	\$192,375.00	\$439,375.00	\$269,325.00			\$269,325.00	
Amount (\$) of conservation assistance provided - Plumbing Repairs	\$103,513.25	\$167,367.03	\$102,813.25	\$373,693.53	\$157,568.25			\$157,568.25	
Amount (\$) of conservation assistance uncommitted	\$923,291.75	\$589,199.72	\$294,011.47	\$294,011.47	\$455,211.75			\$455,211.75	
Average cost of repairs per household	\$815.06	\$760.76	\$713.98	\$761.09	\$490.87			\$490.87	
Water consumption (CCF) per household	29.85	19.31	21.50	22.73	15.87			17.30	
Goal Four									
Number of referrals from other community organizations*									
Goal Five									
Program participants served through supplemental water/ sewer funding*									
Additional forms of assistance provided via supplemental funding*									

Previous Reallocation of Uncommitted Funds

After the completion of each fiscal year, Wayne Metro recommends to the GLWA Board of Directors the reallocation of uncommitted assistance and conservation funds to those member partners that have fully committed their annual budgeted funds due to the increased need within their community.

For FY 2020, Wayne Metro has identified approximately \$1.5 million in uncommitted assistance and conservation funds. A reallocation recommendation will be brought to the GLWA Board by June 2021.

Table 4 – Total WRAP Reallocation of Uncommitted Funds

This table summarizes the Board authorized reallocation of uncommitted FY 2016 to FY 2019 WRAP funds to the City of Detroit and the City of Flint. To date, \$4.4 million has been reallocated to Detroit and \$1.4 million to the City of Flint from the other counties within GLWA.

Reallocated Funds	Detroit	Flint	Total
FY 2016	\$1,664,833	\$117,485	\$1,782,318
FY 2017	786,981	425,635	1,212,616
FY 2018	794,400	427,755	1,222,155
FY 2019	1,182,593	471,562	1,654,155
Total Reallocation	\$4,428,807	\$1,442,437	\$5,871,244

GLWA - WRAP Program Summary Report (FY 2021) - Wayne Metro

	Total FY 2021	Total FY 2020				
Budgeted Program Funding	\$4,148,306	\$2,990,311				
Total Funds Allocated - Direct Assistance	\$2,991,124	\$2,137,540				
Total Funds Allocated - Conservation Assistance	\$747,781	\$534,384				
Allocation Percentage	60.2%	61.4%				
	FY 2021 - Q1 July - September 2020	FY 2021 - Q2 October - December 2020	FY 2021 - Q3 January - March 2021	FY 2021 Year to date	FY 2020 Year to date	FY 2020 Total
Goal One						
Number of enrollment appointments	1,071	853	195	2,119	2,188	3,022
Number of applicants not eligible for participation						
Number of households enrolled	1,206	1,321	1,547	4,074	3,976	4,683
Amount (\$) of total assistance provided (Committed)	\$870,849.36	\$927,297.67	\$1,062,239.72	\$2,860,386.75	\$2,450,462.03	\$2,924,564.91
Amount (\$) of total assistance provided (Uncommitted)	\$2,120,274.64	\$1,192,976.97	\$130,737.25	\$130,737.25	-\$312,922.03	-\$787,024.91
Amount (\$) of average assistance provided per household	\$722.10	\$701.97	\$686.64	\$702.11	\$616.31	\$624.51
Number of repeat applicants/participants						
Year 1	853	903	1,073	2,829	2,177	2,570
Year 2	298	329	333	960	1,179	1,440
WRAPFinity	56	90	142	288	620	673
Timeframe from application to program enrollment						
Number of participants making on-time bill payments						
Goal Two						
Number of shut-offs avoided	440	137	196	773	1,888	2,160
Number of households enrolled with an arrearage balance	1,426	1,113	1,235	3,774	3,186	3,900
Percentage of enrolled households	118%	84%	80%	93%	80%	83%
Average arrearage balance per household (reported for newly enrolled households)	\$915.31	\$904.94	\$1,954.04	\$1,252.17	\$1,004.88	\$1,021.56
Amount of arrearages paid per household	\$519.33	\$504.22	\$503.17	\$508.43	\$473.81	\$478.76
Goal Three						
Number enrolled household with high water consumption	639	446	506	1591	998	1,280
Percentage of households with high water consumption	53%	34%	33%	39%	25%	27%
Number of water audits completed	169	322	391	882	488	488
Number of repairs performed	127	204	143	474	285	285
Amount (\$) of conservation assistance provided - Water Audits	\$80,275.00	\$152,950.00	\$185,725.00	\$418,950.00	\$231,800.00	\$231,800.00
Amount (\$) of conservation assistance provided - Plumbing Repairs	\$103,513.25	\$154,649.03	\$102,394.25	\$360,556.53	\$138,487.25	\$138,487.25
Amount (\$) of conservation assistance uncommitted	\$563,992.75	\$256,393.72	-\$31,725.53	-\$31,725.53	\$164,096.75	\$164,096.75
Average cost of repairs per household	\$815.06	\$758.08	\$716.04	\$760.67	\$485.92	\$485.92
Water consumption (CCF) per household	-	-	-	-	-	-
Goal Four						
Number of referrals from other community organizations						
Goal Five						
Program participants served through supplemental water/ sewer funding						
Additional forms of assistance provided via supplemental funding						

GLWA - WRAP Program Summary Report (FY 2021) - Macomb County Community Action

	Total FY 2021	Total FY 2020				
Budgeted Program Funding	\$766,064	\$740,103				
Total Funds Allocated - Direct Assistance	\$567,491	\$548,215				
Total Funds Allocated - Conservation Assistance	\$141,873	\$137,053				
Allocation Percentage	8.2%	11.3%				
	FY 2021 - Q1 July - September 2020	FY 2021 - Q2 October - December 2020	FY 2021 - Q3 January - March 2021	FY 2021 Year to date	FY 2020 Year to date	FY 2020 Total
Goal One						
Number of enrollment appointments	188	77	68	333	145	183
Number of applicants not eligible for participation						
Number of households enrolled	145	147	89	381	228	269
Amount (\$) of total assistance provided (Committed)	\$27,138.32	\$38,451.51	\$26,058.53	\$91,648.36	\$87,238.01	\$99,681.04
Amount (\$) of total assistance provided (Uncommitted)	\$540,352.68	\$501,901.17	\$475,842.64	\$475,842.64	\$460,976.99	\$448,533.96
Amount (\$) of average assistance provided per household	\$187.16	\$261.57	\$292.79	\$240.55	\$382.62	\$370.56
Number of repeat applicants/participants						
Year 1	111	100	46	257	100	122
Year 2	16	25	23	64	71	85
WRAPFinity	18	22	20	60	57	62
Timeframe from application to program enrollment						
Number of participants making on-time bill payments						
Goal Two						
Number of shut-offs avoided	19	17	5	41	39	50
Number of households enrolled with an arrearage balance	24	25	7	56	67	87
Percentage of enrolled households	17%	17%	8%	15%	29%	32%
Average arrearage balance per household (reported for newly enrolled households)	\$349.02	\$424.95	\$297.08	\$376.42	\$479.83	\$479.24
Amount of arrearages paid per household	\$163.70	\$135.31	\$164.04	\$151.55	\$357.98	\$321.59
Goal Three						
Number enrolled household with high water consumption	44	48	14	106	31	38
Percentage of households with high water consumption	30%	33%	16%	28%	14%	14%
Number of water audits completed	-	2	3	5	11	11
Number of repairs performed	-	1	-	1	6	6
Amount (\$) of conservation assistance provided - Water Audits	\$0.00	\$950.00	\$1,425.00	\$2,375.00	\$2,850.00	\$5,225.00
Amount (\$) of conservation assistance provided - Plumbing Repairs	\$0.00	\$697.00	\$0.00	\$697.00	\$2,909.00	\$2,909.00
Amount (\$) of conservation assistance uncommitted	\$141,873.00	\$140,226.00	\$138,801.00	\$138,801.00	\$131,294.00	\$128,919.00
Average cost of repairs per household	n/a	\$697.00	n/a	\$697.00	\$484.83	\$484.83
Water consumption (CCF) per household	5.00	13.25	7.45	11.46	9.50	9.63
Goal Four						
Number of referrals from other community organizations						
Goal Five						
Program participants served through supplemental water/ sewer funding						
Additional forms of assistance provided via supplemental funding						

GLWA - WRAP Program Summary Report (FY 2021) - Oakland Livingston Human Services Agency

	Total FY 2021	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	16.7%	22.9%				
	FY 2021 - Q1 July - September 2020	FY 2021 - Q2 October - December 2020	FY 2021 - Q3 January - March 2021	FY 2021 Year to date	FY 2020 Year to date	FY 2020 Total
Goal One						
Number of enrollment appointments	61	64	49	174	173	286
Number of applicants not eligible for participation						
Number of households enrolled	83	90	80	253	257	352
Amount (\$) of total assistance provided (Committed)	\$65,376.78	\$60,042.60	\$50,171.84	\$175,591.22	\$176,368.71	\$246,113.54
Amount (\$) of total assistance provided (Uncommitted)	\$786,177.49	\$726,134.89	\$675,963.05	\$675,963.05	\$648,769.52	\$579,024.69
Amount (\$) of average assistance provided per household	\$787.67	\$667.14	\$627.15	\$694.04	\$686.26	\$699.19
Number of repeat applicants/participants						
Year 1	58	65	38	161	162	224
Year 2	21	20	30	71	79	104
WRAPFinity	3	4	12	19	15	24
Timeframe from application to program enrollment						
Number of participants making on-time bill payments						
Goal Two						
Number of shut-offs avoided	1	0	0	1	0	0
Number of households enrolled with an arrearage balance	80	77	67	224	206	303
Percentage of enrolled households	96%	86%	84%	89%	80%	86%
Average arrearage balance per household (reported for newly enrolled households)	\$1,168.70	\$771.74	\$897.00	\$950.98	\$905.88	\$877.15
Amount of arrearages paid per household	\$644.64	\$540.04	\$539.73	\$578.37	\$475.82	\$495.87
Goal Three						
Number enrolled household with high water consumption	37	23	14	74	91	124
Percentage of households with high water consumption	45%	26%	18%	29%	35%	35%
Number of water audits completed	0	27	11	38	11	11
Number of repairs performed	0	15	1	16	5	5
Amount (\$) of conservation assistance provided - Water Audits	-	\$12,825.00	\$5,225.00	\$18,050.00	\$5,225.00	\$5,225.00
Amount (\$) of conservation assistance provided - Plumbing Repairs	-	\$12,021.00	\$419.00	\$12,440.00	\$3,632.00	\$3,632.00
Amount (\$) of conservation assistance uncommitted	\$212,888.57	\$188,042.57	\$182,398.57	\$182,398.57	\$197,427.56	\$197,427.56
Average cost of repairs per household	n/a	\$801.40	\$419.00	\$777.50	\$726.40	\$726.40
Water consumption (CCF) per household	39.58	30.71	32.86	34.35	24.70	24.82
Goal Four						
Number of referrals from other community organizations						
Goal Five						
Program participants served through supplemental water/ sewer funding						
Additional forms of assistance provided via supplemental funding						

GLWA - WRAP Program Summary Report (FY 2021) - Genesee County Community Action Resource Department

	Total FY 2021	Total FY 2020				
Budgeted Program Funding	\$24,488	\$23,663				
Total Funds Allocated - Direct Assistance	\$18,150	\$17,528				
Total Funds Allocated - Conservation Assistance	\$4,538	\$4,382				
Allocation Percentage	0.4%	0.5%				
	FY 2021 - Q1 July - September 2020	FY 2021 - Q2 October - December 2020	FY 2021 - Q3 January - March 2021	FY 2021 Year to date	FY 2020 Year to date	FY 2020 Total
Goal One						
Number of enrollment appointments	109	70	10	189	480	482
Number of applicants not eligible for participation						
Number of households enrolled	58	64	50	172	311	324
Amount (\$) of total assistance provided (Committed)	\$31,349.71	\$24,828.98	\$37,096.48	\$93,275.17	\$241,443.36	\$252,037.17
Amount (\$) of total assistance provided (Uncommitted)	-\$13,199.52	-\$38,028.50	-\$75,124.98	-\$75,124.98	-\$223,915.18	-\$234,508.99
Amount (\$) of average assistance provided per household	\$540.51	\$387.95	\$741.93	\$542.30	\$776.35	\$777.89
Number of repeat applicants/participants						
Year 1	1	0	1	2	43	49
Year 2	57	64	49	170	268	275
WRAPFinity	0	0	0	0	0	0
Timeframe from application to program enrollment						
Number of participants removed from the program						
Goal Two						
Number of shut-offs avoided	0	0	0	0	0	0
Number of households enrolled with an arrearage balance	13	14	29	56	161	164
Percentage of enrolled households	22%	22%	58%	33%	52%	51%
Average arrearage balance per household (reported for newly enrolled households)	\$1,410.30	\$889.08	\$1,244.99	\$1,194.39	\$1,042.06	\$1,037.37
Amount of arrearages paid per household	\$481.02	\$325.21	\$532.65	\$472.22	\$511.55	\$513.81
Goal Three						
Number enrolled household with high water consumption	3	6	1	2	3	43
Percentage of households with high water consumption	5%	9%	2%	1%	1%	13%
Number of water audits completed	-	-	-	-	57	57
Number of repairs performed	-	-	-	-	25	25
Amount (\$) of conservation assistance provided - Water Audits	-	-	-	\$0.00	\$27,075.00	\$27,075.00
Amount (\$) of conservation assistance provided - Plumbing Repairs	-	-	-	\$0.00	\$12,540.00	\$12,540.00
Amount (\$) of conservation assistance uncommitted	\$4,537.55	\$4,537.55	\$4,537.55	\$4,537.55	-\$35,232.95	-\$35,232.95
Average cost of repairs per household	n/a	n/a	n/a	n/a	\$501.60	\$501.60
Water consumption (CCF) per household	5.07	4.69	6.51	5.44	5.02	5.05
Goal Four						
Number of referrals from other community organizations						
Goal Five						
Program participants served through supplemental water/ sewer funding						
Additional forms of assistance provided via supplemental funding						



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

Tips for Creating a Complete and Responsive RFB and RFP Submission & Vendor Debriefs

To ensure that you have created a complete and responsive Request for Bid (RFB) and Request for Proposal (RFP) submission for a GLWA solicitation, please do the following:

1. Carefully read and follow the detailed instructions outlined in the "Solicitation Cover/Instruction to Vendors" document, posted with each advertisement in Bonfire;
2. Adhere to all deadlines and due dates. Late bid/proposals will not be accepted;
3. Review all submittal requirements and complete all required forms. Failure to submit required documents may result in your solicitation response being deemed nonresponsive;
4. Obtain and submit all third-party forms (e.g., proof of insurance and bonding);
5. Ensure that all required signatures have been completed by the appropriate, authorized individuals at your company.

Did you know we offer Post-Award Debrief Sessions? Vendors not selected for award may elect to request a vendor debrief meeting with GLWA Procurement to gain insight for improving future solicitations responses. For questions on creating a complete and responsive RFB/RFP submission, or to schedule a vendor debrief session, please contact the GLWA Buyer responsible for the solicitation.

Reminder: Michigan Sales & Use Tax for the Vendor Construction Community

In the July 2020 issue of the *Procurement Pipeline*, we addressed some questions regarding the extension of GLWA's tax exempt status to our construction contracts. Please note that GLWA's tax exempt status does **not** extend to our construction contractors who are recognized as the consumer of

the goods and materials that they purchase for use in providing services to GLWA. As the consumer of these purchased goods and materials, the contractor or subcontractor cannot claim tax exempt status and therefore is responsible for paying the sales tax.

We strongly encourage all GLWA vendors with further questions on this matter to consult with their own tax advisors when determining whether they will be responsible for payment of sales or use taxes to help them determine whether those costs should be included in their bid prices.

Visitor COVID-19 Access Requirements

On March 29, 2021, GLWA released [Coronavirus Update #112](#) to the vendor community which outlines updated requirements for Badged Access Visitors. By July 1, 2021, visitors requesting badged access to GLWA facilities or project worksites must submit **either** documentation of a negative COVID-19 test (dated between March 1, 2021 and June 30, 2021) **or** documentation of a completed COVID-19 vaccine. Until then, both badged access and non-badged access visitors must complete the daily [Visitor COVID-19 Questionnaire](#) which is available on [GLWA's Vendor webpage](#). All questions regarding COVID-19 visitor access protocols may be directed to [Michael Lasley](#) and [Megan Torti](#).

Where to Meet GLWA

GLWA welcomes you to join us at the "Real Talk Wednesday" virtual webinar, hosted by the Michigan Department of Transportation (MDOT), on May 19, 2021 from 10am-12pm. Please contact [Kathleen Jones](#) and [Ann Williams](#) for the event link. All businesses are welcome to join!

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 April 2021

Category	Description	Budget Estimate
Water System (next three months)		
Maintenance Services	Skilled Trades Contract	TBD
Engineering	North Service Center Pumping Station Improvements (CIP #132016)	\$10,000,000
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
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)	\$10,000,000
Design	St. Aubin Disinfection and Screening Improvements (CIP #260617) (CSO)	TBD
Construction	Generator Improvements (Controls upgrades, Generator modifications) (CIP #260622)	\$1,000,000
Construction	Hubbell Southfield CSO Basin Pipe Hanger Replacement	\$1,500,000
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
Maintenance	Lake Huron WTP Instrumentation and Filter Control Improvements (CIP #111006)	\$21,000,000
Construction	Roof Replacement – Lake Huron WTP and Southwest WTP (CIP #171500)	\$3,000,000
Wastewater System (next four to nine months)		
Professional Services	Virtual Tour and Laser Scanning Services	TBD
Design	Leib Screening & Disinfection Facility Improvements for Meldrum Diversion (CIP #274001) (CSO) & Oakwood CSO Facility Improvements for Northwest Interceptor Diversion (CIP #278001)	\$5,000,000
Design	Pilot Netting Facility Project (CIP #270001) (CSO)	TBD
Construction	Rehabilitation of CSO Outfall Backwater Gates (CIP #260510)	\$5,000,000
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	\$3,000,000
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