



Audit Committee Meeting
Friday, December 17, 2021 at 8:00 a.m.
www.glwater.org

[Join Zoom Meeting](#)

Meeting ID: **829 5395 1889** Passcode: **539451**

US Toll-free: **888 788 0099** or **877 853 5247**

AGENDA

Note: Pages 264-274
are 11x17.

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
 - A. December 6, 2021 (Page 1)
5. PUBLIC PARTICIPATION
6. OLD BUSINESS
7. NEW BUSINESS
 - A. Proposed FY 2023 Annual Long Term Financial Plan & Budget Presentation (Page 6)
8. REPORTS
 - A. CFO Report (Page 291)
 - B. Monthly Financial Report for September 2021 (Page 298)
 - C. Business Inclusion and Diversity Program Update (Page 299)
 - D. Quarterly CWIP Report (Page 301)
 - E. Quarterly Debt Report (Page 327)
 - F. Quarterly WRAP Report (Page 342)
9. COMMUNICATIONS
 - A. The Procurement Pipeline for December 2021 (Page 358)
 - B. Water Utility Assistance Program Reference Guide (Page 360)
10. LOOK AHEAD
 - A. Next Audit Committee Meeting: January 28, 2022 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

Monday, December 6, 2021

8:00 AM

Zoom Telephonic

Zoom Telephonic Special Meeting

Join Zoom Meeting Here:

<https://glwater.zoom.us/j/87104230610?pwd=MGxZZmJ1dDJqUUlVdnZrazhIWUlydz09>

Join By Telephone:

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888 788 0099 US Toll-free

Meeting ID: 871 0423 0610

Passcode: 13

1. Call To Order

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

2. Quorum Call

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

Committee Members' Attendance Location:

Chairperson Baker (Clinton Township, Macomb County, Michigan)

Director Brown (Detroit, Wayne County, Michigan)

Director Quadrozzi (Beverly Hills, Oakland County, Michigan)

3. Approval of Agenda

Chairperson Baker requested a Motion to Approve the Agenda.

Motion By: Jaye Quadrozzi

Support By: Brian Baker

Action: Approved

The motion carried by a unanimous vote.

4. Approval of Minutes

A. [2021-457](#) Approval of Minutes October 22, 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [4A October 22, 2021 Audit Committee Meeting Minutes](#)

Chairperson Baker requested a Motion to Approve the October 22, 2021 Audit Committee Meeting Minutes.

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Approved

The motion carried by a unanimous vote.

5. Public Comment

There were no public comments.

6. Old Business

A. [2021-458](#) Authorize Completion and Filing of Audit and Related Draft Reports Pertaining to the Fiscal Year Ended June 30, 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [6A Authorize completion and filing of Audit and Related Draft Financial Reports](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Recommended to the Board of Directors to Receive and File and authorize staff to proceed with the completion and filing of the final audited Annual Comprehensive Financial Report and Schedule of Expenditures of Federal Awards before the due dates required for state, federal, and other purposes.

Agenda of December 8, 2021

The motion carried by a unanimous vote.

7. New Business

A. [2021-460](#) FY 2022 First Quarter Budget Amendments**Sponsors:** Nicolette Bateson**Indexes:** Finance**Attachments:** [7A FY 2022 First Quarter Budget Amendment Report](#)**Motion By:** Jaye Quadrozzi**Support By:** Gary Brown**Action:** Recommended for Approval to the Board of Directors Workshop Meeting
Agenda of December 8, 2021**The motion carried by a unanimous vote.****B. [2021-461](#) Proposed Change Order No. 6 - GLWA CS-002 Financial Advisor Services****Sponsors:** Nicolette Bateson**Indexes:** Finance**Attachments:** [7B1 Proposed Change Order No. 6 Contract GLWA-CS-002](#)[7B2 Board Letter- Proposed Change Order No. 6 GLWA-CS-002](#)**Motion By:** Gary Brown**Support By:** Jaye Quadrozzi**Action:** Recommended for Approval to the Board of Directors Workshop Meeting
Agenda of December 8, 2021**The motion carried by a unanimous vote.****8. Reports****A. CFO Report (verbal)**

Nicolette Bateson, Chief Financial Officer/Treasurer, requested, in the interest of time and to conclude the meeting by 9:30 a.m., that the Audit Committee Receive and File the following items:

8. A. CFO Verbal Report**8. B. 2021-463 (Monthly Financial Report for July 2021)****8. C. 2021-464 (Monthly Financial Report for August 2021)****8. D. 2021-465 (Business Inclusion and Diversity Program Update)****Motion By:** Jaye Quadrozzi**Support:** Gary Brown**Action:** Received and Filed**The motion carried unanimously.**

B. [2021-463](#) Monthly Financial Report for July 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8B July 2021 Financial Report_Tagetik](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

C. [2021-464](#) Monthly Financial Report for August 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8C August 2021 Financial Report_Tagetik](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

D. [2021-465](#) Business Inclusion and Diversity Program Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8D Business Inclusion and Diversity Program Update](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

E. [2021-466](#) Quarterly Investment Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8E1 Quarterly Investment Report Cover Memo_September 2021](#)

[8E2 GLWA Quarterly Report September 2021 FINAL](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

9. Communications

A. [2021-459](#) The Procurement Pipeline for November 2021

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [9A November 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

A. The next Audit Committee Meeting is scheduled to be held Friday, December 17, 2021 at 8:00 a.m.

11. Other Matters

Director Brown thanked staff and the Committee for staying within the 9:30 a.m. timeline.

12. Adjournment

Chairman Baker requested a Motion to Adjourn.

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Approved

The motion carried by a unanimous vote.

There being no further business, the meeting was adjourned at 9:20 a.m.



Financial Services Audit Committee Communication

Date: December 17, 2021

To: Great Lakes Water Authority Audit Committee

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

Re: Discussion Draft: FY 2023 & FY 2024 Biennial Budget and Five-Year Plan, Proposed FY 2023 Charges with Supporting Materials, and Updated Long-Term Financial Plan

Background: In accordance with service agreements with the Great Lakes Water Authority (GLWA) member partners, the budget and charges for the next fiscal year are annually presented in January each year. To accommodate that schedule, the budget and charges process for the GLWA begins early in the fiscal year. Today, we are presenting the proposed budget, charges, and long-term financial plan materials to the Audit Committee as we prepare for a Board Workshop on the proposals and related Charges Rollout meetings with Member Partners in January 2022.

Analysis: Attached are the following related to the financial planning cycle for the period beginning on July 1, 2022.

1. **Overview** - FY 2023+ Budget & Financial Plan Highlights Presentation
2. **Budget** - Proposed FY 2023 & 2024 Biennial Budget and Five-Year Plan Document
3. **Charges** - Proposed FY 2023 Charges
 - A. Proposed FY 2023 Water and Sewer Charges Memo from The Foster Group
 - B. Highland Park Bad Debt Expense Review from The Foster Group
4. **Financial Plan** - Updated Long-Term Financial Plan through FY 2032
 - A. Regional System - Water and Sewer Funds - Ten Year Financial Plan Through FY 2032 – Updated December 15, 2021

Proposed Action: Receive and file the Proposed FY 2023 & FY 2024 Biennial Budget and Five-Year Plan, Proposed FY 2023 Charges, and Ten-Year Financial Plan



Proposed
FY 2023 – FY 2024 Biennial Budget &
Five Year Financial Plan
FY 2023 through FY 2027

Presented to the
Audit Committee
December 17, 2021



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*Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.

GLWA

Great Lakes Water Authority



Section 1

Overview



Financial Services Audit Committee Communication

Date: December 17, 2021

To: Great Lakes Water Authority Audit Committee

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

Re: Transmittal - Proposed FY 2023 & FY 2024 Biennial Budget and Five Year Plan

Transmitted to you is the Proposed FY 2023 & FY 2024 Biennial Budget and Five Year Plan. This plan reflects multiple simultaneous, but well-coordinated, initiatives that are reflected in this plan. This includes the work of GLWA's engineers and capital planning team who have produced and presented the proposed five year capital improvement plan for FY 2023 to FY 2027; input and engagement from Member Partners, specifically related to sewer charges methodology and the CIP; budget and operations review teams from all operating areas; dialogue with the Board of Directors throughout the year; and with the Audit Committee as we rolled out an updated ten year financial plan in October, and again with the presentation of this proposed plan, along with a service charges proposal for the upcoming fiscal that also factors in all of these data points.

The presentation of the budget in December is the formal beginning of a review process that begins with the Audit Committee. In early January, the same proposal is presented to the Board of Directors followed by review with the Audit Committee in late January. In January, we also meet with our Member Partners present the proposed budget and accompanying charges. A Public Hearing on Budget and Charges, tentatively planned for Wednesday, February 23, 2022, is then held. A full calendar is included in this document.

Key values related to this budget proposal.

The Promise: Able to deliver an overall financial plan for FY 2022 and FY 2023 that holds revenue requirement increases below the 4% promise

Charges: Resulting FY 2023 proposed charge adjustments reflect constraints within the goal to maintain stability for Member Partners

Sustainability & Affordability: Facilitates progress towards long-term sustainability and affordability objectives

Quality: Provides for progress on key initiatives that ensures the quality and reliability of our services and the impact on the environment

We look forward to supporting an effective budget and charges review process. Thank you for your consideration of this proposal.



The GLWA "revenue requirement budget" is the basis for establishing the annual charges for services. Nearly 53% of the FY 2022 budget of \$843 million are legal commitments such as debt service (42%), lease payment (6%), Water Residential Assistance Program (WRAP) (0.5%) and legacy liabilities (4%). Capital funding reserve for replacement is 7.9% of the total budget. The Operations & Maintenance (O&M) expense represents \$332 million, or 39% of the total. This analysis focuses on O&M expense, as compared to the prior year, to provide insight into O&M expense increase of 2%, or \$6.7 million.

Staffing & Personnel The staffing plan (number of positions) is at 1,293 (increase of 54). Full-time Equivalents (FTE), which is the pro-rata hours that a position is budgeted is at 1,234.44 (increase of 18.19). Key changes are noted in this analysis.

Water Operations – increase of \$1.5 million Factors increasing the budget are mainly due to Personnel Costs (\$3.3 million) related to the staffing plan increase of 29 (24.25 FTEs), 25 positions are for the new Water Technician Apprenticeship Program, as well as increases in medical plan fringe benefits. Factors decreasing the budget include Contractual Services which decreased (\$1.7 million) due to the alum sludge removal, hauling, and disposal project for the Springwells, Northeast, and Southwest Water Treatment Plants.

Wastewater Operations – increase of \$2.8 million Factors increasing the budget are mainly due to Personnel Costs (\$1.8 million) which reflect an increase in base level wages for some classifications to recruit and retain personnel. Note that the staffing plan positions has increased by 2 but FTEs decreased by 9.56 due to the recruiting challenges. Increases

have also been recognized in the medical plan fringe benefits. Unallocated Reserves increased (\$1.1 million) to cover area of risk such as chemical price increases.

Centralized Services¹ – increase \$1.6 million Factors increasing the budget include the addition of 11 positions (6.25 FTEs) (\$1.9 million) in Planning Services primarily to support the Capital Improvement Plan with the completion of AECOM's support in late FY 2023. Security is adding 3 security officers for (\$0.5 million) for expanded coverage. The Systems Operations Control support services contract increased (\$0.3 million); and Facility Operations increased (\$0.5 million) for a gate repair. Factors decreasing the budget are in the Planning Services Area in which project timelines adjusted for both the Linear System Integrity Program (LSIP) (\$1.2 million) and the Water Master Plan (\$0.4 million).

Administrative Services² – increase \$0.8 million Factors increasing are mainly due to Personnel Costs: Organizational Development is adding 5 positions (4 FTEs) to support onboarding and training (\$0.6 million); Procurement is adding 3 positions (1.5 FTEs) to manage increased workload (\$0.4 million); Financial Services, while decreasing 9 positions (9.75 FTE), has an overall increase to in costs due to the skill level for succession and in-sourcing as well as increases fringe benefits (\$0.6 million). Contractual Services increased (\$0.5 million) to support ERP implementation. Legal services contracts also increased (\$0.5 million). Factors decreasing are Unallocated Reserves (\$1.1 million) and Contractual services for the Board of Directors will be decreased (\$0.7 million) for a one-time project.

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

¹ Includes the Planning Services, Systems Control; Facility and Fleet Operations; Field Service Operations; Energy, Research & Innovation; Transformation; Information Technology; and Security & Integrity (includes HazMat).

² Includes the Board of Directors, Chief Executive Officer, Chief Administrative & Compliance Officer (includes Risk Management & Safety), General Counsel, Public Affairs, Organizational Development and Financial Services.

Proposed FY 2023 Service Charges Highlights

Proposed FY 2023 Water and Sewer Service Charges have been established and submitted to the Audit Committee for review. The GLWA Board of Directors will hold a Public Hearing in late February for the proposed schedule of charges for the fiscal year beginning July 1, 2022.

Charges are Based on Four Key Elements.

1) Budget: The costs for the daily operations and maintenance activities (such as the people, services, utilities, chemicals, and parts to operate plants and maintain the pipelines), the lease payment for the regional system, Water Residential Assistance Program (WRAP) funding, debt service, legacy pension, and capital project funding. The budget is also known as the “revenue requirement”.

2) Capital Improvement Plan (CIP): Annually the GLWA’s engineers evaluate the physical improvement needs of the regional systems. Those needs are funded by a combination of cash on hand and debt.

3) Units of Service (UOS): Quantifies each community’s service needs based on engineering studies, metering data, and other criteria. For the water system, this includes the amount of water purchased each year. For the sewer system, each member partner is assigned a percentage “share.”

4) Cost of Service Study (COS): The inputs from the three sources above are applied to an agreed upon charges methodology to allocate the revenue requirement (i.e., budget) by functional categories (such as purification for the water system or sludge disposal for the sewer system) and then allocated to each customer. The outcome is the charge calculation for each member partner.

Looking for More Information? Visit us online at www.glwater.org

Proposed FY 2023 Water System Charges

The average system charge adjustment for water is a 3.7 percent increase. This is the result of 1) a proposed Water budget increase of 3.5 percent; and 2) reduced baseline revenues related to decreased estimated sales volumes, which adds 0.2 percent to the needed charge increase. As a result of the 2018 Contract Alignment Process (CAP), the FY 2023 Units of Service changed for only 4 member partners. This has significantly improved charge stability among member partner communities. The proposed water charges reflect a uniform increase in wholesale revenue requirements of 3.6 percent, with a uniform average charge increase of 3.4 percent for the 84 member partners that did not have changes in contractual or estimated demands.

Approved FY 2023 Sewer System Charges

The average system charge adjustment for sewer is also a 3.7 percent increase. This is the result of 1) a proposed Sewer budget increase of 2.5 percent; and 2) reinstitution of a bad debt surcharge related to Highland Park which adds 1.2 percent to the charge increase. The recently updated Sewer Shares, which were collaboratively established through the Sewer Charges Workgroup, were included in the calculations for the FY 2022 charges. This update continues with the proposed FY 2023 charges resulting in a uniform impact of charge adjustments for all member partners.

Average System Charge Adjustments

Year	Water	Sewer
2018	1.8%	-0.7%
2019	1.8%	0.1%
2020	0.6%	0.8%
2021	3.2%	2.0%
2022	1.5%	-0.6%
2023 proposed	3.7%	3.7%
6-Year Average	2.1%	0.9%

Financial Plan Calendar – As of December 17, 2021

FY 2023 and 2024 Biennial Budget & Five-Year Financial Planning Cycle

The Great Lakes Water Authority (GLWA) Financial Planning Cycle includes:

1. FY 2023 and 2024 Biennial Budget
2. FY 2023 through FY 2027 Five-Year Capital Improvement Plan
3. FY 2023 through FY 2027 Five-Year Financial Plan
4. FY 2023 Schedule of Revenues and Charges

The schedule below reflects planning for the comprehensive GLWA Financial Plan.

Date	Activity
Tuesday, October 19, 2021	Capital Planning Committee – Review of CIP Version 1.0
Tuesday, October 19, 2021	Release CIP Version 1.0 to Member Partners for Review
Thursday, October 28, 2021	Analytical Work Group – Exceedances (exceedances to notified to communities by October 1st, meet by November 1 st and AWG by December 1st)
Monday, November 1, 2021	DWSD – Proposed CIP to be provided (Water and Sewer Services Agreement 5.3d)
<i>Tuesday, November 9, 2021</i>	<i>Charges Rollout Meeting #1 – Water & Sewer Capital Improvement Plan Version 1.0</i>
<i>Tuesday, November 16, 2021</i>	<i>Charges Rollout Meeting #2 – Units of Service Update</i>
Wednesday, December 1, 2021	GLWA and DWSD (City) - Exchange shared services to be provided and related costs (Shared Services Agreement 5.4)
Tuesday, December 14, 2021	Capital Planning Committee – Review of CIP Version 2.0
Friday, December 17, 2021	GLWA Audit Committee Meeting – Proposed Revenue Requirement & Charges
Saturday, January 1, 2022	DWSD – Preliminary two-year budget forecast Including key assumptions and impact statement due to GLWA (Water and Sewer Services Agreement 5.3a)
<i>Thursday, January 6, 2022</i>	<i>Charges Rollout Meeting #3 – Proposed FY 2023 Revenue Requirement and Charges</i>

Date	Activity
Wednesday, January 12, 2022	GLWA Regular Board Workshop - Review Proposed FY 2023 and 2024 Biennial Budget (Revenue Requirement) and Five-Year Financial Plan & Proposed FY 2023 Charges
Thursday, January 20, 2022	Charges Rollout Meeting #4 – Feedback on Service Charges and Review of Proposed FY 2023 Revenue Requirements
Friday, January 21, 2022 (Note: 30 days before is Monday, January 24, 2022)	Mail Notice to Member Partners of Public Hearing to be held on February 23, 2022 (minimum 30 days prior to Act 279 Public Hearing) (D)
Wednesday, January 26, 2022	GLWA Regular Board Meeting – Presentation: Proposed FY 2023 and 2024 Biennial Budget (Revenue Requirement) and Five-Year Financial Plan & Proposed FY 2023 Charges
Friday, January 28, 2022	GLWA Audit Committee Meeting – Regular Meeting
Tuesday, February 1, 2022	DWSD – Current capital improvement plan due to GLWA (Water and Sewer Services Agreement 5.3d(i))
Friday, February 4, 2022	Publish notice of the hearing by publication in a newspaper of general circulation (B)
Wednesday, February 23, 2022	GLWA Board Meeting – Public Hearing FY 2023 & FY 2024 Biennial Budget (A, D) and Possible Adoption of FY 2023 & FY 2024 Biennial Budget
Wednesday, February 23, 2022	GLWA Board Meeting – Public Hearing FY 2023 Schedule of Revenues and Charges (Act 279, minimum 120 days before effective date) (C) and Possible Adoption of FY 2023 Schedule of Revenues and Charges
Wednesday, February 23, 2022	GLWA Board Meeting – Proposed Approval of the FY 2023 & FY 2024 Biennial Budget (A)
Wednesday, February 23, 2022	GLWA Board Meeting – Proposed Approval of FY 2023–2027 Capital Improvement Plan
Wednesday, February 23, 2022	GLWA Board Meeting – Public Hearing & Proposed Approval of FY 2023 Schedule of Revenues and Charges (Act 279, minimum 120 days before effective date) (C)
Tuesday, March 1, 2022	Mail Notice to Member Partners of Approved Charges
Wednesday, March 23, 2022	DWSD – Local system adopted biennial budget due to GLWA (Water and Sewer Services Agreement 5.3b)
Sunday, May 1, 2022	DWSD – Local system provides direction to GLWA on how to apply lease payment (Water and Sewer Services Agreement 4.3)

Date	Activity
Friday, July 1, 2022	GLWA – Effective date of FY 2023 and FY 2024 Biennial Budget, FY 2023 Schedule of Charges, and FY 2023-2027 Capital Improvement Plan

(A) thru (D) - The above schedule is designed to meet applicable statutory and contractual requirements with excerpts shown below.

- A. **Uniform Budgeting and Accounting Act, Act 2 of 1968, Section 141.434**, “Before final passage of a general appropriations act by the legislative body, a public hearing shall be held as required by 1963 (2nd Ex Sess) PA 43, MCL 141.411 to 141.415, and the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.” (For purposes of Public Act 2, the GLWA Board is the legislative body.)
- B. **Budget Hearings of Local Governments, Act 43 of 1963 (2nd Ex. Sess.), Section 141.412**, “The local unit shall give notice of the hearing by publication in a newspaper of general circulation within the local unit at least 6 days before the hearing.” (For purposes of Public Act 2, the GLWA Board is a local unit.)
- C. **Home Rule City Act, Act 279 of 1909, Section 117.5e**, “Municipal water or sewage system; annual audit; public hearing before proposed rate increase. A municipal water or sewage system established by a city incorporated under this act which serves more than 40% of the population of the state shall:(b) Hold at least 1 public hearing at least 120 days before a proposed rate increase is scheduled to take effect. Each hearing shall be conducted in compliance with Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Notice of the time, date, and place of each hearing shall be given in the manner required by Act No. 267 of the Public Acts of 1976, shall be prominently printed in a daily newspaper of general circulation within the area, and shall be mailed to each city, village, or township served by the system not less than 30 days before each hearing. A final vote by the governing body of the city to implement a proposed rate increase shall not be taken until the hearings provided for in this subdivision are concluded and the results of those hearings are considered by the city's governing body.” (Emphasis added)

It should be noted that the Home Rule City Act does not apply to GLWA. It is relevant to GLWA’s planning cycle, however, as it is referenced in the *Wholesale Customer Model Water Contract* as noted below.

- D. **GLWA Wholesale Customer Model Water Contract Section 7.02** provides: “Notification of Rates. As soon as possible in the ratemaking process, the Board shall provide information on proposed rates and the draft data and information used in the calculation of proposed rates in a format that will enable Customer to assist in the ratemaking process. Not less than thirty calendar days prior to the hearing required by

Act 279, the Board shall provide Customer with written notice of a proposed rate and the underlying data used to calculate the rate. The Board shall meet with Customer to review the rate and the data.” (Emphasis added; Act 279 is the Home Rule City Act noted above.) As a result of the model contract language, the result is that the Public Hearing should be scheduled no later than March 3rd of each year.

GLWA

Great Lakes Water Authority



Section 2

Core Financial Plan Schedules

Core Financial Plan Schedules

The Great Lakes Water Authority budget is presented for the two major funds, water and sewage disposal, utilizing five key schedules to depict the Core Financial Plan. The schedules present the Biennial Budget for FY 2023 and FY 2024 within the context of a five-year financial plan for FY 2023 through FY 2027. Those schedules are listed below.

Variance columns in Section 2 are based on a comparison to the original Adopted FY 2022 budget. The original budget is what is used to compute charges for the fiscal year. This is the framework from which the 4% revenue requirement commitment is derived.

Schedule 1 – Revenue requirement

This schedule summarizes the Authority's direct costs of operations and maintenance plus its "allocable" share of debt and other long-term liabilities. These amounts establish the basis for revenue requirement and customer charges.

Schedule 2 – Operations & Maintenance Expenses Budget

This schedule, and the related analysis, provide an overview of the operations & maintenance (O&M) expenses budget. Additional analysis of the O&M budgets is presented in the **Section 3 – Operating Financial Plans**.

Schedule 3* – Sources of Revenues and Use of Revenue requirement – Flow of Funds Basis Consistent with the Master Bond Ordinance

This schedule is most important for stakeholders that want to understand the Authority's financial plan as it relates to payment of outstanding debt, other long-term commitments, and compliance with lease terms and the Master Bond Ordinance (MBO). This schedule demonstrates alignment of the financial plan with the MBO flow of funds for the regional and local system combined.

Schedule 4* – Debt Service Coverage Calculations Consistent with the Master Bond Ordinance

Debt service coverage is a key measure of financial sustainability. This schedule demonstrates how debt service coverage is calculated and how the combined local and regional system revenues provide for payment of outstanding bond obligations.

Schedule 5 – Improvement & Extension Funds and Construction Funds

The GLWA has an Improvement & Extension Fund (I&E) and a Construction Fund for each system. Inflows to the I&E Fund represent revenues in excess of expenses. Building the I&E Fund over time is a key financial objective of GLWA to reducing reliance on revenue bonds. Inflows to the Construction Funds include proceeds from the sale of bonds and investment income on those funds. Outflows are for the costs of constructing capital assets.

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.

Schedule 1 – Revenue requirement

The proposed FY 2023 water revenue requirement of \$356.1 million represents a budget (annual revenue requirement) increase of 3.5% from the prior year. The proposed FY 2023 sewer revenue requirement of \$487.3 million represents a budget (annual revenue requirement) increase of 2.5% from the prior year. This is within the required 4% ceiling for both systems in alignment with management's commitment which was further memorialized in the Memorandum of Understanding that established the regional authority for the first ten years of operations.

Schedule 1A – Water System Revenue Requirement Biennial Budget

	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2024 Dollar Variance	FY 2024 Percent Variance
Water System Revenue Requirements								
Revenues								
Revenues from Charges	\$ 342,808,200	\$340,408,200	\$354,946,100	\$ 12,137,900	3.5%	\$ 366,527,400	\$ 11,581,300	3.3%
Other Operating Revenue	175,000	175,000	175,000	-	0.0%	175,000	-	0.0%
Non-Operating Revenue	1,047,300	1,547,300	950,500	(96,800)	-9.2%	1,831,700	881,200	92.7%
Total Revenues	344,030,500	342,130,500	\$356,071,600	\$ 12,041,100	3.5%	\$368,534,100	\$ 12,462,500	3.5%
Revenue Requirements								
Operations & Maintenance (O&M) Expense	\$ 143,933,800	\$143,933,800	\$144,847,700	\$ 913,900	0.6%	\$ 148,707,300	\$ 3,859,600	2.7%
General Retirement System Legacy Pension	6,048,000	6,048,000	6,048,000	-	0.0%	-	(6,048,000)	-100.0%
Debt Service	135,481,000	135,121,000	150,337,100	14,856,100	11.0%	159,237,000	8,899,900	5.9%
General Retirement System Accelerated Pension	6,268,300	6,268,300	6,268,300	-	0.0%	3,647,500	(2,620,800)	-41.8%
Water Residential Assistance Program Contribution	1,705,500	1,705,500	1,770,500	65,000	3.8%	1,842,700	72,200	4.1%
Regional System Lease	22,500,000	22,500,000	22,500,000	-	0.0%	22,500,000	-	0.0%
Improvement & Extension Fund Transfer Pending	28,093,900	26,553,900	24,300,000	(3,793,900)	-13.5%	32,599,600	8,299,600	34.2%
Annual Water System Revenue Requirements	\$ 344,030,500	\$342,130,500	\$356,071,600	\$ 12,041,100	3.5%	\$ 368,534,100	\$ 12,462,500	3.5%

Schedule 1B – Water System Revenue requirement – Five-Year Financial Plan

	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Water System Revenue Requirements							
Revenues							
Revenues from Charges	\$ 342,808,200	\$340,408,200	\$354,946,100	\$366,527,400	\$ 377,369,800	\$ 388,663,000	\$402,515,800
Other Operating Revenue	175,000	175,000	175,000	175,000	175,000	175,000	175,000
Non-Operating Revenue	1,047,300	1,547,300	950,500	1,831,700	3,888,000	5,944,900	5,909,500
Total Revenues	344,030,500	342,130,500	\$356,071,600	\$368,534,100	\$ 381,432,800	\$394,782,900	\$408,600,300
Revenue Requirements							
Operations & Maintenance (O&M) Expense	\$ 143,933,800	\$143,933,800	\$144,847,700	\$148,707,300	\$ 154,338,200	\$ 155,636,900	\$159,155,500
General Retirement System Legacy Pension	6,048,000	6,048,000	6,048,000	-	-	-	-
Debt Service	135,481,000	135,121,000	150,337,100	159,237,000	170,589,900	180,955,100	185,569,700
General Retirement System Accelerated Pension	6,268,300	6,268,300	6,268,300	3,647,500	4,425,300	4,394,200	4,219,400
Water Residential Assistance Program Contribution	1,705,500	1,705,500	1,770,500	1,842,700	1,907,200	1,973,900	2,043,000
Regional System Lease	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000
Improvement & Extension Fund Transfer Pending	28,093,900	26,553,900	24,300,000	32,599,600	27,672,200	29,322,800	35,112,700
Annual Water System Revenue Requirements	\$ 344,030,500	\$342,130,500	\$356,071,600	\$368,534,100	\$ 381,432,800	\$ 394,782,900	\$408,600,300

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.



Schedule 1C – Sewer System Revenue Requirement Biennial Budget

Sewer System Revenue Requirements	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2024 Dollar Variance	FY 2024 Percent Variance
Revenues								
Revenues from Charges	\$ 474,005,900	\$471,005,900	\$485,760,000	\$ 11,754,100	2.5%	\$ 496,787,900	\$ 11,027,900	2.3%
Other Operating Revenue	400,000	400,000	400,000	-	0.0%	400,000	-	0.0%
Non-Operating Revenue	1,023,300	1,523,300	1,154,900	131,600	12.9%	2,309,900	1,155,000	100.0%
Total Revenues	475,429,200	472,929,200	\$487,314,900	\$ 11,885,700	2.5%	\$499,497,800	\$ 12,182,900	2.5%
Revenue Requirements								
Operations & Maintenance (O&M) Expense	\$ 181,299,800	\$181,299,800	\$187,052,600	\$ 5,752,800	3.2%	\$ 192,419,100	\$ 5,366,500	2.9%
General Retirement System Legacy Pension	10,824,000	10,824,000	10,824,000	-	0.0%	-	(10,824,000)	-100.0%
Debt Service	207,209,500	204,984,500	205,638,100	(1,571,400)	-0.8%	220,662,100	15,024,000	7.3%
General Retirement System Accelerated Pension	11,620,700	11,620,700	11,620,700	-	0.0%	6,930,300	(4,690,400)	-40.4%
Water Residential Assistance Program Contribution	2,358,300	2,358,300	2,423,800	65,500	2.8%	2,497,500	73,700	3.0%
Regional System Lease	27,500,000	27,500,000	27,500,000	-	0.0%	27,500,000	-	0.0%
Improvement & Extension Fund Transfer Pending	34,616,900	34,341,900	42,255,700	7,638,800	22.1%	49,488,800	7,233,100	17.1%
Annual Sewer System Revenue Requirements	\$ 475,429,200	\$472,929,200	\$487,314,900	\$ 11,885,700	2.5%	\$ 499,497,800	\$ 12,182,900	2.5%

Schedule 1D – Sewer System Revenue Requirement – Five-Year Financial Plan

Sewer System Revenue Requirements	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Revenues							
Revenues from Charges	\$ 474,005,900	\$471,005,900	\$485,760,000	\$496,787,900	\$ 506,968,600	\$ 517,455,700	\$530,569,100
Other Operating Revenue	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Non-Operating Revenue	1,023,300	1,523,300	1,154,900	2,309,900	4,616,600	6,929,100	6,935,300
Total Revenues	475,429,200	472,929,200	\$487,314,900	\$499,497,800	\$ 511,985,200	\$524,784,800	\$537,904,400
Revenue Requirements							
Operations & Maintenance (O&M) Expense	\$ 181,299,800	\$181,299,800	\$187,052,600	\$192,419,100	\$ 193,561,800	\$ 196,786,700	\$200,011,500
General Retirement System Legacy Pension	10,824,000	10,824,000	10,824,000	-	-	-	-
Debt Service	207,209,500	204,984,500	205,638,100	220,662,100	212,468,500	214,204,100	221,024,900
General Retirement System Accelerated Pension	11,620,700	11,620,700	11,620,700	6,930,300	8,679,800	8,609,800	8,216,700
Water Residential Assistance Program Contribution	2,358,300	2,358,300	2,423,800	2,497,500	2,559,900	2,623,900	2,689,500
Regional System Lease	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000
Operating Reserve Deposit	-	-	-	-	-	-	-
DWSD Budget Shortfall/(Surplus) Pending	-	-	-	-	-	-	-
Improvement & Extension Fund Transfer Pending	34,616,900	34,341,900	42,255,700	49,488,800	67,215,200	75,060,300	78,461,800
Annual Sewer System Revenue Requirements	\$ 475,429,200	\$472,929,200	\$487,314,900	\$499,497,800	\$ 511,985,200	\$ 524,784,800	\$537,904,400

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.

Schedule 1E – Combined Water and Sewer System Revenue Requirement Biennial Budget

Combined Water & Sewer System Revenue Requirements	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2024 Dollar Variance	FY 2024 Percent Variance
Revenues								
Revenues from Charges	\$ 816,814,100	\$811,414,100	\$840,706,100	\$ 23,892,000	2.9%	\$ 863,315,300	\$ 22,609,200	2.7%
Other Operating Revenue	575,000	575,000	575,000	-	0.0%	575,000	-	0.0%
Non-Operating Revenue	2,070,600	3,070,600	2,105,400	34,800	1.7%	4,141,600	2,036,200	96.7%
Total Revenues	819,459,700	\$815,059,700	\$843,386,500	\$ 23,926,800	2.9%	\$868,031,900	\$ 24,645,400	2.9%
Revenue Requirements								
Operations & Maintenance (O&M) Expense	\$ 325,233,600	\$325,233,600	\$331,900,300	\$ 6,666,700	2.0%	\$ 341,126,400	\$ 9,226,100	2.8%
General Retirement System Legacy Pension	16,872,000	16,872,000	16,872,000	-	0.0%	-	(16,872,000)	-100.0%
Debt Service	342,690,500	340,105,500	355,975,200	13,284,700	3.9%	379,899,100	23,923,900	6.7%
General Retirement System Accelerated Pension	17,889,000	17,889,000	17,889,000	-	0.0%	10,577,800	(7,311,200)	-40.9%
Water Residential Assistance Program Contribution	4,063,800	4,063,800	4,194,300	130,500	3.2%	4,340,200	145,900	3.5%
Regional System Leases	50,000,000	50,000,000	50,000,000	-	0.0%	50,000,000	-	0.0%
Improvement & Extension Fund Transfer Pending	62,710,800	60,895,800	66,555,700	3,844,900	6.1%	82,088,400	15,532,700	23.3%
Annual Revenue Requirements	\$ 819,459,700	\$815,059,700	\$843,386,500	\$ 23,926,800	2.9%	\$ 868,031,900	\$ 24,645,400	2.9%

Schedule 1F – Combined Water and Sewer System Revenue Requirement – Five-Year Financial Plan

Combined Water & Sewer System Revenue Requirements	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Revenues							
Revenues from Charges	\$ 816,814,100	\$811,414,100	\$840,706,100	\$863,315,300	\$ 884,338,400	\$ 906,118,700	\$933,084,900
Other Operating Revenue	575,000	575,000	575,000	575,000	575,000	575,000	575,000
Non-Operating Revenue	2,070,600	3,070,600	2,105,400	4,141,600	8,504,600	12,874,000	12,844,800
Total Revenues	819,459,700	\$815,059,700	\$843,386,500	\$868,031,900	\$ 893,418,000	\$919,567,700	\$946,504,700
Revenue Requirements							
Operations & Maintenance (O&M) Expense	\$ 325,233,600	\$325,233,600	\$331,900,300	\$341,126,400	\$ 347,900,000	\$ 352,423,600	\$359,167,000
General Retirement System Legacy Pension	16,872,000	16,872,000	16,872,000	-	-	-	-
Debt Service	342,690,500	340,105,500	355,975,200	379,899,100	383,058,400	395,159,200	406,594,600
General Retirement System Accelerated Pension	17,889,000	17,889,000	17,889,000	10,577,800	13,105,100	13,004,000	12,436,100
Water Residential Assistance Program Contribution	4,063,800	4,063,800	4,194,300	4,340,200	4,467,100	4,597,800	4,732,500
Regional System Leases	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Improvement & Extension Fund Transfer Pending	62,710,800	60,895,800	66,555,700	82,088,400	94,887,400	104,383,100	113,574,500
Annual Revenue Requirements	\$ 819,459,700	\$815,059,700	\$843,386,500	\$868,031,900	\$ 893,418,000	\$ 919,567,700	\$946,504,700

Schedule 2 – Operations & Maintenance Expense Budget

The following schedules in section 2 provide an overview of the operations & maintenance (O&M) expenses budget in three different ways: a) by expense type, b) by service area, and c) by fund. More in-depth analysis of the O&M budgets is presented on the Operating Area Financial Plans in **Section 3 – Operating Financial Plans** and **Section 4 – Supplemental Analysis***.

Operations and Maintenance Budget by Expense Type: Schedules 2A and 2B identify the major categories of expenses and the variance from the prior year for FY 2023 and FY 2024. A commentary of the major categories follows the table on the next page.

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.



Schedule 2A – Operations & Maintenance Expense by Expense Type (Water and Sewer Combined) – Biennial Budget

	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2024 Dollar Variance	FY 2024 Percent Variance
Operations & Maintenance Expense								
2.1 Salaries & Wages	\$ 71,970,000	\$ 71,001,100	\$ 75,760,200	\$ 3,790,200	5.3%	\$ 80,648,900	\$ 4,888,700	1.2%
2.2 Workforce Development	976,700	976,700	1,801,900	825,200	84.5%	1,874,600	72,700	0.0%
2.3 Overtime	6,954,500	6,897,500	6,891,200	(63,300)	-0.9%	6,838,900	(52,300)	0.2%
2.4 Employee Benefits	27,134,500	26,829,400	30,087,300	2,952,800	10.9%	32,505,800	2,418,500	3.0%
2.5 Transition Services	8,401,700	8,296,100	7,603,700	(798,000)	-9.5%	7,603,700	-	2.9%
Total Personnel Costs	115,437,400	114,000,800	122,144,300	6,706,900	5.8%	129,471,900	7,327,600	6.0%
3.1 Electric	39,633,300	39,633,300	39,966,000	332,700	0.8%	40,151,000	185,000	0.7%
3.2 Gas	5,565,600	5,565,600	5,791,300	225,700	4.1%	5,861,800	70,500	1.6%
3.3 Sewage Service	2,079,100	2,079,100	2,268,400	189,300	9.1%	2,295,100	26,700	1.2%
3.4 Water Service	3,120,000	3,120,000	2,981,700	(138,300)	-4.4%	3,036,800	55,100	1.9%
Total Utilities Costs	50,398,000	50,398,000	51,007,400	609,400	1.2%	51,344,700	337,300	0.7%
4.1 Chemicals	16,044,300	16,044,300	16,118,600	74,300	0.5%	16,211,400	92,800	1.0%
4.2 Supplies & Other	35,024,800	36,082,000	35,358,100	333,300	1.0%	35,449,500	91,400	-2.5%
4.3 Contractual Services	103,375,700	104,834,700	105,299,200	1,923,500	1.9%	106,326,500	1,027,300	1.0%
5.1 Capital Program Allocation	(3,471,000)	(3,471,000)	(4,376,200)	(905,200)	26.1%	(5,419,400)	(1,043,200)	0.4%
5.2 Shared Services	(1,892,500)	(2,775,700)	(2,925,000)	(1,032,500)	54.6%	(2,977,100)	(52,100)	-47.9%
6.0 Capital Outlay	3,534,900	3,534,900	2,814,500	(720,400)	-20.4%	2,972,500	158,000	5.6%
7.0 Unallocated Reserve	6,782,000	6,585,600	6,459,400	(322,600)	-4.8%	7,746,400	1,287,000	30.7%
Total Other Categories	159,398,200	160,834,800	158,748,600	(649,600)	-0.4%	160,309,800	1,561,200	1.0%
Grand Total	\$325,233,600	\$325,233,600	\$331,900,300	\$ 6,666,700	2.0%	\$341,126,400	\$ 9,226,100	2.8%

Schedule 2B – Operations & Maintenance Expense by Expense Type (Water and Sewer Combined) – Five-Year Financial Plan

	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Operations & Maintenance Expense							
2.1 Salaries & Wages	\$ 71,970,000	\$ 71,001,100	\$ 75,760,200	\$ 80,648,900	\$ 81,587,000	\$ 82,025,100	\$ 82,025,100
2.2 Workforce Development	976,700	976,700	1,801,900	1,874,600	1,874,600	1,874,600	1,874,600
2.3 Overtime	6,954,500	6,897,500	6,891,200	6,838,900	6,862,600	6,866,900	6,868,300
2.4 Employee Benefits	27,134,500	26,829,400	30,087,300	32,505,800	33,446,100	34,231,100	34,863,900
2.5 Transition Services	8,401,700	8,296,100	7,603,700	7,603,700	7,603,700	7,603,700	7,603,700
Total Personnel Costs	115,437,400	114,000,800	122,144,300	129,471,900	131,374,000	132,601,400	133,235,600
3.1 Electric	39,633,300	39,633,300	39,966,000	40,151,000	40,152,000	40,403,100	40,659,100
3.2 Gas	5,565,600	5,565,600	5,791,300	5,861,800	5,862,300	5,956,800	6,053,400
3.3 Sewage Service	2,079,100	2,079,100	2,268,400	2,295,100	2,295,800	2,329,500	2,363,300
3.4 Water Service	3,120,000	3,120,000	2,981,700	3,036,800	3,083,900	3,144,000	3,205,100
Total Utilities Costs	50,398,000	50,398,000	51,007,400	51,344,700	51,394,000	51,833,400	52,280,900
4.1 Chemicals	16,044,300	16,044,300	16,118,600	16,211,400	16,306,100	16,387,100	16,471,200
4.2 Supplies & Other	35,024,800	36,082,000	35,358,100	35,449,500	36,096,700	36,770,100	37,121,500
4.3 Contractual Services	103,375,700	104,834,700	105,299,200	106,326,500	110,000,700	108,600,200	110,750,500
5.1 Capital Program Allocation	(3,471,000)	(3,471,000)	(4,376,200)	(5,419,400)	(6,415,700)	(6,871,500)	(6,903,200)
5.2 Shared Services	(1,892,500)	(2,775,700)	(2,925,000)	(2,977,100)	(3,029,900)	(3,083,800)	(3,139,100)
6.0 Capital Outlay	3,534,900	3,534,900	2,814,500	2,972,500	3,031,900	3,092,400	3,154,200
7.0 Unallocated Reserve	6,782,000	6,585,600	6,459,400	7,746,400	9,142,200	13,094,300	16,195,400
Total Other Categories	159,398,200	160,834,800	158,748,600	160,309,800	165,132,000	167,988,800	173,650,500
Grand Total	\$325,233,600	\$325,233,600	\$331,900,300	\$341,126,400	\$347,900,000	\$352,423,600	\$359,167,000

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.

Personnel Costs are the single largest category of expenses. It includes traditional categories (salaries & wages, overtime, and benefits) in addition to two unique categories. The first is “Contractual Transition Services” which represents the use of contractual and/or temp to hire personnel that are placed in positions that would otherwise be filled by employees. While progress has been made in filling several positions, the tight labor market has presented a challenge in the recruitment process. The second category listed in the table is “Workforce Development”. In order to overcome the labor shortage, the GLWA partnered with Focus Hope and others to implement an apprenticeship program during the latter half of FY 2017. This program, having received positive feedback, will be continued in future years.

Utilities costs are the third largest expense and are a strategic target for optimization through energy management efforts and improved review of billings. See further analysis of utilities in **Section 4 – Supplemental Analysis (Utilities)***.

Contractual Services are the second largest expense. This is not unusual for a large utility like the GLWA. This is a broad category that spans all groups from engineering, legal, operations, planning, information technology, and finance.

Capital Program Allocation denotes a portion of O&M expenses that are properly allocable to capital improvement projects based on staff time and task tracking. These costs are capitalized as part of the construction project.

Shared Services accounts for recoverable O&M costs pursuant to a shared services agreement executed in December 2015 with the City of Detroit. Shared services largely fall in the Information Technology, Systems Operations Control, Security, and Treasury budgets. See further analysis of shared services in **Section 4 – Supplemental Analysis (Shared Services)***.

Capital Outlay (O&M) are for equipment and tools, over \$5,000, that are tagged and tracked for internal control purposes and are not capitalized as an asset. See further analysis of the Capital Outlay Plan in **Section 6 – Capital Investment***.

Unallocated Reserve reflects a reserve for unforeseen operational needs which are reallocated to line items as need. This eliminates the need for contingency funds within individual cost center line items and provides assurance to operators that sufficient funds exist if emergencies arise. Uses of the unallocated reserve in the past include emergency repairs, new initiatives, mid fiscal medical plan increases, revenue shortfalls, and items not known at the time of the budgeting process. The provision for wage adjustments, which are based on merit, can also be funded from this category.

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Operations and Maintenance Budget by Service Area: Schedules 2C and 2D depict how similar cost centers are grouped and managed by the GLWA. There are four broad categories as listed and defined below.

- A) **Water System Operations** are the direct operational activities to ensure the delivery of quality water, operation of five water treatment plants, 19 pumping stations, engineering, laboratory services, and management of those activities.
- B) **Wastewater (Sewer) System Operations** include direct operational wastewater activities related to operations (process control, primary, secondary, dewatering, and incineration), biosolids dryer facility and hauling, engineering, industrial waste control, laboratory services, one water resource recovery facility, eight combined sewer overflow facilities, six pumping stations, and management of those facilities. In addition, GLWA maintains four pumping stations and one Combined Sewer Overflow (CSO) facility on behalf of DWSD pursuant to a shared service agreement.
- C) **Centralized Services** include operational functions that serve both Water and Wastewater (Sewer) Operations. This includes Planning Services (Chief Planning Officer, Systems Planning, Systems Analytics, Asset Management, and Capital Improvement Planning); Systems Control; Facility and Fleet Operations; Field Service Operations; Energy, Research & Innovation; Transformation; Information Technology (Office of the Chief Information Officer, Project Management, Service Delivery, Infrastructure, Business Productivity Systems, Enterprise Asset Management Systems, and Security & Risk); and Security & Integrity/HazMat.
- D) **Administrative Services** include the Board of Directors, Chief Executive Officer, Chief Administrative and Compliance Officer (Risk Management & Safety), General Counsel, Public Affairs, Organizational Development, and Financial Services (Chief Financial Officer, Financial Reporting & Accounting, Financial Management & Planning, CFO Services, Treasury, Public Finance, Procurement, Logistics & Materials).

The Centralized and Administrative Services areas act as an internal shared service to better manage resources and technical expertise. A supplemental section of this financial plan document, **Section 4 – Supplemental Analysis (Centralized & Admin Services Allocation)***, explains the cost allocation methodology. A review of the cost allocation methodology is conducted annually.

Schedules 2C and 2D, below, present the categorization of O&M expenses by the four major categories defined above.

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.

Schedule 2C – Operations & Maintenance Biennial Budget by Service Area

Operating Area	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2024 Dollar Variance	FY 2024 Percent Variance
A Water System Operations	\$ 74,813,000	\$ 74,813,000	\$ 76,309,300	\$ 1,496,300	2.0%	\$ 77,835,400	\$ 1,526,100	2.0%
B Sewer System Operations	111,971,400	111,971,400	114,785,600	2,814,200	2.5%	117,466,100	2,680,500	2.3%
C Centralized Services	103,845,900	103,845,900	105,405,300	1,559,400	1.5%	109,235,600	3,830,300	3.6%
D Administrative Services	34,603,300	34,603,300	35,400,100	796,800	2.3%	36,589,300	1,189,200	3.4%
Grand Total	\$325,233,600	\$325,233,600	\$ 331,900,300	\$ 6,666,700	2.0%	\$341,126,400	\$ 9,226,100	2.8%

Schedule 2D – Operations & Maintenance Five-Year Financial Plan by Service Area

Operating Area	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
A Water System Operations	\$ 74,813,000	\$ 74,813,000	\$ 76,309,300	\$ 77,835,400	\$ 79,392,200	\$ 80,980,000	\$ 82,599,600
B Sewer System Operations	111,971,400	111,971,400	114,785,600	117,466,100	118,476,500	120,625,100	123,079,400
C Centralized Services	103,845,900	103,845,900	105,405,300	109,235,600	113,061,400	113,555,400	115,534,400
D Administrative Services	34,603,300	34,603,300	35,400,100	36,589,300	36,969,900	37,263,100	37,953,600
Grand Total	\$325,233,600	\$325,233,600	\$ 331,900,300	\$ 341,126,400	\$ 347,900,000	\$352,423,600	\$ 359,167,000

Operations and Maintenance Budget by Fund: After the Centralized and Administrative Services are allocated to the water and sewage disposal operations funds, the result of the above costs being allocated is shown below in Schedules 2E and 2F. The O&M expense with the Centralized and Administrative Services allocation agrees with **Schedule 1C – Revenue requirement Budget** which is the basis for O&M expenses reflected in customer charges.

Schedule 2E – Operations & Maintenance Expense by Fund with Centralized & Administrative Services Allocated – Biennial Budget

System	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2024 Dollar Variance	FY 2024 Percent Variance
Water	\$143,933,800	\$143,933,800	\$ 144,847,700	\$ 913,900	0.6%	\$148,707,300	\$ 3,859,600	2.7%
Wastewater	181,299,800	181,299,800	187,052,600	5,752,800	3.2%	192,419,100	5,366,500	2.9%
Grand Total	\$325,233,600	\$325,233,600	\$ 331,900,300	\$ 6,666,700	2.0%	\$341,126,400	\$ 9,226,100	2.8%

Schedule 2F – Operations & Maintenance Expense by Fund with Centralized & Administrative Services Allocated – Five-Year Financial Plan

System	FY 2022 Adopted Budget	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Water	\$143,933,800	\$143,933,800	\$ 144,847,700	\$ 148,707,300	\$ 154,338,200	\$155,636,900	\$ 159,155,500
Wastewater	181,299,800	181,299,800	187,052,600	192,419,100	193,561,800	196,786,700	200,011,500
Grand Total	\$325,233,600	\$325,233,600	\$ 331,900,300	\$ 341,126,400	\$ 347,900,000	\$352,423,600	\$ 359,167,000

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.

Schedule 3 – Sources of Revenues and Uses of Revenues – Flow of Funds Consistent with the Master Bond Ordinance – This is a placeholder for this schedule*.

Schedule 4 – Debt Service Coverage Calculations Consistent with the Master Bond Ordinance – This is a placeholder for this schedule*.

Schedule 5 – Improvement & Extension Funds and Construction Bond Funds

Improvement & Extension Funds: The tables on the following pages present the FY 2023 and FY 2024 biennial budgets and five-year financial plan for the separate Improvement & Extension (I&E) Funds for the water and sewer systems. See also **Section 6 – Capital Investment***.

Inflows to the I&E Fund

- ❖ Transfers from the Revenue Receipts Fund in accordance with the Master Bond Ordinance and Financial Plan
- ❖ DWSD budget shortfall loan payments in accordance with a 2018 Memorandum of Understanding
- ❖ Interest earned on the I&E funds is returned to the flow of funds monthly as required by the Master Bond Ordinance.

Outflows from the I&E Fund

- ❖ Capital outlay funding (generally non-construction capital outlay such as machinery, equipment, vehicles, and systems)
- ❖ Transfers to the Construction Fund for capital improvement plan projects to reduce the need of new revenue bonds and/or flexibility in timing for new bonds.

Schedule 5A – Water Improvement & Extension Fund

Inflows & Outflows	FY 2022 Estimated	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Water Improvement & Extension Fund						
Water System Revenue Transfers In	\$ 26,553,900	\$ 24,300,000	\$ 32,599,600	\$ 27,672,200	\$ 29,322,800	\$ 35,112,700
Earnings on Investments, Net	-	-	-	-	-	-
Capital Outlay	(17,006,600)	(15,452,600)	(13,403,600)	(10,379,900)	(9,626,700)	(9,007,600)
Revenue Financed Capital - Operating						
Transfer to Construction Fund	(106,836,800)	(28,735,400)	(18,221,400)	(17,914,700)	(20,159,900)	(26,149,600)
Increase (Decrease) in I&E Reserves	\$ (97,289,500)	\$ (19,888,000)	\$ 974,600	\$ (622,400)	\$ (463,800)	\$ (44,500)
Beginning Year Net Position	207,475,000	110,185,500	90,297,500	91,272,100	90,649,700	90,185,900
Projected Ending Net Position	\$ 110,185,500	\$ 90,297,500	\$ 91,272,100	\$ 90,649,700	\$ 90,185,900	\$ 90,141,400

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.

Schedule 5B – Sewer Improvement & Extension Fund

Inflows & Outflows	FY 2022 Estimated	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Sewer Improvement & Extension Fund						
Sewer System Revenue Transfers In	\$ 34,341,900	\$ 42,255,700	\$ 49,488,800	\$ 67,215,200	\$ 75,060,300	\$ 78,461,800
Receipt of DWSO Shortfall Loan Interest	406,400	-	-	-	-	-
Earnings on Investments, Net	-	-	-	-	-	-
Capital Outlay	(15,965,100)	(18,447,100)	(11,610,500)	(8,106,700)	(8,671,900)	(10,256,600)
Revenue Financed Capital - Operating						
Transfer to Construction Fund	(47,953,800)	(26,444,900)	(38,173,500)	(58,839,200)	(66,826,700)	(68,348,000)
Increase (Decrease) in I&E Reserves	\$ (29,170,600)	\$ (2,636,300)	\$ (295,200)	\$ 269,300	\$ (438,300)	\$ (142,800)
Beginning Year Net Position	122,385,000	93,214,400	90,578,100	90,282,900	90,552,200	90,113,900
Projected Ending Net Position	\$ 93,214,400	\$ 90,578,100	\$ 90,282,900	\$ 90,552,200	\$ 90,113,900	\$ 89,971,100

Construction Funds: The tables below present the FY 2023 and FY 2024 biennial budgets and five-year financial plan for the separate Construction Funds for the water and sewage disposal systems. See also **Section 6 – Capital Investment***.

Inflows to the Construction Fund

- ❖ Transfers from the Improvement & Extension Fund for capital improvement plan projects and reduction of new revenue bonds
- ❖ Issuance of new bonds
- ❖ Interest earned on investments

Outflows from the Construction Fund

- ❖ Capital Improvement Plan projects and other large capital initiatives authorized by the Chief Executive Officer
 - Capital Spend Rate Adjustment – 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.
 - The GLWA Capital Improvement Plan document is available online at <https://www.glwater.org/CIP/>

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.

Schedule 5C – Water Construction Fund

Inflows & Outflows	FY 2022 Estimated	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Water Construction Fund						
Transfers from Improvement & Extension Fund	\$ 106,836,800	\$ 28,735,400	\$ 18,221,400	\$ 17,914,700	\$ 20,159,900	\$ 26,149,600
Bond Proceeds, Net	175,750,000	-	-	256,500,000	-	261,250,000
Bond Fund Earnings on Investments	67,500	128,800	365,900	1,199,400	1,309,400	1,088,600
Grant Revenues (SRF Loans)	36,527,000	54,992,000	59,446,000	21,442,000	2,400,000	22,505,000
Total Inflows	319,181,300	83,856,200	78,033,300	297,056,100	23,869,300	310,993,200
Capital Improvement Plan	(179,210,000)	(196,693,000)	(227,768,000)	(223,934,000)	(176,999,000)	(151,870,000)
Capital Spend Rate Adjustment	35,842,000	39,339,000	45,554,000	44,787,000	35,400,000	30,374,000
Net Project Expenditures	(143,368,000)	(157,354,000)	(182,214,000)	(179,147,000)	(141,599,000)	(121,496,000)
Increase (Decrease) in Construction Funds	\$ 175,813,300	\$ (73,497,800)	\$ (104,180,700)	\$ 117,909,100	\$ (117,729,700)	\$ 189,497,200
Beginning Year Net Position	12,438,000	188,251,300	114,753,500	10,572,800	128,481,900	10,752,200
Projected Ending Net Position	\$ 188,251,300	\$ 114,753,500	\$ 10,572,800	\$ 128,481,900	\$ 10,752,200	\$ 200,249,400

The Net Project Expenditures, as well as other amounts on the above schedule, are subject to change due to final CIP modifications.

Schedule 5D – Sewer Construction Fund

Inflows & Outflows	FY 2022 Estimated	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Sewer Construction Fund						
Transfers from Improvement & Extension Fund	\$ 47,953,800	\$ 26,444,900	\$ 38,173,500	\$ 58,839,200	\$ 66,826,700	\$ 68,348,000
Bond Proceeds, Net	137,750,000	-	-	104,500,000	-	123,500,000
Bond Fund Earnings on Investments	96,000	86,200	256,600	581,600	396,900	388,100
Grant Revenues (SRF Loans)	14,149,000	18,720,000	10,247,000	9,785,000	15,357,000	7,198,000
Total Inflows	199,948,800	45,251,100	48,677,100	173,705,800	82,580,600	199,434,100
Capital Improvement Plan	(106,050,000)	(125,932,000)	(162,313,000)	(184,523,000)	(157,689,000)	(131,307,000)
Capital Spend Rate Adjustment	26,512,000	31,483,000	40,578,000	46,131,000	39,422,000	32,827,000
Net Project Expenditures	(79,538,000)	(94,449,000)	(121,735,000)	(138,392,000)	(118,267,000)	(98,480,000)
Increase (Decrease) in Construction Funds	\$ 120,410,800	\$ (49,197,900)	\$ (73,057,900)	\$ 35,313,800	\$ (35,686,400)	\$ 100,954,100
Beginning Year Net Position	11,473,000	131,883,800	82,685,900	9,628,000	44,941,800	9,255,400
Projected Ending Net Position	\$ 131,883,800	\$ 82,685,900	\$ 9,628,000	\$ 44,941,800	\$ 9,255,400	\$ 110,209,500

The Net Project Expenditures, as well as other amounts on the above schedule, are subject to change due to final CIP modifications.

* Denotes a schedule that will be presented in Supplement #1 to this document to be issued in January 2022.

GLWA

Great Lakes Water Authority



Section 3

Operating Area Financial Plans



Operating Financial Plans Introduction

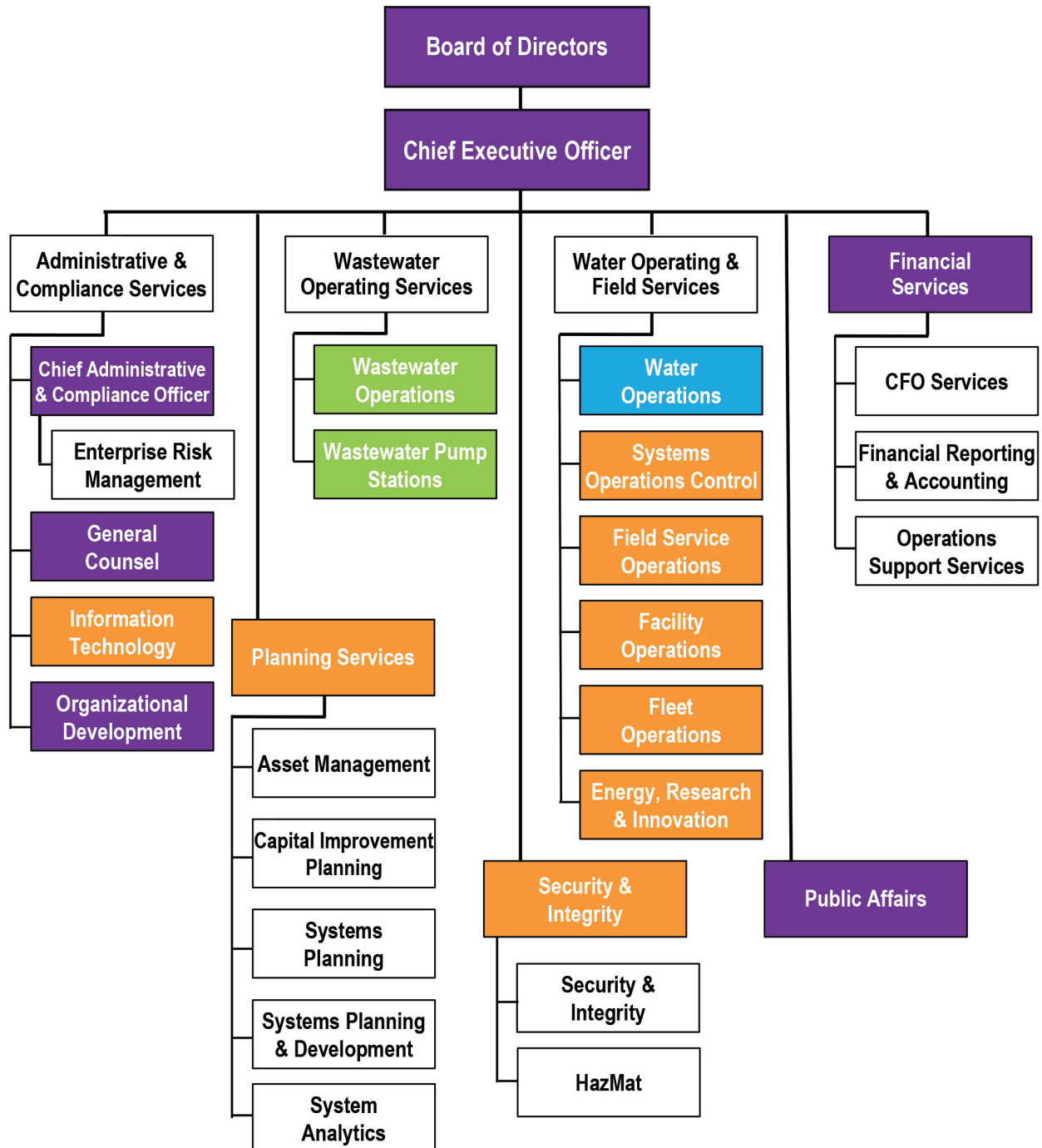
The GLWA's operating area financial plans provide the bridge from the operating units' objectives with the overall GLWA mission. The operating area plan also ensures that the organization is financially sound by aligning the allocation of resources across all levels of GLWA. This coordination requires a high level of preparation and interaction from both within and outside of the organization. Sound approaches to financial planning are imperative for ensuring long-term success in today's complex environment. The GLWA has prepared a balanced and responsible operating budget for fiscal years 2023 and 2024 and the forecasted financial plan for fiscal years 2025 through 2027.

As discussed in Section 2, the Operations and Maintenance budget has four service areas as shown in Schedule 2B. They include:

- A. Water System Operations
- B. Wastewater (Sewer) System Operations
- C. Centralized Services
- D. Administrative Services

The organization chart below shows each department and which service area that department's costs are allocated to.

Organizational Line of Reporting Chart



Budget Service Areas

- A. Water System Operations
- B. Wastewater (Sewer) System Operations
- C. Centralized Services
- D. Administrative Services



The tables below provide the detail expenses by cost center of the four service areas as shown in Schedules 2A and 2B.

A - Water System Operations Area and Related Cost Centers – Biennial Budget

A Water System Operations by Cost Center	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Water Operations						
882001 - COO - Water Operations & Field Services	\$ 494,000	\$ 276,600	\$ 877,000	\$ 383,000	77.5%	\$ 879,600
882101 - Water Director	1,835,400	573,300	1,940,400	105,000	5.7%	1,947,400
882111 - Water Engineering	1,501,700	492,400	1,750,100	248,400	16.5%	1,940,800
882121 - Water Quality	2,033,900	670,000	2,169,700	135,800	6.7%	2,173,900
882131 - Water Works Park	9,149,000	2,603,600	9,306,400	157,400	1.7%	9,324,500
882141 - Springwells Water Plant	13,715,100	3,814,500	13,629,900	(85,200)	-0.6%	13,648,300
882151 - Northeast Water Plant	10,873,700	4,911,200	10,673,000	(200,700)	-1.8%	10,690,900
882161 - Southwest Water Plant	9,898,600	4,728,400	9,897,000	(1,600)	0.0%	9,914,100
882171 - Lake Huron Water Plant	12,676,700	4,499,100	13,287,400	610,700	4.8%	13,303,900
887601 - Water System Operations Unallocated Reserves	1,798,800	-	2,075,800	277,000	15.4%	3,309,400
Total Water Operations	63,976,900	22,569,100	65,606,700	1,629,800	2.5%	67,132,800
Water Pump Stations						
882321 - Ford Rd Pumping Station	423,700	132,300	423,700	-	0.0%	423,700
882322 - Eastside Pumping Station	53,500	26,000	54,000	500	0.9%	54,000
882323 - Northwest Pumping Station	35,700	15,300	40,700	5,000	14.0%	40,700
882324 - West Service Center Pumping Station	798,700	326,700	747,700	(51,000)	-6.4%	747,700
882325 - Michigan Ave Pumping Station	105,700	36,500	105,700	-	0.0%	105,700
882326 - West Chicago Rd Pumping Station	37,000	5,200	32,000	(5,000)	-13.5%	32,000
882327 - Electric Ave Pumping Station	21,500	4,200	26,000	4,500	20.9%	26,000
882328 - Orion Township Pumping Station	73,500	26,600	73,000	(500)	-0.7%	73,000
882329 - North Service Center Pumping Station	2,461,000	681,700	2,295,000	(166,000)	-6.7%	2,295,000
882330 - Adams Road Pumping Station	605,000	293,300	605,000	-	0.0%	605,000
882331 - Newburgh Pumping Station	380,000	132,700	380,000	-	0.0%	380,000
882332 - Franklin Road Pumping Station	875,000	321,500	895,000	20,000	2.3%	895,000
882333 - Roseville Pumping Station	300	-	300	-	0.0%	300
882334 - Wick Road Pumping Station	605,500	217,600	605,500	-	0.0%	605,500
882335 - Joy Road Pumping Station	662,500	237,300	642,500	(20,000)	-3.0%	642,500
882336 - Schoolcraft Pumping Station	433,000	147,000	448,000	15,000	3.5%	448,000
882337 - Ypsilanti Pumping Station	384,000	177,100	384,000	-	0.0%	384,000
882338 - Imlay Pumping Station	2,405,000	1,055,300	2,415,000	10,000	0.4%	2,415,000
882339 - Rochester Pumping Station	218,000	191,800	272,000	54,000	24.8%	272,000
882340 - Haggerty Road Pumping Station	257,500	87,900	257,500	-	0.0%	257,500
Total Water Pump Stations	10,836,100	4,116,000	10,702,600	(133,500)	-1.2%	10,702,600
Grand Total	\$ 74,813,000	\$ 26,685,100	\$ 76,309,300	\$ 1,496,300	2.0%	\$ 77,835,400



A - Water System Operations Area and Related Cost Centers – Five-Year Financial Plan

	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
A Water System Operations by Cost Center							
Water Operations							
882001 - COO - Water Operations & Field Services	\$ 494,000	\$ 276,600	\$ 877,000	\$ 879,600	\$ 882,100	\$ 884,700	\$ 887,300
882101 - Water Director	1,835,400	573,300	1,940,400	1,947,400	1,954,400	1,961,400	1,967,400
882111 - Water Engineering	1,501,700	492,400	1,750,100	1,940,800	2,083,200	2,197,300	2,205,500
882121 - Water Quality	2,033,900	670,000	2,169,700	2,173,900	2,183,200	2,197,500	2,203,300
882131 - Water Works Park	9,149,000	2,603,600	9,306,400	9,324,500	9,342,700	9,360,800	9,378,900
882141 - Springwells Water Plant	13,715,100	3,814,500	13,629,900	13,648,300	13,667,100	13,685,800	13,704,500
882151 - Northeast Water Plant	10,873,700	4,911,200	10,673,000	10,690,900	10,708,800	10,726,700	10,744,500
882161 - Southwest Water Plant	9,898,600	4,728,400	9,897,000	9,914,100	9,931,100	9,948,100	9,965,100
882171 - Lake Huron Water Plant	12,676,700	4,499,100	13,287,400	13,303,900	13,320,500	13,337,000	13,353,600
887601 - Water System Operations Unallocated Reserves	1,798,800	-	2,075,800	3,309,400	4,616,500	5,978,100	7,486,900
Total Water Operations	63,976,900	22,569,100	65,606,700	67,132,800	68,689,600	70,277,400	71,897,000
Water Pump Stations							
882321 - Ford Rd Pumping Station	423,700	132,300	423,700	423,700	423,700	423,700	423,700
882322 - Eastside Pumping Station	53,500	26,000	54,000	54,000	54,000	54,000	54,000
882323 - Northwest Pumping Station	35,700	15,300	40,700	40,700	40,700	40,700	40,700
882324 - West Service Center Pumping Station	798,700	326,700	747,700	747,700	747,700	747,700	747,700
882325 - Michigan Ave Pumping Station	105,700	36,500	105,700	105,700	105,700	105,700	105,700
882326 - West Chicago Rd Pumping Station	37,000	5,200	32,000	32,000	32,000	32,000	32,000
882327 - Electric Ave Pumping Station	21,500	4,200	26,000	26,000	26,000	26,000	26,000
882328 - Orion Township Pumping Station	73,500	26,600	73,000	73,000	73,000	73,000	73,000
882329 - North Service Center Pumping Station	2,461,000	681,700	2,295,000	2,295,000	2,295,000	2,295,000	2,295,000
882330 - Adams Road Pumping Station	605,000	293,300	605,000	605,000	605,000	605,000	605,000
882331 - Newburgh Pumping Station	380,000	132,700	380,000	380,000	380,000	380,000	380,000
882332 - Franklin Road Pumping Station	875,000	321,500	895,000	895,000	895,000	895,000	895,000
882333 - Roseville Pumping Station	300	-	300	300	300	300	300
882334 - Wick Road Pumping Station	605,500	217,600	605,500	605,500	605,500	605,500	605,500
882335 - Joy Road Pumping Station	662,500	237,300	642,500	642,500	642,500	642,500	642,500
882336 - Schoolcraft Pumping Station	433,000	147,000	448,000	448,000	448,000	448,000	448,000
882337 - Ypsilanti Pumping Station	384,000	177,100	384,000	384,000	384,000	384,000	384,000
882338 - Imlay Pumping Station	2,405,000	1,055,300	2,415,000	2,415,000	2,415,000	2,415,000	2,415,000
882339 - Rochester Pumping Station	218,000	191,800	272,000	272,000	272,000	272,000	272,000
882340 - Haggerty Road Pumping Station	257,500	87,900	257,500	257,500	257,500	257,500	257,500
Total Water Pump Stations	10,836,100	4,116,000	10,702,600	10,702,600	10,702,600	10,702,600	10,702,600
Grand Total	\$ 74,813,000	\$ 26,685,100	\$ 76,309,300	\$ 77,835,400	\$ 79,392,200	\$ 80,980,000	\$ 82,599,600



B - Sewer System Operations Area and Related Cost Centers – Biennial Budget

	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
B Sewer System Operations by Cost Center						
Wastewater Operations Group						
892001 - Chief Operating Officer Wastewater	\$ 2,269,900	\$ 582,400	\$ 2,203,000	\$ (66,900)	-2.9%	\$ 1,819,600
892201 - Wastewater Director	7,519,100	2,797,300	8,065,400	546,300	7.3%	7,993,400
892211 - Wastewater Engineering	2,758,600	798,600	3,524,400	765,800	27.8%	3,593,600
892221 - Wastewater Operations	20,965,900	6,600,400	21,330,900	365,000	1.7%	21,812,800
892222 - Wastewater Process Control	4,500,400	786,300	3,758,200	(742,200)	-16.5%	4,107,200
892223 - Wastewater Primary Process	8,131,400	3,086,100	8,732,000	600,600	7.4%	8,979,400
892224 - Wastewater Secondary Process	10,348,200	3,862,800	10,531,400	183,200	1.8%	10,669,100
892225 - Wastewater Dewatering Process	6,356,800	2,206,700	6,305,000	(51,800)	-0.8%	6,582,700
892226 - Wastewater Incineration Process	6,117,400	1,561,300	6,835,200	717,800	11.7%	6,844,000
892227 - BDF, COF & Hauling	20,147,600	7,092,500	20,165,200	17,600	0.1%	20,540,500
892228 - Wastewater Fire Damage	627,800	12,500	-	(627,800)	-100.0%	-
892231 - Industrial Waste Control	2,473,600	817,700	2,539,200	65,600	2.7%	2,786,000
892235 - Wastewater Laboratories	3,832,200	1,061,300	3,840,300	8,100	0.2%	4,404,000
892269 - Suburban Only Green Infrastructure Allocation	1,450,000	-	1,450,000	-	0.0%	1,450,000
892270 - Combined Sewer Overflow	4,494,000	1,558,400	4,016,300	(477,700)	-10.6%	4,304,700
892271 - Puritan Fenkell Combined Sewer Overflow	306,500	64,300	295,800	(10,700)	-3.5%	299,600
892272 - 7 Mile Combined Sewer Overflow	164,100	31,000	186,400	22,300	13.6%	188,300
892273 - Hubble Southfield CSO	568,300	281,000	601,300	33,000	5.8%	611,200
892274 - Leib Combined Sewer Overflow	305,800	105,700	325,300	19,500	6.4%	371,300
892275 - St Aubin Combined Sewer Overflow	278,900	66,900	269,200	(9,700)	-3.5%	272,100
892276 - Connor Creek Combined Sewer Overflow	2,102,800	1,040,200	2,214,700	111,900	5.3%	2,292,600
892277 - Baby Creek Combined Sewer Overflow	972,800	444,100	1,217,700	244,900	25.2%	1,303,600
892278 - Oakwood Combined Sewer Overflow	1,290,700	484,700	1,513,600	222,900	17.3%	1,363,900
892279 - Belle Isle Combined Sewer Overflow	31,400	(8,200)	-	(31,400)	-100.0%	-
897600 - Wastewater System Operations Unallocated Reserves	1,189,800	-	2,283,600	1,093,800	91.9%	2,295,000
Total Wastewater Operations Group	\$109,204,000	\$ 35,334,000	\$112,204,100	\$ 3,000,100	2.7%	\$114,884,600
Wastewater Pump Stations						
892342 - Belle Isle Pumping Station	(8,800)	29,300	-	8,800	-100.0%	-
892343 - Blue Hill Pumping Station	99,200	46,500	-	(99,200)	-100.0%	-
892345 - Conner Pumping Station	725,000	567,500	725,000	-	0.0%	725,000
892346 - Fairview Pumping Station	555,000	270,700	525,000	(30,000)	-5.4%	525,000
892347 - Fischer Pumping Station	300	1,800	-	(300)	-100.0%	-
892348 - Fox Creek Pumping Station	1,000	100	1,000	-	0.0%	1,000
892349 - Freud Pumping Station	390,500	235,600	389,500	(1,000)	-0.3%	389,500
892350 - Northeast Pumping Station	796,000	298,900	790,000	(6,000)	-0.8%	790,000
892351 - Oakwood Pumping Station	178,000	68,400	151,000	(27,000)	-15.2%	151,000
892352 - Woodmere Pumping Station	31,200	109,600	-	(31,200)	-100.0%	-
Total Wastewater Pump Stations	\$ 2,767,400	\$ 1,628,400	\$ 2,581,500	\$ (185,900)	-6.7%	\$ 2,581,500
Grand Total	\$111,971,400	\$ 36,962,400	\$114,785,600	\$ 2,814,200	2.5%	\$117,466,100

B - Sewer System Operations Area and Related Cost Centers – Five-Year Financial Plan

	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
B Sewer System Operations by Cost Center							
Wastewater Operations Group							
892001 - Chief Operating Officer Wastewater	\$ 2,269,900	\$ 582,400	\$ 2,203,000	\$ 1,819,600	\$ 1,833,100	\$ 1,745,600	\$ 1,755,200
892201 - Wastewater Director	7,519,100	2,797,300	8,065,400	7,993,400	8,021,900	8,039,900	8,020,500
892211 - Wastewater Engineering	2,758,600	798,600	3,524,400	3,593,600	3,559,800	3,474,500	3,499,200
892221 - Wastewater Operations	20,965,900	6,600,400	21,330,900	21,812,800	21,952,100	22,338,200	22,787,000
892222 - Wastewater Process Control	4,500,400	786,300	3,758,200	4,107,200	4,018,200	4,123,500	4,365,400
892223 - Wastewater Primary Process	8,131,400	3,086,100	8,732,000	8,979,400	9,017,800	9,164,300	9,193,100
892224 - Wastewater Secondary Process	10,348,200	3,862,800	10,531,400	10,669,100	10,765,400	10,857,600	10,955,600
892225 - Wastewater Dewatering Process	6,356,800	2,206,700	6,305,000	6,582,700	6,576,000	6,628,000	6,752,800
892226 - Wastewater Incineration Process	6,117,400	1,561,300	6,835,200	6,844,000	7,161,100	7,198,500	7,010,500
892227 - BDF, COF & Hauling	20,147,600	7,092,500	20,165,200	20,540,500	20,701,500	20,942,400	21,187,400
892228 - Wastewater Fire Damage	627,800	12,500	-	-	-	-	-
892231 - Industrial Waste Control	2,473,600	817,700	2,539,200	2,786,000	2,805,300	2,825,300	2,671,200
892235 - Wastewater Laboratories	3,832,200	1,061,300	3,840,300	4,404,000	4,441,700	4,448,900	4,474,200
892269 - Suburban Only Green Infrastructure Allocation	1,450,000	-	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
892270 - Combined Sewer Overflow	4,494,000	1,558,400	4,016,300	4,304,700	4,401,500	4,508,500	4,566,100
892271 - Puritan Fenkell Combined Sewer Overflow	306,500	64,300	295,800	299,600	300,700	304,700	307,500
892272 - 7 Mile Combined Sewer Overflow	164,100	31,000	186,400	188,300	192,200	195,200	199,900
892273 - Hubble Southfield CSO	568,300	281,000	601,300	611,200	616,200	602,800	632,800
892274 - Leib Combined Sewer Overflow	305,800	105,700	325,300	371,300	373,500	377,000	382,300
892275 - St Aubin Combined Sewer Overflow	278,900	66,900	269,200	272,100	274,500	277,900	281,500
892276 - Connor Creek Combined Sewer Overflow	2,102,800	1,040,200	2,214,700	2,292,600	2,710,800	2,819,200	3,201,000
892277 - Baby Creek Combined Sewer Overflow	972,800	444,100	1,217,700	1,303,600	983,200	941,800	951,400
892278 - Oakwood Combined Sewer Overflow	1,290,700	484,700	1,513,600	1,363,900	1,397,600	1,392,100	1,447,900
892279 - Belle Isle Combined Sewer Overflow	31,400	(8,200)	-	-	-	-	-
897600 - Wastewater System Operations Unallocated Reserves	1,189,800	-	2,283,600	2,295,000	2,340,900	3,387,700	4,435,400
Total Wastewater Operations Group	\$109,204,000	\$ 35,334,000	\$112,204,100	\$114,884,600	\$115,895,000	\$118,043,600	\$120,527,900
Wastewater Pump Stations							
892342 - Belle Isle Pumping Station	(8,800)	29,300	-	-	-	-	-
892343 - Blue Hill Pumping Station	99,200	46,500	-	-	-	-	-
892345 - Conner Pumping Station	725,000	567,500	725,000	725,000	725,000	725,000	725,000
892346 - Fairview Pumping Station	555,000	270,700	525,000	525,000	525,000	525,000	495,000
892347 - Fischer Pumping Station	300	1,800	-	-	-	-	-
892348 - Fox Creek Pumping Station	1,000	100	1,000	1,000	1,000	1,000	1,000
892349 - Freud Pumping Station	390,500	235,600	389,500	389,500	389,500	389,500	389,500
892350 - Northeast Pumping Station	796,000	298,900	790,000	790,000	790,000	790,000	790,000
892351 - Oakwood Pumping Station	178,000	68,400	151,000	151,000	151,000	151,000	151,000
892352 - Woodmere Pumping Station	31,200	109,600	-	-	-	-	-
Total Wastewater Pump Stations	\$ 2,767,400	\$ 1,628,400	\$ 2,581,500	\$ 2,581,500	\$ 2,581,500	\$ 2,581,500	\$ 2,551,500
Grand Total	\$111,971,400	\$ 36,962,400	\$114,785,600	\$117,466,100	\$118,476,500	\$120,625,100	\$123,079,400

C - Budget by Centralized Services Operating Area and Related Cost Centers - Biennial Budget

	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
C Centralized Services by Cost Center						
Planning Services						
886201 - Asset Management	\$ 4,591,000	\$ 431,600	\$ 2,993,900	\$ (1,597,100)	-34.8%	\$ 3,358,600
886601 - Capital Improvement Planning	1,266,900	1,537,100	3,123,500	1,856,600	146.5%	2,995,200
886001 - Chief Planning Officer	297,200	71,400	307,300	10,100	3.4%	309,600
886401 - Systems Analytics	5,939,500	1,640,800	5,978,000	38,500	0.6%	6,351,600
886101 - Systems Planning	2,870,100	399,500	2,099,500	(770,600)	-26.8%	2,186,500
886100 - Systems Planning & Development	-	-	585,900	585,900	0.0%	674,000
Total Planning Services	14,964,700	4,080,400	15,088,100	123,400	0.8%	15,875,500
882301 - Systems Operations Control	12,308,400	3,430,800	12,625,800	317,400	2.6%	13,123,600
882421 - Facility Operations	7,249,600	2,365,900	7,863,800	614,200	8.5%	7,933,700
882422 - Fleet Operations	2,295,900	789,800	2,295,100	(800)	0.0%	2,297,400
882431 - Field Service Operations	17,709,800	4,063,800	18,072,200	362,400	2.0%	18,853,900
882501 - Energy, Research & Innovation	2,995,800	676,300	3,132,900	137,100	4.6%	3,302,500
882511 - Transformation	1,110,300	149,300	889,200	(221,100)	-19.9%	890,600
Information Technology						
883301 - Office of the CIO	1,183,600	314,400	1,293,200	109,600	9.3%	1,665,900
883311 - InfoTechnology Project Management Office	1,328,200	444,100	1,344,400	16,200	1.2%	1,351,000
883321 - Info Technology Service Delivery	3,716,100	911,100	3,779,100	63,000	1.7%	3,936,700
883331 - Info Technology Infrastructure	17,797,500	5,798,200	17,729,900	(67,600)	-0.4%	18,014,900
883341 - Info Technology Enterprise Applications	4,722,800	791,000	4,746,500	23,700	0.5%	4,816,200
883351 - Info Technology Business Applications	7,835,600	1,704,400	7,880,200	44,600	0.6%	8,136,900
883361 - Info Technology Security & Risk	468,600	67,200	428,800	(39,800)	-8.5%	545,800
Total Information Technology	37,052,400	10,030,400	37,202,100	149,700	0.4%	38,467,400
Security & Integrity						
881202 - HazMat	1,717,200	506,100	1,740,200	23,000	1.3%	1,929,300
881201 - Security and Integrity	4,481,300	1,405,200	4,895,900	414,600	9.3%	4,929,700
Total Security & Integrity	6,198,500	1,911,300	6,636,100	437,600	7.1%	6,859,000
887602 - Centralized Services Unallocated Reserves	1,960,500	-	1,600,000	(360,500)	-18.4%	1,632,000
Grand Total	\$103,845,900	\$ 27,498,000	\$105,405,300	\$ 1,559,400	1.5%	\$109,235,600

C - Budget by Centralized Services Operating Area and Related Cost Centers – Five-Year Financial Plan

	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
C Centralized Services by Cost Center							
Planning Services							
886201 - Asset Management	\$ 4,591,000	\$ 431,600	\$ 2,993,900	\$ 3,358,600	\$ 7,362,400	\$ 6,039,900	\$ 6,925,100
886601 - Capital Improvement Planning	1,266,900	1,537,100	3,123,500	2,995,200	1,752,400	1,759,300	1,766,200
886001 - Chief Planning Officer	297,200	71,400	307,300	309,600	311,900	314,200	316,200
886401 - Systems Analytics	5,939,500	1,640,800	5,978,000	6,351,600	6,410,500	6,469,700	6,539,200
886101 - Systems Planning	2,870,100	399,500	2,099,500	2,186,500	2,219,100	2,121,700	2,054,100
886100 - Systems Planning & Development	-	-	585,900	674,000	686,800	699,600	712,400
Total Planning Services	14,964,700	4,080,400	15,088,100	15,875,500	18,743,100	17,404,400	18,313,200
882301 - Systems Operations Control	12,308,400	3,430,800	12,625,800	13,123,600	13,136,500	13,012,600	13,025,000
882421 - Facility Operations	7,249,600	2,365,900	7,863,800	7,933,700	7,994,900	8,057,100	8,120,300
882422 - Fleet Operations	2,295,900	789,800	2,295,100	2,297,400	2,299,700	2,302,000	2,304,300
882431 - Field Service Operations	17,709,800	4,063,800	18,072,200	18,853,900	18,888,800	18,923,600	18,958,600
882501 - Energy, Research & Innovation	2,995,800	676,300	3,132,900	3,302,500	3,364,900	3,431,200	3,501,600
882511 - Transformation	1,110,300	149,300	889,200	890,600	892,100	893,500	895,100
Information Technology							
883301 - Office of the CIO	1,183,600	314,400	1,293,200	1,665,900	1,727,000	1,711,100	1,734,600
883311 - InfoTechnology Project Management Office	1,328,200	444,100	1,344,400	1,351,000	1,357,700	1,364,200	1,370,600
883321 - Info Technology Service Delivery	3,716,100	911,100	3,779,100	3,936,700	3,995,900	4,055,800	4,117,300
883331 - Info Technology Infrastructure	17,797,500	5,798,200	17,729,900	18,014,900	18,352,100	18,740,900	19,046,200
883341 - Info Technology Enterprise Applications	4,722,800	791,000	4,746,500	4,816,200	4,887,200	4,959,800	5,034,000
883351 - Info Technology Business Applications	7,835,600	1,704,400	7,880,200	8,136,900	8,240,400	8,371,400	8,500,300
883361 - Info Technology Security & Risk	468,600	67,200	428,800	545,800	549,200	552,700	556,200
Total Information Technology	37,052,400	10,030,400	37,202,100	38,467,400	39,109,500	39,755,900	40,359,200
Security & Integrity							
881202 - HazMat	1,717,200	506,100	1,740,200	1,929,300	1,941,400	1,954,100	1,967,200
881201 - Security and Integrity	4,481,300	1,405,200	4,895,900	4,929,700	5,025,900	5,123,100	5,158,000
Total Security & Integrity	6,198,500	1,911,300	6,636,100	6,859,000	6,967,300	7,077,200	7,125,200
887602 - Centralized Services Unallocated Reserves	1,960,500	-	1,600,000	1,632,000	1,664,600	2,697,900	2,931,900
Grand Total	\$103,845,900	\$ 27,498,000	\$105,405,300	\$109,235,600	\$113,061,400	\$113,555,400	\$115,534,400



D - Budget by Administrative Services Operating Area and Related Cost Centers – Biennial Plan

	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
D Administrative Services by Cost Center						
881151 - Board of Directors	\$ 819,600	\$ 150,500	\$ 169,600	\$ (650,000)	-79.3%	\$ 169,600
881001 - Chief Executive Officer	760,500	304,500	674,200	(86,300)	-11.3%	681,100
Chief Administrative and Compliance Officer						
883001 - Chief Administrative Officer	1,174,100	291,900	1,118,400	(55,700)	-4.7%	1,219,300
883401 - Enterprise Risk Management and Safety	1,735,800	307,500	1,706,100	(29,700)	-1.7%	1,970,300
883411 - Enterprise Risk Mgt. Insurance Fund	3,504,000	1,106,900	3,672,000	168,000	4.8%	3,745,400
Total Chief Administrative and Compliance Office	6,413,900	1,706,300	6,496,500	82,600	1.3%	6,935,000
883101 - General Counsel	3,203,500	1,357,900	3,767,700	564,200	17.6%	3,948,800
881101 - Public Affairs	1,544,400	391,800	1,646,200	101,800	6.6%	1,842,000
Organizational Development						
883201 - OD Administration	654,000	112,400	685,100	31,100	4.8%	690,200
883211 - OD Talent Management	2,577,100	640,600	2,919,900	342,800	13.3%	2,950,000
883231 - OD Training	1,586,200	431,200	1,749,000	162,800	10.3%	1,764,200
Total Organizational Development	4,817,300	1,184,200	5,354,000	536,700	11.1%	5,404,400
Financial Services						
884001 - Chief Financial Officer	1,147,100	265,100	1,080,800	(66,300)	-5.8%	1,091,500
884141 - CFO Services	1,615,500	472,900	2,432,600	817,100	50.6%	2,450,600
884151 - Data Analytics & Internal Audit	31,000	30,900		(31,000)	-100.0%	-
884113 - Financial Management & Planning	1,441,400	494,600	2,032,600	591,200	41.0%	2,045,700
884111 - Financial Reporting & Accounting	3,664,000	920,900	3,764,300	100,300	2.7%	3,790,500
884124 - Logistics and Materials	2,633,700	987,100	2,673,800	40,100	1.5%	2,700,400
884126 - Owners' Representative	618,400	128,900		(618,400)	-100.0%	-
884121 - Procurement Director	3,402,800	1,113,400	3,928,100	525,300	15.4%	4,136,000
884131 - Treasury	853,700	206,200	879,700	26,000	3.0%	883,700
Total Financial Services	15,407,600	4,620,000	16,791,900	1,384,300	9.0%	17,098,400
887603 - Administrative Services Unallocated Reserve	1,636,500	-	500,000	(1,136,500)	-69.4%	510,000
Grand Total	\$ 34,603,300	\$ 9,715,200	\$ 35,400,100	\$ 796,800	2.3%	\$ 36,589,300



D - Budget by Administrative Services Operating Area and Related Cost Centers – Five-Year Financial Plan

	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
D Administrative Services by Cost Center							
881151 - Board of Directors	\$ 819,600	\$ 150,500	\$ 169,600	\$ 169,600	\$ 169,600	\$ 169,600	\$ 169,600
881001 - Chief Executive Officer	760,500	304,500	674,200	681,100	688,200	695,700	702,800
Chief Administrative and Compliance Officer							
883001 - Chief Administrative Officer	1,174,100	291,900	1,118,400	1,219,300	1,232,300	1,245,500	1,258,900
883401 - Enterprise Risk Management and Safety	1,735,800	307,500	1,706,100	1,970,300	1,995,900	2,022,100	2,048,500
883411 - Enterprise Risk Mgt. Insurance Fund	3,504,000	1,106,900	3,672,000	3,745,400	3,820,300	3,896,700	3,974,600
Total Chief Administrative and Compliance Office	6,413,900	1,706,300	6,496,500	6,935,000	7,048,500	7,164,300	7,282,000
883101 - General Counsel	3,203,500	1,357,900	3,767,700	3,948,800	3,999,400	4,050,900	4,103,300
881101 - Public Affairs	1,544,400	391,800	1,646,200	1,842,000	1,863,100	1,884,500	1,906,300
Organizational Development							
883201 - OD Administration	654,000	112,400	685,100	690,200	695,400	700,600	705,900
883211 - OD Talent Management	2,577,100	640,600	2,919,900	2,950,000	2,982,900	3,015,600	3,049,000
883231 - OD Training	1,586,200	431,200	1,749,000	1,764,200	1,779,900	1,795,800	1,812,000
Total Organizational Development	4,817,300	1,184,200	5,354,000	5,404,400	5,458,200	5,512,000	5,566,900
Financial Services							
884001 - Chief Financial Officer	1,147,100	265,100	1,080,800	1,091,500	1,101,900	1,113,000	1,123,800
884141 - CFO Services	1,615,500	472,900	2,432,600	2,450,600	2,469,000	2,289,500	2,307,900
884151 - Data Analytics & Internal Audit	31,000	30,900	-	-	-	-	-
884113 - Financial Management & Planning	1,441,400	494,600	2,032,600	2,045,700	2,058,400	1,873,500	1,886,400
884111 - Financial Reporting & Accounting	3,664,000	920,900	3,764,300	3,790,500	3,816,900	3,645,800	3,672,600
884124 - Logistics and Materials	2,633,700	987,100	2,673,800	2,700,400	2,727,400	2,754,700	2,781,800
884126 - Owners' Representative	618,400	128,900	-	-	-	-	-
884121 - Procurement Director	3,402,800	1,113,400	3,928,100	4,136,000	4,161,300	4,187,000	4,212,700
884131 - Treasury	853,700	206,200	879,700	883,700	887,800	892,000	896,300
Total Financial Services	15,407,600	4,620,000	16,791,900	17,098,400	17,222,700	16,755,500	16,881,500
887603 - Administrative Services Unallocated Reserve	1,636,500	-	500,000	510,000	520,200	1,030,600	1,341,200
Grand Total	\$ 34,603,300	\$ 9,715,200	\$ 35,400,100	\$ 36,589,300	\$ 36,969,900	\$ 37,263,100	\$ 37,953,600

Following this introduction section, there is a section for each of the service areas of the Operations & Maintenance budget. Each service area section includes the departments that make up that service area. Each department section is organized in the following order:

- ❖ Description of the department
- ❖ Strategic initiatives
- ❖ Major contracts (if applicable)
- ❖ Organization (Teams)
- ❖ Expense Categories
- ❖ Biennial Budget
- ❖ Personnel Budget
- ❖ Five-Year Financial Plan (by expense category)
- ❖ Capital Outlay*
- ❖ Line-Item Budget and Financial Plan (five-year plan)

*The Capital Outlay information provided is for Capital Outlay greater than \$5,000 and is discussed in more detail in Section 6. Capital Outlay funded with I&E funds is not included in the department's operating budget. Expense category 6.0 Capital Outlay includes capital outlay greater than \$5,000 which is not capitalized (IT related) and is funded by current year revenues. Capital outlay less than \$5,000 is reported under expense category 4.2 Supplies and Other and is not included in the capital outlay discussion.

Water Operations

The Water Operations Area produces and delivers water of unquestionable quality to nearly 40% of the State of Michigan's population while meeting or exceeding all state, federal, local, and department standards for quality and safety.

The Water Operations Area presently leads several strategic initiatives.

❖ **Maintain 100% water quality compliance (Ongoing)**

Delivery of pure, safe drinking water is an essential to GLWA's mission. A monthly KPI is reported to the Board of the percentage compliance with the Safe Drinking Water Act.

❖ **Restructuring Water Production (Ongoing)**

Continue implementation of the 2015 Water Master Plan Update; specifically, those aspects which address excess production capacity.

❖ **Improve Capital Project Delivery (Ongoing)**

Sustain water treatment operations and transmission by effective and efficient delivery of capital investments.

❖ **Transmission Assessment & Rehabilitation (Ongoing)**

Complete the designs and begin construction of water mains.

❖ **Improve Operational Reliability through Automation & Equipment Maintenance (Ongoing)**

- Plan implementation of water automation.
- Support asset management to improve maintenance activities.

The Water Works Park Treatment Plant recently received the Partnership for Safe Water's Presidents Award for Treatment Plant Optimization. This award demonstrates the ongoing commitment to deliver customers the highest quality water. In the past five years, four out of five of GLWA's drinking water treatment facilities – Lake Huron, Northeast, Southwest, and Water Works Park – have also been recognized by the Partnership with its Directors Award.

The table on the following page shows how the water operations strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Water Operations Strategic Initiatives	Maintain 100% water quality compliance			x				x				x
	Restructuring Water Production			x	x	x						x
	Improve Capital Project Delivery			x	x							x
	Transmission Assessment & Rehabilitation			x	x							x
	Improve Operational Reliability through Automation and Equipment Maintenance	x	x	x	x	x						x

Water Operations Contracts

The Water Operations budget contains several contractual services to ensure system reliability, timely distribution and delivery of high-quality and safe water that complies with drinking water regulations. Budgeted amounts beyond contract date are estimates for future study updates or subsequent implementation of a program. These services would generally require a separate procurement process. It should be noted that several contracts are shared by multiple areas of GLWA. In the chart on the following page are the key contracts for these services.

Project Description	Comprehensive Corrosion Control Optimization Study	Aluminum Sulfate	Ovation Evergreen Upgrade	Liquid Chlorine	Alum Sludge Hauling	Switchgear Maintenance & Testing Services	As Needed: CIP Implementation Assistance & Related Services	Standby Generator Preventative Maintenance & Repair Contract	Total
Prime Consultant	Arcadis of Michigan, LLC	Chemtrade Chemicals	Emerson Process Management	JCI Jones Chemicals	Mobile Dredging & Video Pipe Inc	Motor City Electric	PMA Consultants LLC	Preventive Maintenance Technologies	
Contract #	1803705	1803685	SCO-1134	1803508	GLWA-CON-170	1900995	GLWA-CS-166	2001082	
Contract Amount	\$6,931,619	\$3,317,750	\$14,000,000	\$1,795,500	\$19,608,960	\$9,702,373	\$11,300,000	\$1,587,500	
Contract End Date	11/08/24	07/01/22	07/09/22	03/31/22	03/31/24	01/25/24	01/09/22	01/01/23	
Cost Center Name	Various	Various	Various	Various	Various	Various	Various	Various	
Expense Category	Contractual Services	Chemicals	Contractual Services	Chemicals	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2021 Spend	\$ 462,303	\$ 6,520,764	\$ 312,362	\$ 1,448,720	\$ 15,335,848	\$ 2,932,178	\$ 1,111,115	\$ 621,197	\$ 28,744,486
FY 2021 Spend	1,382,100	2,973,300	-	593,700	4,876,700	714,200	287,000	542,700	11,369,700
FY 2022 Budget	1,175,000	2,605,000	250,000	382,400	8,141,800	1,276,000	360,000	187,000	14,377,200
FY 2023 Requested	1,175,000	2,605,000	225,000	488,000	6,500,000	1,199,000	300,000	239,000	12,731,000
FY 2024 Requested	1,175,000	2,605,000	225,000	488,000	6,500,000	1,199,000	300,000	239,000	12,731,000
FY 2025 Requested	1,175,000	2,605,000	225,000	488,000	6,500,000	1,199,000	300,000	239,000	12,731,000
FY 2026 Requested	1,175,000	2,605,000	225,000	488,000	6,500,000	1,199,000	300,000	239,000	12,731,000
FY 2027 Requested	1,175,000	2,605,000	225,000	488,000	6,500,000	1,199,000	300,000	239,000	12,731,000
Total	\$ 8,894,403	\$ 25,124,064	\$ 1,687,362	\$ 4,864,820	\$ 60,854,348	\$ 10,917,378	\$ 3,258,115	\$ 2,545,897	\$ 118,146,386

Organization

The Water Operations Area consists of four teams that are vigilant about water quality. The Water Operations teams work to protect GLWA communities by testing water as it travels through distribution pipelines and maintaining the best water treatment possible.

❖ Administration

- Chief Operating Officer – Water Operations and Field Services
- Water Director
- Overall budget management including unallocated reserve

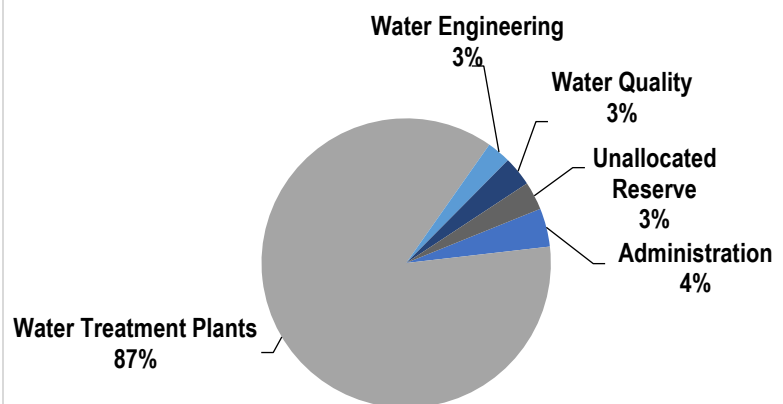
❖ Water Engineering

❖ Water Quality

❖ Water Treatment Plants

- Water Works Park
- Springwells WTP
- Northeast WTP
- Southwest WTP
- Lake Huron WTP

FY 2023 REQUEST BY TEAM



Expense Categories

There are three major categories of Water Operations expenses in the Operations and Maintenance Budget as listed below.

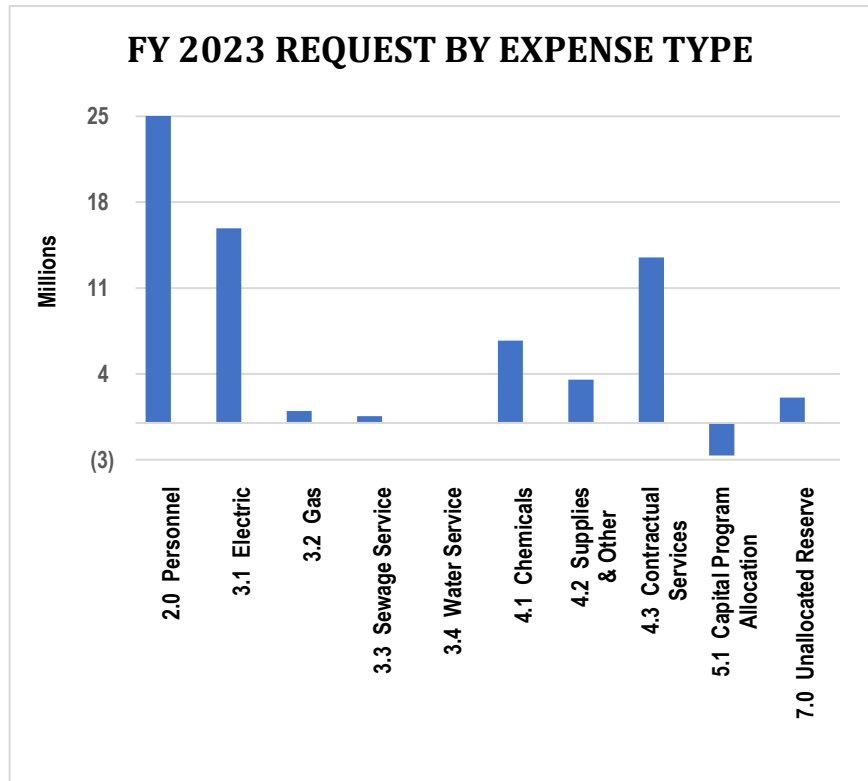
- ❖ Personnel Costs
- ❖ Electric Utilities
- ❖ Contractual Services

The Water Operations Area is required to obtain a consistent level of personnel in order to avoid staff fatigue, overtime cost, and to assure the highest level of water quality. Accordingly, personnel costs are the highest expense category.

The electric utilities are the second highest expense category for Water Operations. Water demand

leads to increased or decreased energy consumption in order to transport enough safe drinking water to the GLWA's communities. Energy consumption is dependent on flow rate, total pressure, climate (temperature extremes), and overall pump efficiency.

Contractual services are the third highest expense category for Water Operations. The level of contractual services includes HVAC maintenance, janitorial services, ovation support (a reliable and innovative control system that integrates data from remote sites into a single, unified system, reducing complexity and minimizing maintenance), alum sludge hauling and corrosion control optimization studies.



Biennial Budget Request

The biennial budget reflects an overall increase in FY 2023 of \$1.63 million, or 2.5%. Key factors that impact FY 2023 include the following.

- ❖ Personnel expenses increased due to the adjustment of benefits to reflect the current rate increases and the staffing plan increase of 29 to accommodate the higher level of expertise required in order to efficiently maintain water operations (\$3.29 million, or 15.1%). It should be noted that the provision for wage and benefit adjustments is included in the annual unallocated O&M reserve.
- ❖ Contractual services decreased due to the alum sludge removal, hauling and disposal project contract renewal for Springwells WTP, Northeast WTP and Southwest WTP (\$1.72 million, or 11.3%).

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 21,185,800	\$ 21,728,200	\$ 7,173,400	\$ 25,017,700	\$ 3,289,500	15.1%	\$ 26,069,600
3.1 Electric	17,010,200	15,620,000	5,703,600	15,880,000	260,000	1.7%	15,880,000
3.2 Gas	995,600	993,400	117,500	983,400	(10,000)	-1.0%	983,400
3.3 Sewage Service	423,200	575,000	379,500	550,000	(25,000)	-4.3%	550,000
3.4 Water Service	200	3,500	300	500	(3,000)	-85.7%	500
4.1 Chemicals	6,028,200	6,662,600	2,422,000	6,721,100	58,500	0.9%	6,719,900
4.2 Supplies & Other	3,220,200	3,430,900	1,139,800	3,536,300	105,400	3.1%	3,534,300
4.3 Contractual Services	10,970,300	15,212,300	6,232,500	13,492,000	(1,720,300)	-11.3%	13,486,700
5.1 Capital Program Allocation	(1,997,400)	(2,047,800)	(599,500)	(2,650,100)	(602,300)	29.4%	(3,401,000)
7.0 Unallocated Reserve	-	1,798,800	-	2,075,800	277,000	15.4%	3,309,400
Grand Total	\$ 57,836,300	\$ 63,976,900	\$ 22,569,100	\$ 65,606,700	\$ 1,629,800	2.5%	\$ 67,132,800

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Administration	\$ 2,174,200	\$ 2,329,400	\$ 849,900	\$ 2,817,400	\$ 488,000	20.9%	\$ 2,827,000
Water Treatment Plants	52,278,400	56,313,100	20,556,800	56,793,700	480,600	0.9%	56,881,700
Water Engineering	1,216,500	1,501,700	492,400	1,750,100	248,400	16.5%	1,940,800
Water Quality	2,167,200	2,033,900	670,000	2,169,700	135,800	6.7%	2,173,900
Water System Operations	-	1,798,800	-	2,075,800	277,000	15.4%	3,309,400
Grand Total	\$ 57,836,300	\$ 63,976,900	\$ 22,569,100	\$ 65,606,700	\$ 1,629,800	2.5%	\$ 67,132,800

Personnel Budget

Water system operations personnel consists of 264 positions and is largely comprised of staffing at the five water treatment plants at 192 positions for FY 2023. Water Engineering, at 30 positions, and Water Quality, at 26 positions, are the second and third largest categories for FY 2023, respectively. The staffing plan increase from FY 2022 to FY 2023 of 29 positions is a result of AECOM Great Lakes, Inc. capital improvement project delivery analysis recommendations and the new water technician apprenticeship program. Recruiting and developing talent is a high priority for GLWA. For this reason, twenty-five new positions are added to support the apprenticeship and training program. The investment in the apprenticeship program will enable the GLWA to develop a workforce for positions which have been challenging to recruit and fill.

The following tables provide four alternate views of the staffing plans and budget.

Staffing Plan - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Water System Operations	227.00	235.00	264.00	271.00	278.00	282.00	282.00
Chief Operating Officer - Water Operations & Field Services	3.00	3.00	4.00	4.00	4.00	4.00	4.00
Water Director	11.00	13.00	12.00	12.00	12.00	12.00	12.00
Water Engineering	23.00	23.00	30.00	37.00	44.00	48.00	48.00
Water Quality	26.00	26.00	26.00	26.00	26.00	26.00	26.00
Subtotal Water Treatment Plants	164.00	170.00	192.00	192.00	192.00	192.00	192.00
Water Works Park	35.00	36.00	41.00	41.00	41.00	41.00	41.00
Springwells Water Plant	36.00	37.00	40.00	40.00	40.00	40.00	40.00
Northeast Water Plant	32.00	33.00	38.00	38.00	38.00	38.00	38.00
Southwest Water Plant	30.00	33.00	37.00	37.00	37.00	37.00	37.00
Lake Huron Water Plant	31.00	31.00	36.00	36.00	36.00	36.00	36.00

*Full-time Equivalent*s - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.

*Full-time Equivalent*s

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Water System Operations	226.75	234.75	263.75	270.75	277.75	281.75	281.75
Chief Operating Officer - Water Operations & Field Services	2.75	2.75	3.75	3.75	3.75	3.75	3.75
Water Director	11.00	13.00	12.00	12.00	12.00	12.00	12.00
Water Engineering	23.00	23.00	30.00	37.00	44.00	48.00	48.00
Water Quality	26.00	26.00	26.00	26.00	26.00	26.00	26.00
Subtotal Water Treatment Plants	164.00	170.00	192.00	192.00	192.00	192.00	192.00
Water Works Park	35.00	36.00	41.00	41.00	41.00	41.00	41.00
Springwells Water Plant	36.00	37.00	40.00	40.00	40.00	40.00	40.00
Northeast Water Plant	32.00	33.00	38.00	38.00	38.00	38.00	38.00
Southwest Water Plant	30.00	33.00	37.00	37.00	37.00	37.00	37.00
Lake Huron Water Plant	31.00	31.00	36.00	36.00	36.00	36.00	36.00

Personnel Budget - The table below presents the Water Operations personnel budget which consists of the following expense categories: Salaries & Wages, Salaries & Wages – Workforce Development, Overtime, and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above using current pay levels. Wage and benefit adjustments are based on merit increases and are included in category 7.0 Unallocated Reserve as shown in the Five-Year Financial Plan on the following page.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Administration	\$ 1,675,800	\$ 1,946,200	\$ 664,900	\$ 2,045,400	\$ 99,200	5.1%	\$ 2,055,000
Water Treatment Plants	15,004,200	15,179,400	4,968,600	17,240,600	2,061,200	13.6%	17,330,500
Water Engineering	2,595,300	2,805,000	914,600	3,826,800	1,021,800	36.4%	4,768,000
Water Quality	1,910,500	1,797,600	625,300	1,904,900	107,300	6.0%	1,916,100
Grand Total	\$ 21,185,800	\$ 21,728,200	\$ 7,173,400	\$ 25,017,700	\$ 3,289,500	15.1%	\$ 26,069,600



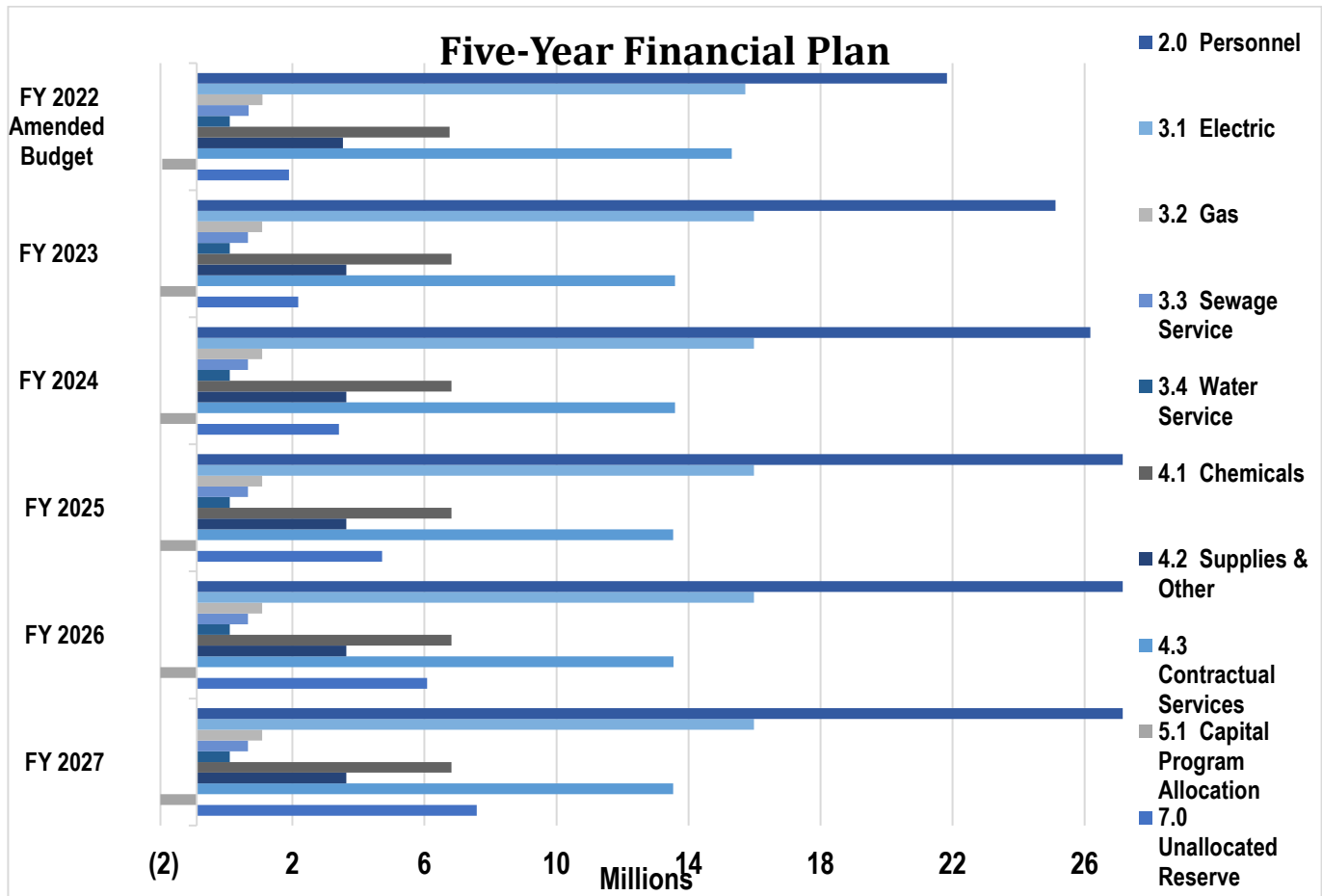
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Water System Operations	\$ 21,728,200	\$ 25,017,700	\$ 26,069,600	\$ 27,130,300	\$ 27,800,000	\$ 27,938,700
Chief Operating Officer - Water Operations & Field Services	420,000	564,700	567,300	569,800	572,400	575,000
Water Director	1,526,200	1,480,700	1,487,700	1,494,700	1,501,700	1,507,700
Water Engineering	2,805,000	3,826,800	4,768,000	5,717,800	6,276,700	6,305,600
Water Quality	1,797,600	1,904,900	1,916,100	1,927,400	1,938,700	1,950,000
Subtotal Water Treatment Plants	15,179,400	17,240,600	17,330,500	17,420,600	17,510,500	17,600,400
Water Works Park	3,341,400	3,743,800	3,763,100	3,782,400	3,801,700	3,820,900
Springwells Water Plant	3,249,200	3,575,300	3,594,000	3,612,800	3,631,500	3,650,200
Northeast Water Plant	2,852,300	3,468,300	3,486,300	3,504,300	3,522,300	3,540,300
Southwest Water Plant	3,028,200	3,376,300	3,393,700	3,411,100	3,428,500	3,445,900
Lake Huron Water Plant	2,708,300	3,076,900	3,093,400	3,110,000	3,126,500	3,143,100

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 21,728,200	\$ 7,173,400	\$ 25,017,700	\$ 3,289,500	15.1%	\$ 26,069,600	\$ 27,130,300	\$ 27,800,000	\$ 27,938,700
3.1 Electric	15,620,000	5,703,600	15,880,000	260,000	1.7%	15,880,000	15,880,000	15,880,000	15,880,000
3.2 Gas	993,400	117,500	983,400	(10,000)	-1.0%	983,400	983,400	983,400	983,400
3.3 Sewage Service	575,000	379,500	550,000	(25,000)	-4.3%	550,000	550,000	550,000	550,000
3.4 Water Service	3,500	300	500	(3,000)	-85.7%	500	500	500	500
4.1 Chemicals	6,662,600	2,422,000	6,721,100	58,500	0.9%	6,719,900	6,718,800	6,717,600	6,716,500
4.2 Supplies & Other	3,430,900	1,139,800	3,536,300	105,400	3.1%	3,534,300	3,532,300	3,530,300	3,529,800
4.3 Contractual Services	15,212,300	6,232,500	13,492,000	(1,720,300)	-11.3%	13,486,700	13,436,700	13,441,700	13,436,700
5.1 Capital Program Allocation	(2,047,800)	(599,500)	(2,650,100)	(602,300)	29.4%	(3,401,000)	(4,158,900)	(4,604,200)	(4,625,500)
7.0 Unallocated Reserve	1,798,800	-	2,075,800	277,000	15.4%	3,309,400	4,616,500	5,978,100	7,486,900
Grand Total	\$ 63,976,900	22,569,100	\$ 65,606,700	\$ 1,629,800	2.5%	\$ 67,132,800	\$ 68,689,600	\$ 70,277,400	\$ 71,897,000

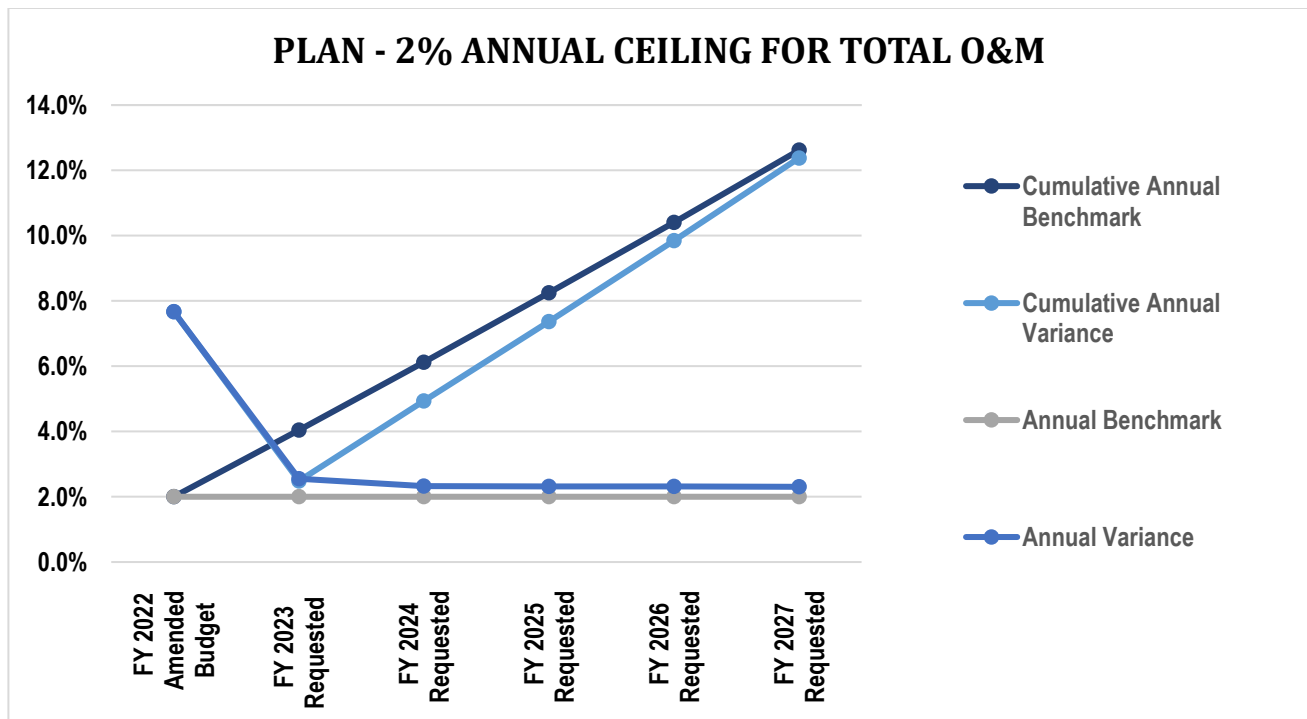


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Administration	\$ 2,329,400	\$ 849,900	\$ 2,817,400	\$ 488,000	20.9%	\$ 2,827,000	\$ 2,836,500	\$ 2,846,100	\$ 2,854,700
Water Treatment Plants	56,313,100	20,556,800	56,793,700	480,600	0.9%	56,881,700	56,970,200	57,058,400	57,146,600
Water Engineering	1,501,700	492,400	1,750,100	248,400	16.5%	1,940,800	2,083,200	2,197,300	2,205,500
Water Quality	2,033,900	670,000	2,169,700	135,800	6.7%	2,173,900	2,183,200	2,197,500	2,203,300
Water System Operations									
Unallocated	1,798,800	-	2,075,800	277,000	15.4%	3,309,400	4,616,500	5,978,100	7,486,900
Grand Total	\$ 63,976,900	\$ 22,569,100	\$ 65,606,700	\$ 1,629,800	2.5%	\$ 67,132,800	\$ 68,689,600	\$ 70,277,400	\$ 71,897,000

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Water Operations Group's financial plan reflects a five-year overall increase of 12.4% which is below the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment). The largest yearly increase is for FY 2023 which has a 2.5% increase over FY 2022. Items causing this increase are described previously in the section above labeled "Biennial Budget Request".





Capital Outlay

Water Operations capital outlay is funded by the Improvement & Extension (I&E) budget.

Five-Year Capital Outlay Plan by Asset Category

In FY 2023, the Buildings/Structures asset category request of \$500,000 is driven by the need to replace air quality improvement system in the maintenance shop at Springwells WTP.

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 2,758,600	\$ 3,038,300	\$ 3,039,500	\$ 1,852,500	\$ 1,552,000	\$ 1,867,500
Information Technology	5,500	5,500	5,500	5,500	5,500	5,500
Software	5,500	5,500	5,500	5,500	5,500	5,500
Leasehold Improvements	-	-	-	158,000	-	-
Machinery & Equipment	2,691,100	2,525,800	2,972,000	1,682,000	1,484,500	1,815,000
Controls & Communication	25,000	139,000	35,000	52,000	120,000	120,000
Furniture & Fixtures	-	-	-	-	45,000	45,000
Heavy Equipment	500,000	150,000	105,000	57,000	30,000	-
Laboratory	328,000	330,700	280,000	254,000	199,500	229,000
Pipes, Gates & Valves	253,500	137,000	263,000	158,000	210,000	175,500
Process Equipment	452,000	449,000	377,000	305,000	445,000	892,000
Pumps & Motors	1,132,600	1,300,100	1,892,000	846,000	415,000	353,500
Tools, Shop & Warehouse	-	20,000	20,000	10,000	20,000	-
Vehicles	62,000	7,000	62,000	7,000	62,000	47,000
Trailer & Towable Equipment	40,000	-	40,000	-	40,000	40,000
Utility Vehicle	22,000	7,000	22,000	7,000	22,000	7,000
Building/Structures	-	500,000	-	-	-	-
Grand Total	\$ 2,758,600	\$ 3,038,300	\$ 3,039,500	\$ 1,852,500	\$ 1,552,000	\$ 1,867,500

Five-Year Capital Outlay Plan by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 2,758,600	\$ 3,038,300	\$ 3,039,500	\$ 1,852,500	\$ 1,552,000	\$ 1,867,500
Grand Total	\$ 2,758,600	\$ 3,038,300	\$ 3,039,500	\$ 1,852,500	\$ 1,552,000	\$ 1,867,500



Five-Year Capital Outlay Plan by Team

In FY 2023, the Northeast Water Plant request of \$1,276,000 is driven by the critical need to replace current equipment such as turbidimeters, flocculation drive replacements, chlorinators, valves, and pumps.

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Water Engineering	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500	\$ 5,500
Water Quality	20,000	51,000	18,000	30,000	17,500	19,000
Water Treatment Plants	2,733,100	2,981,800	3,016,000	1,817,000	1,529,000	1,843,000
Water Works Park	308,100	373,800	354,000	354,000	633,000	701,000
Springwells Water Plant	510,000	1,276,000	1,326,000	350,000	359,000	440,000
Northeast Water Plant	1,175,000	958,000	463,000	628,000	110,000	275,000
Southwest Water Plant	250,000	169,000	265,000	280,000	250,000	250,000
Lake Huron Water Plant	490,000	205,000	608,000	205,000	177,000	177,000
Grand Total	\$ 2,758,600	\$ 3,038,300	\$ 3,039,500	\$ 1,852,500	\$ 1,552,000	\$ 1,867,500



Line-Item Budget and Financial Plan

The five-year plan by line-item expense is shown below. The expenses are listed for each cost center. Because many of GLWA's initiatives extend multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882001 - COO - Water Operations & Field Services	\$ 465,200	\$ 494,000	\$ 276,600	\$ 877,000	\$ 879,600	\$ 882,100	\$ 884,700	\$ 887,300
2.1 Salaries & Wages	328,700	326,400	152,700	433,400	433,400	433,400	433,400	433,400
2.4 Employee Benefits	76,900	93,600	39,500	131,300	133,900	136,400	139,000	141,600
4.2 Supplies & Other	59,600	69,000	84,400	312,300	312,300	312,300	312,300	312,300
Memberships, Licenses & Subscriptions	56,000	53,500	81,200	296,800	296,800	296,800	296,800	296,800
Office Supplies	100	500	100	500	500	500	500	500
Training and Internal Meetings	3,500	5,000	1,800	5,000	5,000	5,000	5,000	5,000
Travel	-	10,000	1,300	10,000	10,000	10,000	10,000	10,000
4.3 Contractual Services	-	5,000	-	-	-	-	-	-
Contractual Professional Services	-	5,000	-	-	-	-	-	-
882101 - Water Director	1,709,000	1,835,400	573,300	1,940,400	1,947,400	1,954,400	1,961,400	1,967,400
2.1 Salaries & Wages	963,200	1,128,900	359,300	1,083,500	1,083,500	1,083,500	1,083,500	1,083,500
2.3 Overtime	45,700	40,000	6,900	40,000	40,000	40,000	40,000	40,000
2.4 Employee Benefits	261,300	357,300	106,500	357,200	364,200	371,200	378,200	384,200
4.2 Supplies & Other	438,800	303,200	89,300	329,700	329,700	329,700	329,700	329,700
Damage Claims	105,600	-	-	-	-	-	-	-
Employee Uniform Expense	109,200	85,000	47,500	105,000	105,000	105,000	105,000	105,000
Inspection and Permit Fees	800	-	-	1,000	1,000	1,000	1,000	1,000
Memberships, Licenses & Subscriptions	6,400	1,000	-	1,000	1,000	1,000	1,000	1,000
Mileage and Parking	12,200	5,000	2,100	10,000	10,000	10,000	10,000	10,000
Office Supplies	30,000	7,200	1,300	7,200	7,200	7,200	7,200	7,200
Operating Supplies	-	-	100	-	-	-	-	-
Training and Internal Meetings	174,300	175,000	32,600	175,500	175,500	175,500	175,500	175,500
Travel	300	30,000	5,700	30,000	30,000	30,000	30,000	30,000
4.3 Contractual Services	-	6,000	11,300	130,000	130,000	130,000	130,000	130,000
Contractual Professional Services	-	6,000	11,300	130,000	130,000	130,000	130,000	130,000
882111 - Water Engineering	1,216,500	1,501,700	492,400	1,750,100	1,940,800	2,083,200	2,197,300	2,205,500
2.1 Salaries & Wages	1,935,100	2,041,300	678,400	2,796,200	3,496,200	4,196,200	4,596,200	4,596,200
2.3 Overtime	117,800	120,000	30,300	120,000	120,000	120,000	120,000	120,000
2.4 Employee Benefits	542,400	643,700	205,900	910,600	1,151,800	1,401,600	1,560,500	1,589,400
4.2 Supplies & Other	59,700	79,300	14,700	78,300	78,300	78,300	78,300	78,300
Capital Outlay less than \$5,000	-	5,000	-	5,000	5,000	5,000	5,000	5,000
Employee Uniform Expense	8,000	10,000	3,600	10,000	10,000	10,000	10,000	10,000
Memberships, Licenses & Subscriptions	12,700	6,700	700	10,700	10,700	10,700	10,700	10,700
Mileage and Parking	17,800	18,000	6,200	18,000	18,000	18,000	18,000	18,000
Office Supplies	1,800	13,000	100	6,000	6,000	6,000	6,000	6,000
Operating Supplies	100	3,500	1,800	3,500	3,500	3,500	3,500	3,500
Postage	-	100	-	100	100	100	100	100
Training and Internal Meetings	14,100	10,000	2,300	10,000	10,000	10,000	10,000	10,000
Travel	-	10,000	-	10,000	10,000	10,000	10,000	10,000
Tuition Refund	5,200	3,000	-	5,000	5,000	5,000	5,000	5,000
4.3 Contractual Services	467,000	550,000	134,500	395,000	395,000	345,000	345,000	345,000
Contractual Professional Services	467,000	550,000	134,500	395,000	395,000	345,000	345,000	345,000
5.1 Capital Program Allocation	(1,905,500)	(1,932,600)	(571,400)	(2,550,000)	(3,300,500)	(4,057,900)	(4,502,700)	(4,523,400)



Water Operations
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882121 - Water Quality	2,167,200	2,033,900	670,000	2,169,700	2,173,900	2,183,200	2,197,500	2,203,300
2.1 Salaries & Wages	1,222,200	1,221,100	422,800	1,279,100	1,279,100	1,279,100	1,279,100	1,279,100
2.3 Overtime	75,700	50,800	21,000	50,800	50,800	50,800	50,800	50,800
2.4 Employee Benefits	612,600	525,700	181,500	575,000	586,200	597,500	608,800	620,100
4.1 Chemicals	129,700	103,500	26,700	125,500	125,500	125,500	125,500	125,500
4.2 Supplies & Other	76,800	80,300	6,500	77,800	75,800	73,800	71,800	71,300
Capital Outlay less than \$5,000	5,000	-	-	5,000	5,000	5,000	5,000	5,000
Memberships, Licenses & Subscriptions	200	500	-	500	500	500	500	500
Mileage and Parking	100	200	-	200	200	200	200	200
Office Supplies	28,000	10,000	4,400	16,500	14,500	12,500	10,500	10,000
Operating Supplies	43,500	67,600	2,100	55,600	55,600	55,600	55,600	55,600
Printing	-	2,000	-	-	-	-	-	-
4.3 Contractual Services	50,200	52,500	11,500	61,500	56,500	56,500	61,500	56,500
Contractual Operating Services	50,200	52,000	11,500	61,500	56,500	56,500	61,500	56,500
Contractual Professional Services	-	500	-	-	-	-	-	-
882131 - Water Works Park	8,290,500	9,149,000	2,603,600	9,306,400	9,324,500	9,342,700	9,360,800	9,378,900
2.1 Salaries & Wages	1,850,000	1,974,600	568,800	2,032,600	2,032,600	2,032,600	2,032,600	2,032,600
2.2 Workforce Development	40,400	36,500	13,700	217,100	217,100	217,100	217,100	217,100
2.3 Overtime	492,300	511,100	160,000	511,100	511,100	511,100	511,100	511,100
2.4 Employee Benefits	807,100	819,200	255,600	983,000	1,002,300	1,021,600	1,040,900	1,060,100
3.1 Electric	1,893,700	2,050,000	636,000	2,050,000	2,050,000	2,050,000	2,050,000	2,050,000
3.2 Gas	207,900	240,000	26,500	240,000	240,000	240,000	240,000	240,000
3.3 Sewage Service	160,600	25,000	17,800	50,000	50,000	50,000	50,000	50,000
4.1 Chemicals	945,300	1,165,700	489,900	1,016,600	1,015,400	1,014,300	1,013,100	1,012,000
4.2 Supplies & Other	426,600	655,000	157,100	598,500	598,500	598,500	598,500	598,500
Capital Outlay less than \$5,000	68,200	30,000	14,700	30,000	30,000	30,000	30,000	30,000
Inspection and Permit Fees	3,100	1,500	-	1,500	1,500	1,500	1,500	1,500
Memberships, Licenses & Subscriptions	1,300	1,000	800	1,000	1,000	1,000	1,000	1,000
Office Supplies	30,300	10,000	4,000	21,000	21,000	21,000	21,000	21,000
Operating Supplies	96,300	129,500	28,900	107,000	107,000	107,000	107,000	107,000
Operating Supplies-Janitorial	11,300	15,000	2,800	15,000	15,000	15,000	15,000	15,000
Rentals- Office Equipment	2,300	-	-	-	-	-	-	-
Repairs & Maintenance-Equipment	212,800	468,000	105,800	423,000	423,000	423,000	423,000	423,000
Supplies & Other - Covid19	1,000	-	100	-	-	-	-	-
4.3 Contractual Services	1,466,600	1,671,900	278,200	1,607,500	1,607,500	1,607,500	1,607,500	1,607,500
Contract Services-Information Technology	70,000	316,000	3,900	130,000	130,000	130,000	130,000	130,000
Contractual Buildings & Grounds Maint	350,100	585,100	91,600	467,000	467,000	467,000	467,000	467,000
Contractual Operating Services	606,200	468,800	122,700	593,500	593,500	593,500	593,500	593,500
Contractual Professional Services	440,300	295,000	60,000	410,000	410,000	410,000	410,000	410,000
Telecom, Managed Security & Network Svcs	-	7,000	-	7,000	7,000	7,000	7,000	7,000



Water Operations
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882141 - Springwells Water Plant	13,526,800	13,715,100	3,814,500	13,629,900	13,648,300	13,667,100	13,685,800	13,704,500
2.1 Salaries & Wages	1,935,300	1,891,200	641,000	1,959,300	1,959,300	1,959,300	1,959,300	1,959,300
2.2 Workforce Development	102,700	143,400	27,800	260,100	260,100	260,100	260,100	260,100
2.3 Overtime	458,200	388,900	137,100	400,000	400,000	400,000	400,000	400,000
2.4 Employee Benefits	845,400	825,700	280,400	955,900	974,600	993,400	1,012,100	1,030,800
3.1 Electric	3,726,700	3,000,000	1,350,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
3.2 Gas	324,900	280,300	37,100	280,300	280,300	280,300	280,300	280,300
4.1 Chemicals	1,715,400	1,981,000	779,800	2,028,000	2,028,000	2,028,000	2,028,000	2,028,000
4.2 Supplies & Other	386,600	478,400	234,900	442,900	442,900	442,900	442,900	442,900
Capital Outlay less than \$5,000	14,100	20,000	152,100	30,000	30,000	30,000	30,000	30,000
Inspection and Permit Fees	1,100	1,500	-	1,500	1,500	1,500	1,500	1,500
Memberships, Licenses & Subscriptions	1,000	500	-	500	500	500	500	500
Mileage and Parking	-	1,000	-	1,000	1,000	1,000	1,000	1,000
Office Supplies	16,300	11,200	3,000	11,200	11,200	11,200	11,200	11,200
Operating Supplies	83,600	156,100	35,300	104,000	104,000	104,000	104,000	104,000
Operating Supplies-Janitorial	8,900	10,000	4,700	10,000	10,000	10,000	10,000	10,000
Repairs & Maintenance-Equipment	261,200	276,100	37,100	282,700	282,700	282,700	282,700	282,700
Supplies & Other - Covid19	200	-	200	-	-	-	-	-
Supplies & Other - Flood Events	-	-	2,500	-	-	-	-	-
Tuition Refund	200	2,000	-	2,000	2,000	2,000	2,000	2,000
4.3 Contractual Services	4,031,600	4,726,200	326,400	4,303,400	4,303,100	4,303,100	4,303,100	4,303,100
Contract Services-Information Technology	98,900	120,000	9,000	87,000	87,000	87,000	87,000	87,000
Contractual Buildings & Grounds Maint	267,600	411,100	182,400	392,100	391,800	391,800	391,800	391,800
Contractual Operating Services	3,315,300	3,944,500	55,700	3,436,700	3,436,700	3,436,700	3,436,700	3,436,700
Contractual Professional Services	349,800	250,600	79,300	387,600	387,600	387,600	387,600	387,600
882151 - Northeast Water Plant	9,863,900	10,873,700	4,911,200	10,673,000	10,690,900	10,708,800	10,726,700	10,744,500
2.1 Salaries & Wages	1,694,100	1,794,000	576,700	1,933,800	1,933,800	1,933,800	1,933,800	1,933,800
2.2 Workforce Development	45,100	70,300	14,500	217,100	217,100	217,100	217,100	217,100
2.3 Overtime	501,100	250,000	176,100	400,000	400,000	400,000	400,000	400,000
2.4 Employee Benefits	718,600	738,000	251,900	917,400	935,400	953,400	971,400	989,400
3.1 Electric	3,232,600	2,800,000	799,900	2,800,000	2,800,000	2,800,000	2,800,000	2,800,000
3.2 Gas	152,600	153,100	21,700	153,100	153,100	153,100	153,100	153,100
3.3 Sewage Service	132,300	130,000	44,600	130,000	130,000	130,000	130,000	130,000
3.4 Water Service	-	2,000	-	-	-	-	-	-
4.1 Chemicals	1,225,000	1,518,500	339,800	1,384,600	1,384,600	1,384,600	1,384,600	1,384,600
4.2 Supplies & Other	457,200	364,100	97,200	364,100	364,100	364,100	364,100	364,100
Capital Outlay less than \$5,000	34,700	10,000	11,000	10,000	10,000	10,000	10,000	10,000
Inspection and Permit Fees	2,200	3,200	(400)	3,200	3,200	3,200	3,200	3,200
Memberships, Licenses & Subscriptions	400	1,500	-	1,500	1,500	1,500	1,500	1,500
Mileage and Parking	-	500	-	500	500	500	500	500
Office Supplies	16,200	5,200	3,900	5,200	5,200	5,200	5,200	5,200
Operating Supplies	143,800	116,000	63,800	116,000	116,000	116,000	116,000	116,000
Operating Supplies-Janitorial	13,800	12,000	5,400	12,000	12,000	12,000	12,000	12,000
Postage	-	100	-	100	100	100	100	100
Repairs & Maintenance-Equipment	243,700	215,600	13,300	215,600	215,600	215,600	215,600	215,600
Supplies & Other - Covid19	400	-	200	-	-	-	-	-
Tuition Refund	2,000	-	-	-	-	-	-	-
4.3 Contractual Services	1,720,900	3,078,100	2,597,200	2,394,900	2,394,900	2,394,900	2,394,900	2,394,900
Contract Services-Information Technology	10,200	86,600	-	60,000	60,000	60,000	60,000	60,000
Contractual Buildings & Grounds Maint	261,100	379,400	124,400	319,400	319,400	319,400	319,400	319,400
Contractual Operating Services	1,114,500	2,386,100	2,417,000	1,665,500	1,665,500	1,665,500	1,665,500	1,665,500
Contractual Professional Services	335,100	226,000	55,800	350,000	350,000	350,000	350,000	350,000
5.1 Capital Program Allocation	(15,600)	(24,400)	(8,400)	(22,000)	(22,100)	(22,200)	(22,300)	(22,500)



Water Operations
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882161 - Southwest Water Plant	7,728,800	9,898,600	4,728,400	9,897,000	9,914,100	9,931,100	9,948,100	9,965,100
2.1 Salaries & Wages	1,623,400	1,757,900	573,200	1,821,400	1,821,400	1,821,400	1,821,400	1,821,400
2.2 Workforce Development	49,800	73,000	14,800	217,100	217,100	217,100	217,100	217,100
2.3 Overtime	422,500	450,000	159,900	450,000	450,000	450,000	450,000	450,000
2.4 Employee Benefits	715,200	747,300	257,100	887,800	905,200	922,600	940,000	957,400
3.1 Electric	1,611,300	1,270,000	493,600	1,530,000	1,530,000	1,530,000	1,530,000	1,530,000
3.2 Gas	171,000	140,000	15,500	150,000	150,000	150,000	150,000	150,000
3.3 Sewage Service	62,000	350,000	305,700	300,000	300,000	300,000	300,000	300,000
3.4 Water Service	200	500	300	500	500	500	500	500
4.1 Chemicals	778,100	693,600	282,300	896,100	896,100	896,100	896,100	896,100
4.2 Supplies & Other	588,000	724,400	366,100	577,500	577,500	577,500	577,500	577,500
Capital Outlay less than \$5,000	18,500	35,000	12,600	35,000	35,000	35,000	35,000	35,000
Inspection and Permit Fees	3,300	3,000	-	3,400	3,400	3,400	3,400	3,400
Memberships, Licenses & Subscriptions	300	800	200	300	300	300	300	300
Mileage and Parking	-	100	-	100	100	100	100	100
Office Supplies	12,100	9,000	3,900	12,500	12,500	12,500	12,500	12,500
Operating Supplies	49,800	129,300	39,800	83,000	83,000	83,000	83,000	83,000
Operating Supplies-Janitorial	11,100	10,000	3,000	10,000	10,000	10,000	10,000	10,000
Property Taxes	376,800	245,200	229,800	250,200	250,200	250,200	250,200	250,200
Rentals-Miscellaneous	-	3,000	-	-	-	-	-	-
Repairs & Maintenance-Equipment	112,400	289,000	76,800	183,000	183,000	183,000	183,000	183,000
Supplies & Other - Covid19	3,700	-	-	-	-	-	-	-
4.3 Contractual Services	1,783,600	3,782,700	2,279,600	3,144,700	3,144,700	3,144,700	3,144,700	3,144,700
Contract Services-Information Technology	35,100	107,000	-	80,000	80,000	80,000	80,000	80,000
Contractual Buildings & Grounds Maint	235,300	533,100	70,100	343,100	343,100	343,100	343,100	343,100
Contractual Operating Services	1,181,400	2,895,600	2,150,700	2,359,600	2,359,600	2,359,600	2,359,600	2,359,600
Contractual Professional Services	331,800	247,000	58,800	362,000	362,000	362,000	362,000	362,000
5.1 Capital Program Allocation	(76,300)	(90,800)	(19,700)	(78,100)	(78,400)	(78,800)	(79,200)	(79,600)



Water Operations
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882171 - Lake Huron Water Plant	12,868,400	12,676,700	4,499,100	13,287,400	13,303,900	13,320,500	13,337,000	13,353,600
2.1 Salaries & Wages	1,700,500	1,670,700	525,200	1,759,000	1,759,000	1,759,000	1,759,000	1,759,000
2.2 Workforce Development	-	-	-	174,100	174,100	174,100	174,100	174,100
2.3 Overtime	227,900	350,000	102,200	300,000	300,000	300,000	300,000	300,000
2.4 Employee Benefits	774,600	687,600	232,600	843,800	860,300	876,900	893,400	910,000
3.1 Electric	6,545,900	6,500,000	2,424,100	6,500,000	6,500,000	6,500,000	6,500,000	6,500,000
3.2 Gas	139,200	180,000	16,700	160,000	160,000	160,000	160,000	160,000
3.3 Sewage Service	68,300	70,000	11,400	70,000	70,000	70,000	70,000	70,000
3.4 Water Service	-	1,000	-	-	-	-	-	-
4.1 Chemicals	1,234,700	1,200,300	503,500	1,270,300	1,270,300	1,270,300	1,270,300	1,270,300
4.2 Supplies & Other	726,900	677,200	89,600	755,200	755,200	755,200	755,200	755,200
Capital Outlay less than \$5,000	42,800	15,000	8,700	35,000	35,000	35,000	35,000	35,000
Inspection and Permit Fees	400	1,000	100	1,000	1,000	1,000	1,000	1,000
Memberships, Licenses & Subscriptions	700	1,000	100	1,000	1,000	1,000	1,000	1,000
Mileage and Parking	-	3,000	-	3,000	3,000	3,000	3,000	3,000
Office Supplies	17,600	9,000	3,100	13,500	13,500	13,500	13,500	13,500
Operating Supplies	164,700	211,500	42,800	186,500	186,500	186,500	186,500	186,500
Operating Supplies-Janitorial	7,300	6,500	2,300	7,000	7,000	7,000	7,000	7,000
Postage	100	200	-	200	200	200	200	200
Property Taxes	-	8,000	-	8,000	8,000	8,000	8,000	8,000
Repairs & Maintenance-Equipment	493,300	422,000	32,500	500,000	500,000	500,000	500,000	500,000
4.3 Contractual Services	1,450,400	1,339,900	593,800	1,455,000	1,455,000	1,455,000	1,455,000	1,455,000
Contract Services-Information Technology	13,000	88,000	-	45,000	45,000	45,000	45,000	45,000
Contractual Buildings & Grounds Maint	138,200	311,100	42,400	155,000	155,000	155,000	155,000	155,000
Contractual Operating Services	955,000	706,800	494,000	888,000	888,000	888,000	888,000	888,000
Contractual Professional Services	344,200	234,000	57,400	367,000	367,000	367,000	367,000	367,000
887601 - Water System Operations								
Unallocated	-	1,798,800	-	2,075,800	3,309,400	4,616,500	5,978,100	7,486,900
7.0 Unallocated Reserve	-	1,798,800	-	2,075,800	3,309,400	4,616,500	5,978,100	7,486,900
Grand Total	\$ 57,836,300	\$ 63,976,900	\$ 22,569,100	\$ 65,606,700	\$ 67,132,800	\$ 68,689,600	\$ 70,277,400	\$ 71,897,000

Water Operations Pumping Stations

The Water Operations Pumping (Booster) Stations are facilities located within the regional system that distribute water received from the water treatment facilities to communities and other stations to meet pressure and demand requirements. Some water is diverted to reservoirs at the stations until needed during times of high demand. There are nineteen (19) water booster pump stations and one decommissioned pump station (Roseville Pump Station) in the GLWA transmission system.

The Water Operations Area Pumping (Booster) Stations strategic initiatives include the following.

❖ **Maximize pumping reliability (Ongoing)**

Regularly scheduled preventive maintenance is necessary and required to maintain the condition of all pumping (booster) stations.

❖ **Minimize energy usage (Ongoing)**

Energy consumption is dependent on flow rate, total pressure, climate, and overall pump efficiency. Energy can be minimized through proper preventive maintenance in order to maintain the condition of all pumping (booster) stations.

The table below shows how the water operations area pumping (booster) stations strategic initiatives relate to the organizational strategic goals.

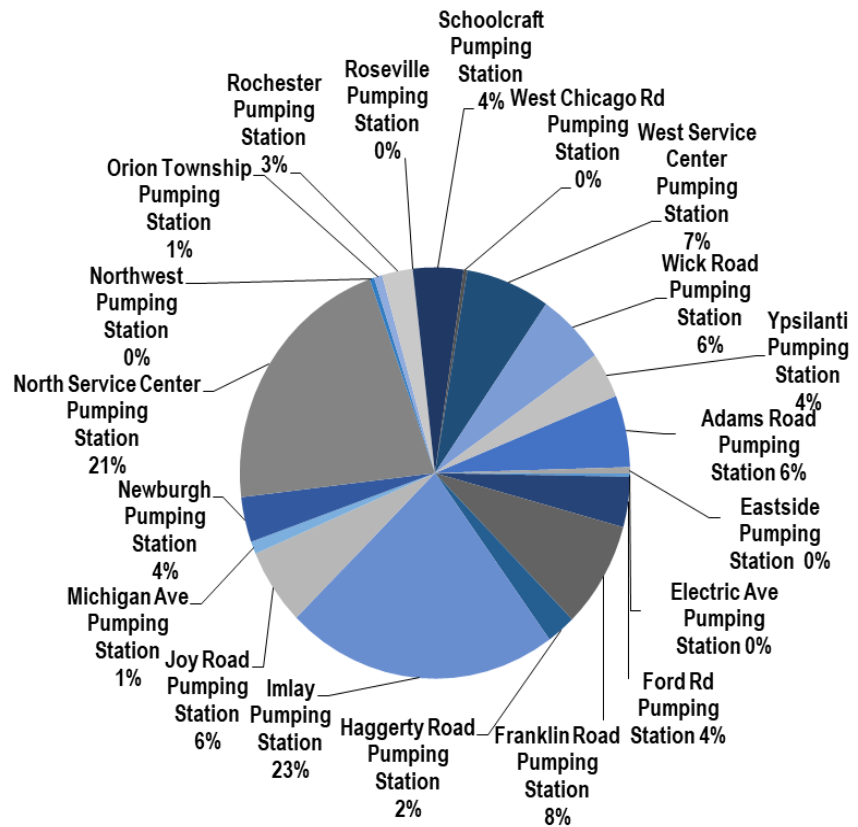
		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Water Pump Stations Strategic Initiatives	Maximize pumping reliability				x	x		x				
	Minimize energy usage		x		x	x						

Organization

The Water Operations Pumping (Booster) Stations consist of (19) water booster pump stations and one decommissioned pump station (Roseville Pump Station) in the water transmission system.

- ❖ Adams Rd PS
- ❖ Eastside PS
- ❖ Electric Ave PS
- ❖ Ford Rd PS
- ❖ Franklin Rd PS
- ❖ Haggerty Rd PS
- ❖ Imlay PS
- ❖ Joy Rd PS
- ❖ Michigan Ave. PS
- ❖ Newburgh PS
- ❖ North Service Center PS
- ❖ Northwest PS
- ❖ Orion Township PS
- ❖ Rochester PS
- ❖ Roseville PS *
- ❖ Schoolcraft PS
- ❖ West Chicago Rd PS
- ❖ West Service Center PS
- ❖ Wick Rd PS
- ❖ Ypsilanti PS

FY 2023 REQUEST BY TEAM



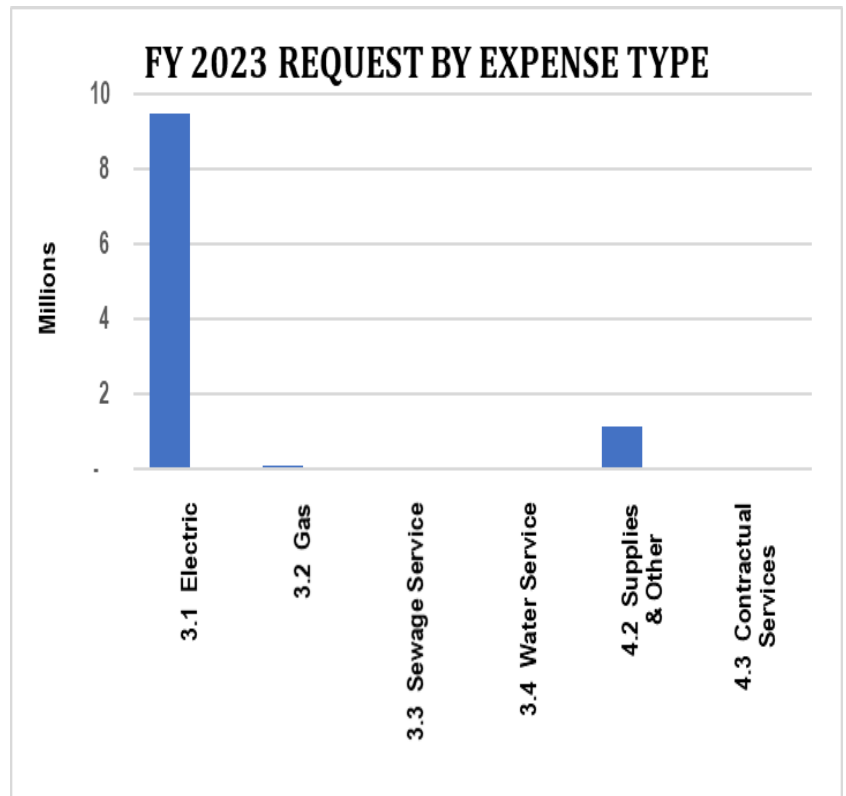
*Roseville PS decommissioned on a date prior to January 1, 2016

Expense Categories

There is one major category of expense in the Water pumping stations operations and maintenance budget as listed below.

❖ Electric Utilities

Electric utilities are the highest expense category for Water operations pumping (booster) stations. Booster stations require a significant amount of power. Typically, power costs account for 85 to 95 percent of the total operations and maintenance costs and are directly proportional to the unit cost of power and the actual power used by the booster station pumps.





Biennial Budget Request

The biennial budget reflects an overall decrease in FY 2023 of \$133,500, or 1.2%. Key factors that impact the FY 2023 budget include the following.

- ❖ Energy consumption being directly proportional to the unit cost of power and the actual power used by the booster station pumps (increase of \$90,000).
- ❖ Annual maintenance costs vary, depending on the complexity of the equipment and instrumentation. New forecast in usage result in a decrease of \$223,500.

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
3.1 Electric	10,239,600	9,401,000	3,920,200	9,491,000	90,000	1.0%	9,491,000
3.2 Gas	73,700	73,200	4,800	73,200	-	0.0%	73,200
3.3 Sewage Service	2,000	2,700	900	2,700	-	0.0%	2,700
3.4 Water Service	700	1,000	200	1,000	-	0.0%	1,000
4.2 Supplies & Other	1,121,700	1,348,200	189,900	1,124,700	(223,500)	-16.6%	1,124,700
4.3 Contractual Services	15,000	10,000	-	10,000	-	0.0%	10,000
Grand Total	\$ 11,452,700	\$ 10,836,100	\$ 4,116,000	\$ 10,702,600	\$ (133,500)	-1.2%	\$ 10,702,600



Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Water Pumping Stations	\$ 11,452,700	\$ 10,836,100	\$ 4,116,000	\$ 10,702,600	\$ (133,500)	-1.2%	\$ 10,702,600
Adams Road Pumping Station	682,800	605,000	293,300	605,000	-	0.0%	605,000
Eastside Pumping Station	64,200	53,500	26,000	54,000	500	0.9%	54,000
Electric Ave Pumping Station	30,600	21,500	4,200	26,000	4,500	20.9%	26,000
Ford Rd Pumping Station	384,800	423,700	132,300	423,700	-	0.0%	423,700
Franklin Road Pumping Station	953,000	875,000	321,500	895,000	20,000	2.3%	895,000
Haggerty Road Pumping Station	345,300	257,500	87,900	257,500	-	0.0%	257,500
Imlay Pumping Station	2,340,600	2,405,000	1,055,300	2,415,000	10,000	0.4%	2,415,000
Joy Road Pumping Station	622,500	662,500	237,300	642,500	(20,000)	-3.0%	642,500
Michigan Ave Pumping Station	125,800	105,700	36,500	105,700	-	0.0%	105,700
Newburgh Pumping Station	399,100	380,000	132,700	380,000	-	0.0%	380,000
North Service Center Pumping Station	2,283,000	2,461,000	681,700	2,295,000	(166,000)	-6.7%	2,295,000
Northwest Pumping Station	61,300	35,700	15,300	40,700	5,000	14.0%	40,700
Orion Township Pumping Station	74,600	73,500	26,600	73,000	(500)	-0.7%	73,000
Rochester Pumping Station	407,100	218,000	191,800	272,000	54,000	24.8%	272,000
Roseville Pumping Station	100	300	-	300	-	0.0%	300
Schoolcraft Pumping Station	511,000	433,000	147,000	448,000	15,000	3.5%	448,000
West Chicago Rd Pumping Station	38,500	37,000	5,200	32,000	(5,000)	-13.5%	32,000
West Service Center Pumping Station	847,100	798,700	326,700	747,700	(51,000)	-6.4%	747,700
Wick Road Pumping Station	761,100	605,500	217,600	605,500	-	0.0%	605,500
Ypsilanti Pumping Station	520,200	384,000	177,100	384,000	-	0.0%	384,000
Grand Total	\$ 11,452,700	\$ 10,836,100	\$ 4,116,000	\$ 10,702,600	\$ (133,500)	-1.2%	\$ 10,702,600

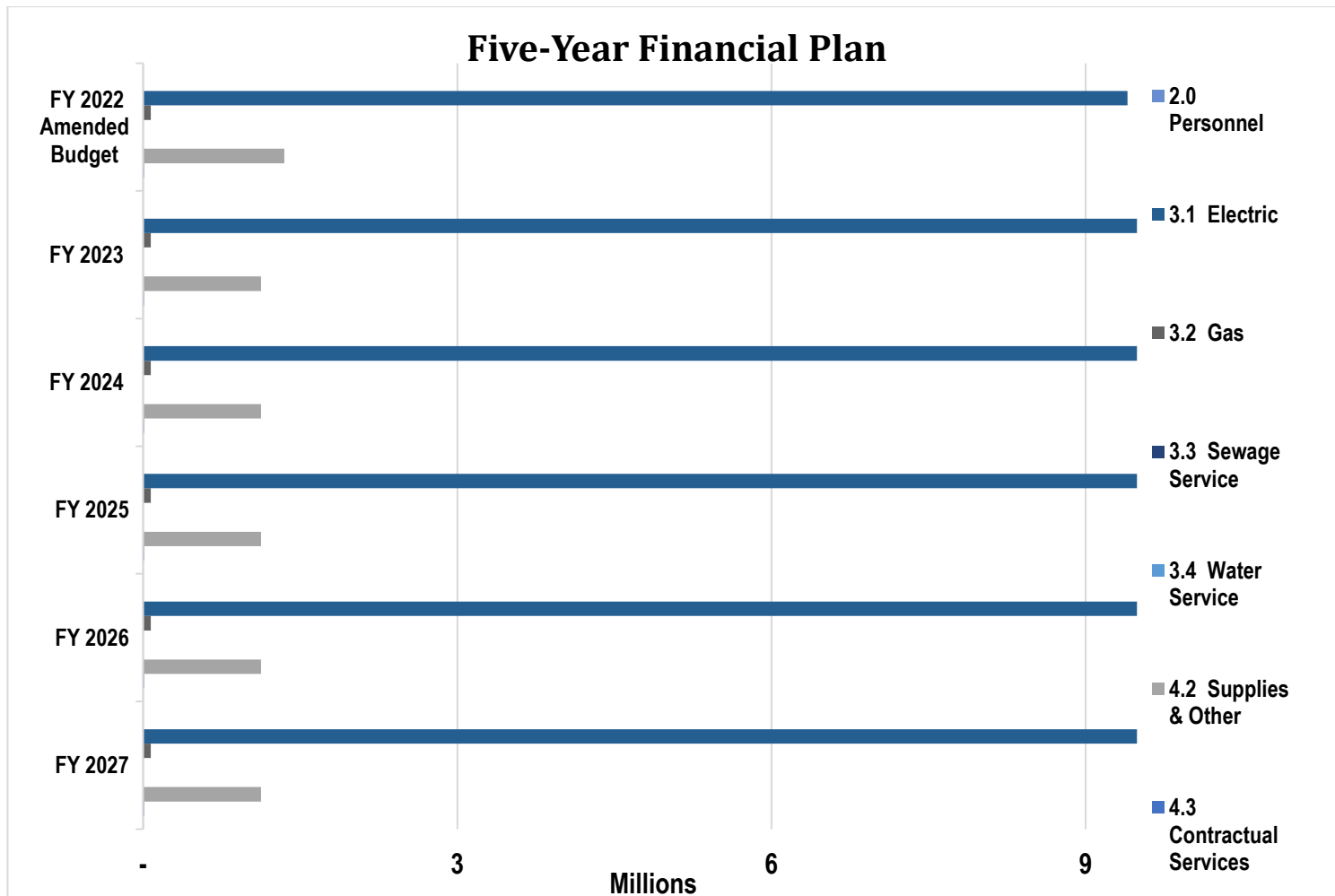
Personnel Budget

Personnel budget is not a component of the Water Operations Area Pumping (Booster) Stations. Labor to maintain these facilities is included in the Field Service Operations budget.

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
3.1 Electric	9,401,000	3,920,200	9,491,000	90,000	1.0%	9,491,000	9,491,000	9,491,000	9,491,000
3.2 Gas	73,200	4,800	73,200	-	0.0%	73,200	73,200	73,200	73,200
3.3 Sewage Service	2,700	900	2,700	-	0.0%	2,700	2,700	2,700	2,700
3.4 Water Service	1,000	200	1,000	-	0.0%	1,000	1,000	1,000	1,000
4.2 Supplies & Other	1,348,200	189,900	1,124,700	(223,500)	-16.6%	1,124,700	1,124,700	1,124,700	1,124,700
4.3 Contractual Services	10,000	-	10,000	-	0.0%	10,000	10,000	10,000	10,000
Grand Total	\$ 10,836,100	4,116,000	\$ 10,702,600	\$ (133,500)	-1.2%	\$ 10,702,600	\$ 10,702,600	\$ 10,702,600	\$ 10,702,600





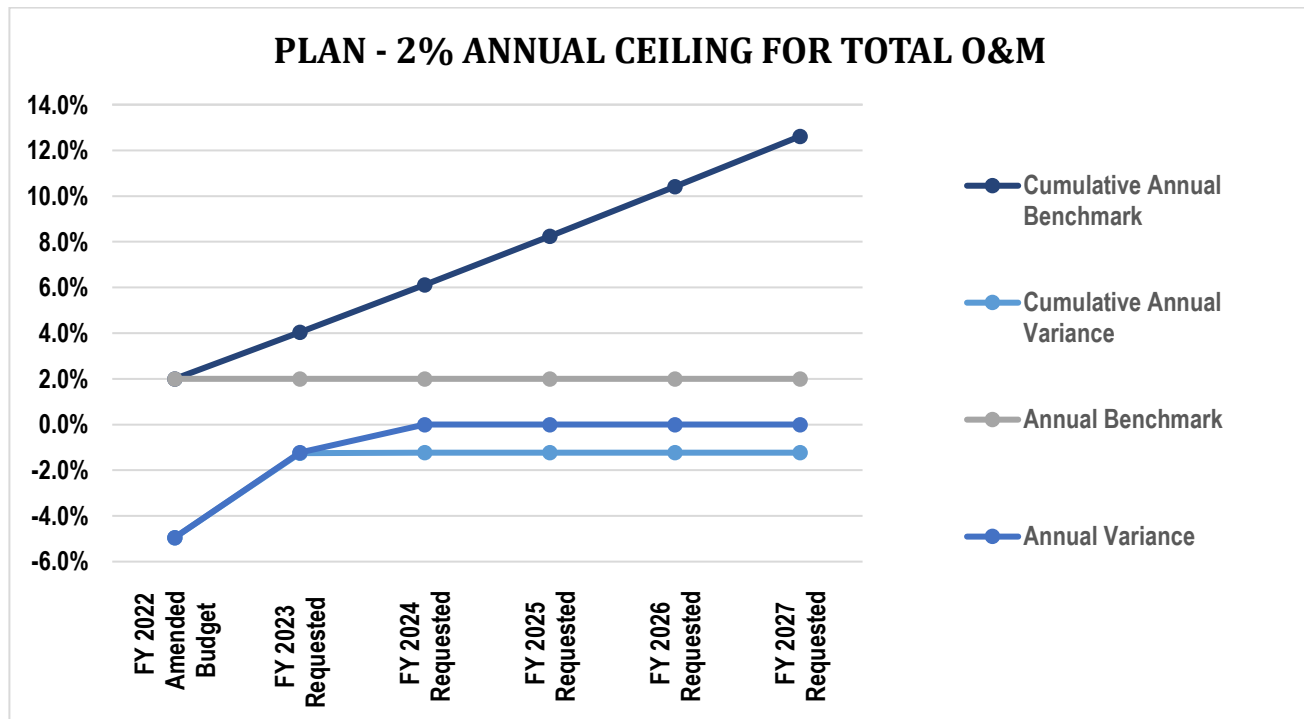
Water Pump Stations
Budget & Five-Year Plan
FY 2023 through FY 2027

Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Water Pumping Stations	\$ 10,836,100	\$ 4,116,000	\$ 10,702,600	\$ (133,500)	-1.2%	\$ 10,702,600	\$ 10,702,600	\$ 10,702,600	\$ 10,702,600
Adams Road Pumping Station	605,000	293,300	605,000	-	0.0%	605,000	605,000	605,000	605,000
Eastside Pumping Station	53,500	26,000	54,000	500	0.9%	54,000	54,000	54,000	54,000
Electric Ave Pumping Station	21,500	4,200	26,000	4,500	20.9%	26,000	26,000	26,000	26,000
Ford Rd Pumping Station	423,700	132,300	423,700	-	0.0%	423,700	423,700	423,700	423,700
Franklin Road Pumping Station	875,000	321,500	895,000	20,000	2.3%	895,000	895,000	895,000	895,000
Haggerty Road Pumping Station	257,500	87,900	257,500	-	0.0%	257,500	257,500	257,500	257,500
Imlay Pumping Station	2,405,000	1,055,300	2,415,000	10,000	0.4%	2,415,000	2,415,000	2,415,000	2,415,000
Joy Road Pumping Station	662,500	237,300	642,500	(20,000)	-3.0%	642,500	642,500	642,500	642,500
Michigan Ave Pumping Station	105,700	36,500	105,700	-	0.0%	105,700	105,700	105,700	105,700
Newburgh Pumping Station	380,000	132,700	380,000	-	0.0%	380,000	380,000	380,000	380,000
North Service Center Pumping Station	2,461,000	681,700	2,295,000	(166,000)	-6.7%	2,295,000	2,295,000	2,295,000	2,295,000
Northwest Pumping Station	35,700	15,300	40,700	5,000	14.0%	40,700	40,700	40,700	40,700
Orion Township Pumping Station	73,500	26,600	73,000	(500)	-0.7%	73,000	73,000	73,000	73,000
Rochester Pumping Station	218,000	191,800	272,000	54,000	24.8%	272,000	272,000	272,000	272,000
Roseville Pumping Station	300	-	300	-	0.0%	300	300	300	300
Schoolcraft Pumping Station	433,000	147,000	448,000	15,000	3.5%	448,000	448,000	448,000	448,000
West Chicago Rd Pumping Station	37,000	5,200	32,000	(5,000)	-13.5%	32,000	32,000	32,000	32,000
West Service Center Pumping Station	798,700	326,700	747,700	(51,000)	-6.4%	747,700	747,700	747,700	747,700
Wick Road Pumping Station	605,500	217,600	605,500	-	0.0%	605,500	605,500	605,500	605,500
Ypsilanti Pumping Station	384,000	177,100	384,000	-	0.0%	384,000	384,000	384,000	384,000
Grand Total	\$ 10,836,100	\$ 4,116,000	\$ 10,702,600	\$ (133,500)	-1.2%	\$ 10,702,600	\$ 10,702,600	\$ 10,702,600	\$ 10,702,600

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Water Operations pumping (booster) stations Group's financial plan reflects a five-year overall decrease of 1.2% which is well within the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment).



Capital Outlay

Capital Outlay is not a component of the Water Pumping (Booster) Stations' budget.

Line-Item Budget and Financial Plan

The five-year plan by line-item expense is reflected on the following page. The expenses are listed for each cost center. Because many of GLWA's initiatives extend multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.



Water Pump Stations
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882321 - Ford Rd Pumping Station	\$ 384,800	\$ 423,700	\$ 132,300	\$ 423,700	\$ 423,700	\$ 423,700	\$ 423,700	\$ 423,700
3.1 Electric	358,800	400,000	122,700	400,000	400,000	400,000	400,000	400,000
3.2 Gas	4,300	3,700	700	3,700	3,700	3,700	3,700	3,700
4.2 Supplies & Other	21,700	20,000	8,900	20,000	20,000	20,000	20,000	20,000
Repairs & Maintenance-Equipment	21,700	20,000	8,900	20,000	20,000	20,000	20,000	20,000
882322 - Eastside Pumping Station	64,200	53,500	26,000	54,000	54,000	54,000	54,000	54,000
3.1 Electric	36,500	30,000	19,400	30,000	30,000	30,000	30,000	30,000
3.2 Gas	6,200	3,500	100	4,000	4,000	4,000	4,000	4,000
4.2 Supplies & Other	21,500	20,000	6,500	20,000	20,000	20,000	20,000	20,000
Repairs & Maintenance-Equipment	21,500	20,000	6,500	20,000	20,000	20,000	20,000	20,000
882323 - Northwest Pumping Station	61,300	35,700	15,300	40,700	40,700	40,700	40,700	40,700
3.1 Electric	42,100	25,000	13,100	30,000	30,000	30,000	30,000	30,000
3.3 Sewage Service	100	200	100	200	200	200	200	200
3.4 Water Service	500	500	200	500	500	500	500	500
4.2 Supplies & Other	18,600	10,000	1,900	10,000	10,000	10,000	10,000	10,000
Repairs & Maintenance-Equipment	18,600	10,000	1,900	10,000	10,000	10,000	10,000	10,000
882324 - West Service Center Pumping Station	847,100	798,700	326,700	747,700	747,700	747,700	747,700	747,700
3.1 Electric	757,200	650,000	324,400	650,000	650,000	650,000	650,000	650,000
3.2 Gas	5,300	7,000	100	7,000	7,000	7,000	7,000	7,000
4.2 Supplies & Other	84,600	141,700	2,200	90,700	90,700	90,700	90,700	90,700
Repairs & Maintenance-Equipment	84,600	141,700	2,200	90,700	90,700	90,700	90,700	90,700
882325 - Michigan Ave Pumping Station	125,800	105,700	36,500	105,700	105,700	105,700	105,700	105,700
3.1 Electric	102,300	90,000	35,900	90,000	90,000	90,000	90,000	90,000
3.3 Sewage Service	200	200	-	200	200	200	200	200
3.4 Water Service	200	500	-	500	500	500	500	500
4.2 Supplies & Other	23,100	15,000	600	15,000	15,000	15,000	15,000	15,000
Repairs & Maintenance-Equipment	23,100	15,000	600	15,000	15,000	15,000	15,000	15,000
882326 - West Chicago Rd Pumping Station	38,500	37,000	5,200	32,000	32,000	32,000	32,000	32,000
3.1 Electric	24,400	30,000	5,000	25,000	25,000	25,000	25,000	25,000
4.2 Supplies & Other	14,100	7,000	200	7,000	7,000	7,000	7,000	7,000
Repairs & Maintenance-Equipment	14,100	7,000	200	7,000	7,000	7,000	7,000	7,000
882327 - Electric Ave Pumping Station	30,600	21,500	4,200	26,000	26,000	26,000	26,000	26,000
3.1 Electric	16,200	16,000	3,400	16,000	16,000	16,000	16,000	16,000
4.2 Supplies & Other	14,400	5,500	800	10,000	10,000	10,000	10,000	10,000
Repairs & Maintenance-Equipment	14,400	5,500	800	10,000	10,000	10,000	10,000	10,000
882328 - Orion Township Pumping Station	74,600	73,500	26,600	73,000	73,000	73,000	73,000	73,000
3.1 Electric	66,600	70,000	25,900	70,000	70,000	70,000	70,000	70,000
3.2 Gas	300	1,000	100	500	500	500	500	500
4.2 Supplies & Other	7,700	2,500	600	2,500	2,500	2,500	2,500	2,500
Repairs & Maintenance-Equipment	7,700	2,500	600	2,500	2,500	2,500	2,500	2,500
882329 - North Service Center Pumping Station	2,283,000	2,461,000	681,700	2,295,000	2,295,000	2,295,000	2,295,000	2,295,000
3.1 Electric	2,115,500	2,000,000	643,500	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
3.2 Gas	24,300	25,000	400	25,000	25,000	25,000	25,000	25,000
4.2 Supplies & Other	143,200	436,000	37,800	270,000	270,000	270,000	270,000	270,000
Repairs & Maintenance-Equipment	143,200	436,000	37,800	270,000	270,000	270,000	270,000	270,000
882330 - Adams Road Pumping Station	682,800	605,000	293,300	605,000	605,000	605,000	605,000	605,000
3.1 Electric	594,700	500,000	279,400	500,000	500,000	500,000	500,000	500,000
4.2 Supplies & Other	88,100	105,000	13,900	105,000	105,000	105,000	105,000	105,000
Repairs & Maintenance-Equipment	88,100	105,000	13,900	105,000	105,000	105,000	105,000	105,000
882331 - Newburgh Pumping Station	399,100	380,000	132,700	380,000	380,000	380,000	380,000	380,000
3.1 Electric	382,400	365,000	131,800	365,000	365,000	365,000	365,000	365,000
4.2 Supplies & Other	16,700	15,000	900	15,000	15,000	15,000	15,000	15,000
Repairs & Maintenance-Equipment	16,700	15,000	900	15,000	15,000	15,000	15,000	15,000



Water Pump Stations
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882332 - Franklin Road Pumping Station	953,000	875,000	321,500	895,000	895,000	895,000	895,000	895,000
3.1 Electric	869,400	750,000	301,700	800,000	800,000	800,000	800,000	800,000
4.2 Supplies & Other	83,600	125,000	19,800	95,000	95,000	95,000	95,000	95,000
Repairs & Maintenance-Equipment	83,600	125,000	19,800	95,000	95,000	95,000	95,000	95,000
882333 - Roseville Pumping Station	100	300	-	300	300	300	300	300
3.3 Sewage Service	100	300	-	300	300	300	300	300
882334 - Wick Road Pumping Station	761,100	605,500	217,600	605,500	605,500	605,500	605,500	605,500
3.1 Electric	629,900	500,000	198,200	500,000	500,000	500,000	500,000	500,000
3.2 Gas	9,100	5,000	200	5,000	5,000	5,000	5,000	5,000
3.3 Sewage Service	400	500	100	500	500	500	500	500
4.2 Supplies & Other	121,700	100,000	19,100	100,000	100,000	100,000	100,000	100,000
Repairs & Maintenance-Equipment	121,700	100,000	19,100	100,000	100,000	100,000	100,000	100,000
882335 - Joy Road Pumping Station	622,500	662,500	237,300	642,500	642,500	642,500	642,500	642,500
3.1 Electric	563,000	550,000	230,400	550,000	550,000	550,000	550,000	550,000
3.2 Gas	3,500	3,000	1,500	3,000	3,000	3,000	3,000	3,000
3.3 Sewage Service	400	500	100	500	500	500	500	500
4.2 Supplies & Other	55,600	109,000	5,300	89,000	89,000	89,000	89,000	89,000
Repairs & Maintenance-Equipment	55,600	109,000	5,300	89,000	89,000	89,000	89,000	89,000
882336 - Schoolcraft Pumping Station	511,000	433,000	147,000	448,000	448,000	448,000	448,000	448,000
3.1 Electric	425,500	380,000	138,800	380,000	380,000	380,000	380,000	380,000
3.2 Gas	4,500	3,000	100	3,000	3,000	3,000	3,000	3,000
4.2 Supplies & Other	76,000	50,000	8,100	65,000	65,000	65,000	65,000	65,000
Repairs & Maintenance-Equipment	76,000	50,000	8,100	65,000	65,000	65,000	65,000	65,000
4.3 Contractual Services	5,000	-	-	-	-	-	-	-
Contractual Operating Services	5,000	-	-	-	-	-	-	-
882337 - Ypsilanti Pumping Station	520,200	384,000	177,100	384,000	384,000	384,000	384,000	384,000
3.1 Electric	482,400	350,000	170,900	350,000	350,000	350,000	350,000	350,000
3.2 Gas	6,200	5,000	200	5,000	5,000	5,000	5,000	5,000
4.2 Supplies & Other	26,600	19,000	6,000	19,000	19,000	19,000	19,000	19,000
Repairs & Maintenance-Equipment	26,600	19,000	6,000	19,000	19,000	19,000	19,000	19,000
4.3 Contractual Services	5,000	10,000	-	10,000	10,000	10,000	10,000	10,000
Contractual Professional Services	5,000	10,000	-	10,000	10,000	10,000	10,000	10,000
882338 - Inlay Pumping Station	2,340,600	2,405,000	1,055,300	2,415,000	2,415,000	2,415,000	2,415,000	2,415,000
3.1 Electric	2,172,500	2,300,000	1,024,300	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000
4.2 Supplies & Other	163,100	105,000	31,000	115,000	115,000	115,000	115,000	115,000
Repairs & Maintenance-Equipment	163,100	105,000	31,000	115,000	115,000	115,000	115,000	115,000
4.3 Contractual Services	5,000	-	-	-	-	-	-	-
Contractual Professional Services	5,000	-	-	-	-	-	-	-
882339 - Rochester Pumping Station	407,100	218,000	191,800	272,000	272,000	272,000	272,000	272,000
3.1 Electric	339,800	185,000	171,900	225,000	225,000	225,000	225,000	225,000
3.2 Gas	4,500	7,000	300	7,000	7,000	7,000	7,000	7,000
3.3 Sewage Service	200	500	300	500	500	500	500	500
4.2 Supplies & Other	62,600	25,500	19,300	39,500	39,500	39,500	39,500	39,500
Repairs & Maintenance-Equipment	62,600	25,500	19,300	39,500	39,500	39,500	39,500	39,500
882340 - Haggerty Road Pumping Station	345,300	257,500	87,900	257,500	257,500	257,500	257,500	257,500
3.1 Electric	260,400	210,000	79,500	210,000	210,000	210,000	210,000	210,000
3.2 Gas	5,500	10,000	1,100	10,000	10,000	10,000	10,000	10,000
3.3 Sewage Service	600	500	300	500	500	500	500	500
4.2 Supplies & Other	78,800	37,000	7,000	37,000	37,000	37,000	37,000	37,000
Repairs & Maintenance-Equipment	78,800	37,000	7,000	37,000	37,000	37,000	37,000	37,000
Grand Total	\$ 11,452,700	\$ 10,836,100	\$ 4,116,000	\$ 10,702,600	\$ 10,702,600	\$ 10,702,600	\$ 10,702,600	\$ 10,702,600

Wastewater Operations Group

The Wastewater Operations Group treats the sanitary and combined sewage from 79 communities, or nearly 30% of the State of Michigan's population, protecting the receiving waters and safeguarding the public's health, by meeting or exceeding the requirements outlined under the National Pollutant Discharge Elimination System (NPDES).

The Wastewater Operating Group pursues various strategic initiatives including:

❖ Safeguarding the public's health and the environment (Ongoing)

Through compliance with the NPDES permit and partnership with our co-permittee, the Detroit Water and Sewer Department (DWSD), and our member partners, and others. This is measured through regular monitoring and reporting to the Michigan Department of Environment, Great Lakes, and Energy (EGLE) as well as a monthly KPI to the Board of the effluent phosphorous concentration in relation to the permitted limit.

❖ Monitoring and improving the reliability of processing equipment (Ongoing)

By focusing on our maintenance program and optimizing our resources in removing defects and stabilizing our maintenance measures. This is measured by monthly reporting of KPI's to the Board for preventative and corrective maintenance activity.

❖ Continuing to build and retain a reliable workforce (Ongoing)

In accordance with the EGLE staffing plan through the recruitment and retention of talented individuals and implementation of apprenticeship programs. Working with organizational development to build a sustainable employment model. This is monitored through staff training records and turn-over tracking.

❖ Maximizing beneficial reuse of the solids produced through the Water Resource Recovery Facility (Completion by end of FY 2022)

Close monitoring of the solids inventory, and reduction of the Central Offloading process for landfill disposal. This is monitored by a monthly KPI to the Board for solids inventory.

❖ Upgrading Instrumentation and Control Systems (Over next three to five years)

By establishing a calibration and replacement program for various instruments, including software updates and hardware for the wastewater controls system. The program will increase reliability and visibility for operations. This also advances the hardening of the system to protect our infrastructure from cybersecurity attacks.

❖ Continuing the efforts towards optimization of our operations through innovation (Ongoing)

By working with the Energy, Research and Innovation group to explore opportunities to partner with universities to conduct research at the WRRF. This will also be accomplished by involving the Energy, Research and Innovation group in the capital improvement process.

❖ Revising and expanding the resources for Capital Improvement Program delivery. (Over the next Three years)

By focusing on project management and lifecycle asset management. The addition of a Director of Engineering and the creation of subject matter expert teams, dedicated to the Capital Improvement Program, plus others dedicated to operational improvements.

The following table shows how the wastewater operations strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Wastewater Operations Strategic Initiatives	Safeguarding the publics' health and the environment			x	x	x		x	x			x
	Monitor and improve the reliability of processing equipment			x	x	x	x	x	x			
	Continue to build a reliable workforce		x	x		x	x				x	
	Optimizing the Biosolid Dryer Facility	x	x	x	x	x	x		x	x		x
	Upgrade of Instrumentation and Control Systems			x	x	x	x		x			x
	Continue efforts towards innovation	x	x	x	x	x	x	x	x			x
	Revising and expanding the resources for Capital Improvement Program delivery			x	x	x	x		x			x

Wastewater Operations Contracts

The Wastewater Operations budget contains several contracts for services, commodities, and maintenance to ensure system reliability, safeguard public health and the environment in compliance with our NPDES permit. The following tables represent current contracts for the services listed. Expired contracts are not presented. Budgeted amounts beyond contract date are estimates based on past experience in addition to future program plans.

These contracts would generally require a separate procurement process. It should be noted that several contracts are shared by multiple areas of GLWA. In the following tables are the key contracts for these services.

Project Description	Facilities Maintenance Services	Landfill Service For Lime Stabilized Dewatered Sludge	Ferric Chloride	Gaseous Oxygen Service	Sodium Bisulfite	Sulfur Dioxide	Sodium Hypochlorite	Total
Prime Consultant or Supplier	Lakeshore Global Corporation	Waste Management Of Michigan Inc	Kemira Water Solutions	Praxair Inc	Sulco Chemicals Limited	PVS Technologies Inc	PVS Nolwood Chemical Inc	
Contract #	CON-1901658	PO 16507	PO 9172	2920576	PO 9857	PO 9172	PO 13974	
Contract Amount	\$ 10,944,780	\$ 2,000,000	\$ 3,999,550	\$ 14,091,663	\$ 1,336,152	\$ 3,003,000	\$ 5,469,000	
Contract End Date	01/19/22	03/31/25	05/27/22	08/31/21	04/30/22	05/27/22	03/31/22	
Cost Center Name	Various	Central Off Loading & Hauling	Wastewater Primary Processing	Wastewater Secondary Processing	Wastewater Secondary Processing	Wastewater Secondary Processing	CSO Facilities and Wastewater Secondary Processing	
Expense Category	Personnel	Contract Services	Chemicals	Chemicals	Chemicals	Chemicals	Chemicals	
Pre-FY 2021 Spend	\$ 3,826,200	\$ 127,600	\$ 3,830,800	\$ 13,069,700	\$ 388,200	\$ 525,301	\$ 3,103,200	\$ 24,871,001
FY 2021 Spend	8,019,100	48,600	1,990,300	2,514,200	120,100	477,671	980,900	\$ 14,150,871
FY 2022 Budget	7,584,200	450,000	2,107,200	2,943,100	170,800	479,000	1,536,400	\$ 15,270,700
FY 2023 Requested	8,331,600	372,000	2,107,200	2,943,100	170,800	479,000	1,536,400	\$ 15,940,100
FY 2024 Requested	8,357,500	372,000	2,128,000	2,973,000	173,000	484,000	1,552,000	\$ 16,039,500
FY 2025 Requested	8,426,700	379,000	2,149,000	3,003,000	175,000	489,000	1,568,000	\$ 16,189,700
FY 2026 Requested	8,453,200	387,000	2,170,000	3,033,000	177,000	494,000	1,584,000	\$ 16,298,200
FY 2027 Requested	8,481,200	387,000	2,192,000	3,063,000	179,000	499,000	1,600,000	\$ 16,401,200
Total	\$ 61,479,700	\$ 2,523,200	\$ 18,674,500	\$ 33,542,100	\$ 1,553,900	\$ 3,926,972	\$ 13,460,900	\$ 135,161,272

Project Description	Flocculant, Organic Polymer	Maintenance Service contract for Accusonic Flow Meters	Fire -Alarms, Sprinklers, Extinguishers- Maintenance & Repair	Refractory Inspection and Repairs	HVAC Services	Biosolids Dryer Facility	Chlorine (90 Ton Tank Cars)	Total
Prime Consultant or Supplier	Polydyne Inc	HESCO Group Inc	Johnson Controls Fire Protection LP	Commercial Contracting Corporation	Multiple Vendors	New England Fertilizer Company	JCI Jones Chemicals Inc	
Contract #	1802179	PO 12613	2000284	2000917	Multiple	PC-792	0004302	
Contract Amount	\$ 7,875,000	\$ 2,204,531	\$ 1,659,587	\$ 4,752,640	\$ 5,790,800	\$ 540,000,000	\$ 2,046,816	
Contract End Date	01/31/24	04/29/24	08/31/23	12/20/25	12/28/23	07/31/41	12/21/21	
Cost Center Name	Wastewater Incineration	All CSO Facilities	Wastewater Operations & CSO Facilities	Wastewater Incineration	Wastewater Operations & CSO Facilities	Central Off Loading & Hauling	Wastewater Secondary Processing	
Expense Category	Chemicals	Contract Services	Supplies & Other	Supplies & Other	Supplies & Other	Contract Services	Chemicals	
Pre-FY 2021 Spend	\$ 1,317,600	\$ 239,300	\$ -	\$ -	\$ -	\$ 55,849,700	\$ 13,033,007	\$ 70,439,607
FY 2021 Spend	944,943	149,000	153,000	-	275,000	14,248,100	476,600	\$ 16,246,643
FY 2022 Budget	1,033,600	231,100	464,000	950,600	2,324,400	14,124,000	473,300	\$ 19,601,000
FY 2023 Requested	1,033,600	236,600	464,000	1,201,500	1,752,100	14,456,000	473,300	\$ 19,617,100
FY 2024 Requested	1,044,000	238,600	465,500	1,201,500	1,783,200	14,564,000	478,000	\$ 19,774,800
FY 2025 Requested	1,054,000	243,000	469,600	1,201,500	1,814,700	14,673,000	483,000	\$ 19,938,800
FY 2026 Requested	1,065,000	248,000	473,800	1,224,000	1,847,100	14,783,000	488,000	\$ 20,128,900
FY 2027 Requested	1,076,000	252,700	477,900	1,224,000	1,883,400	14,894,000	493,000	\$ 20,301,000
Total	\$ 8,568,743	\$ 1,838,300	\$ 2,967,800	\$ 7,003,100	\$ 11,679,900	\$ 157,591,800	\$ 16,398,207	\$ 206,047,850

Task Order Contracts

As a part of the delivery of services for Wastewater Operations, three multi-vendor contracts have been executed. Task order contracts are designed to reduce the time from design to execution by pre-qualifying vendors within each contract. These task-oriented contracts are grouped into three key segments: rehabilitation (JOC), engineering (TOE) and control systems (TIC). Each segment contains multiple vendors who have the opportunity to compete for projects within their segment. The expenditure for any project, or task, is controlled by budget for the area for which that task is requested.

Below is a table for each of these three segments.

Task Order Contract Segment	Contract End Date	Number of Participating Vendors	Overall Value of the contract	Total Awarded Contracts	Pre-FY 2021 Spend	FY 2021 Spend
Job Order Maintenance Contract (JOC)	06/30/23	6	\$ 24,000,000	\$ 14,254,700	\$ 1,245,800	\$ 7,007,200
Task Order Engineering (TOE)	02/02/23	6	30,000,000	4,477,000	5,200	1,298,400
Task Instrumentation and Control (TIC)	09/30/25	5	7,620,000	475,400	-	103,702

Organization

The GLWA Wastewater Operations Area consists of four teams.

❖ Water Resource Recovery Facility (WRRF)

Processing plant for the treatment of sewage for the greater metropolitan area.

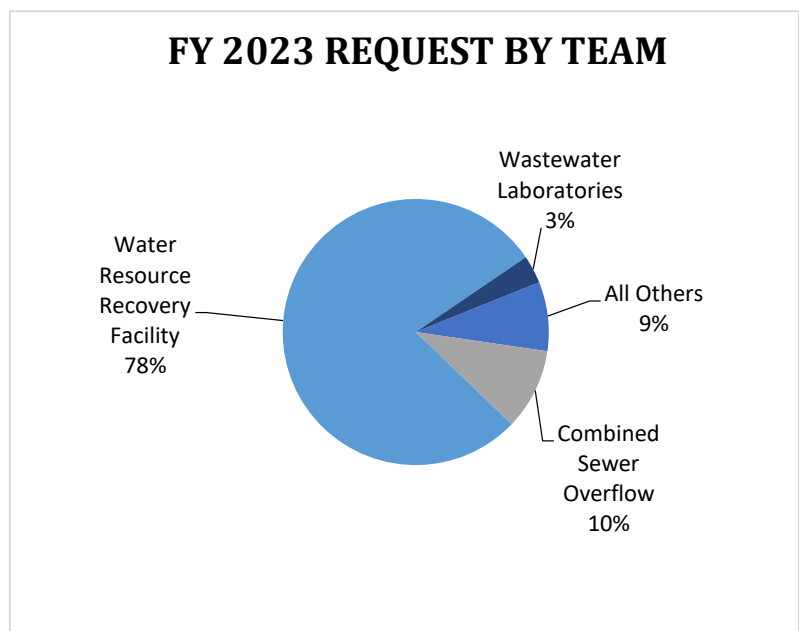
❖ Combined Sewer Overflow (CSO)

Facilities utilized to control flow volumes for protecting the system and the receiving waters during increased system demand such as during rainstorms or snow melt. GLWA currently operates 6 CSO retention and treatment basins and 3 screening and disinfection facilities. The

Belle Isle retention basin is owned by DWSD and operated by GLWA under a shared services agreement. See Shared Services under Section 4. Each CSO facility has its own cost center. Costs that are applicable to all CSO facilities are budgeted in cost center 892270 - Combined Sewer Overflow.

❖ Wastewater Laboratories

Monitoring of pollutants entering and exiting the GLWA sewage facilities



❖ **All Others (including)**

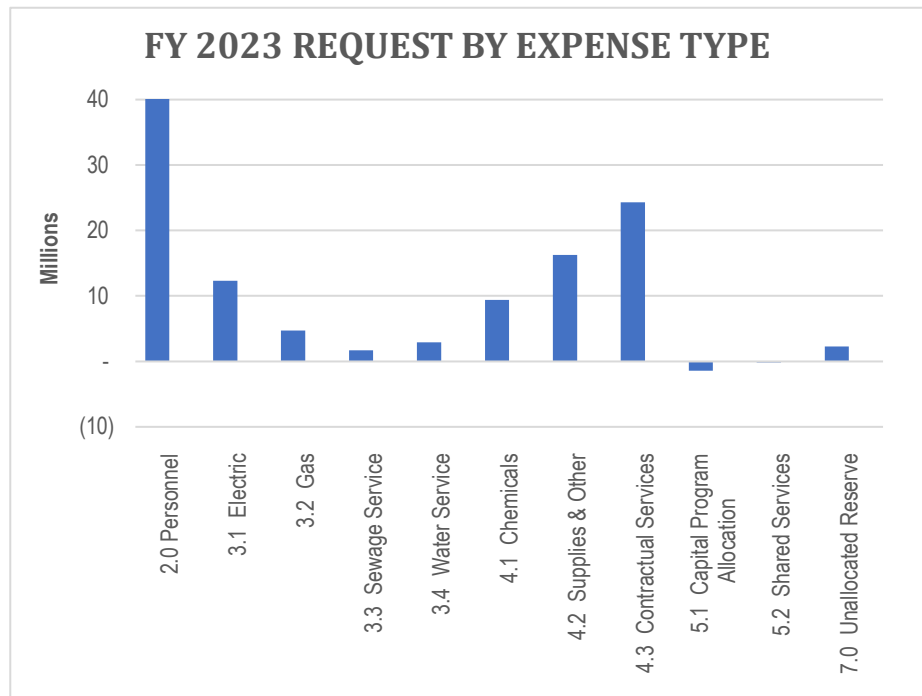
- **Wastewater Engineering**
Provide study, design, and construction administration services for improvements to the WRRF and CSO facilities
- **Industrial Waste Control**
Identification and monitoring of industrial users for pollutants
- **Wastewater Systems Unallocated**
Funds not apportioned for a specific purpose used for significant unexpected or unbudgeted expenditures

Expense Categories

There are two major categories for the Wastewater Operating Group. The expenses in the Operations and Maintenance Budget are listed below.

- ❖ Personnel Costs
- ❖ Contractual Services

As outlined in the strategic initiatives above, the Wastewater Operations Group is tasked with the handling and disposal of solids separated through the treatment process. The disposal of these materials makes up most of the contractual services expenditures.



The Biosolids Dryer Facility (BDF), operated by the New England Fertilizer Company, was commissioned in 2016. This facility has greatly reduced the volume of solid waste incinerated or sent to landfill by processing the product into a renewable resource (fertilizer). Over the past three years an estimated two thirds of the biological waste has been processed by the BDF.

Reliability of processing equipment is of primary concern for GLWA. As part of this effort the administration of the Wastewater Operating Group has continued to focus on reinforcing a proactive maintenance program.

Biennial Budget Request

The biennial budget reflects an increase in FY 2023, growing by \$3.0 million, or 2.7%. Key factors that impact this change include the following five areas.

The majority of the growth was impacted by two primary categories.

- ❖ Staffing, as noted in the *Personnel Budget* section below, increased by \$1.8 million, or 4.8%. This increase is due to a combination of factors: 1) positions that have proven more difficult to fill continue to be budgeted as transitional contractors, 2) use of updated salaries and benefits to reflect the current rate for FY 2023, and 3) specific positions to assist in asset lifecycle and management were added.
- ❖ Contribution to the unallocated reserve was increased by \$1.1 million, or 91.9%. The unallocated reserve is set aside for unbudgeted expenditures needed in operations. An example of these unknown events would be the potential impact of historical wet weather events that effect Southeastern Michigan.

Additionally, the biennial budget was impacted by the following items.

- ❖ The chemical budget was held steady as several contracts are set for renewal. The forecast renewal cost of bulk chemical contracts in the primary, and secondary operational areas, and the combined sewer overflow facilities is unknown. If a price adjustment is needed for any contact, the unallocated reserve is used to accommodate this.
- ❖ Supplies & Other were decreased by \$0.1 million, or 0.6%. Certain repair projects, that are not forecast to repeat will be concluding (-\$0.6 million). This project conclusion is offset by the increased Refractory Inspection and Repair contract (\$0.5 million) noted above.
- ❖ Contract Services was held steady. Several programs underway, covered by the Task Order Engineering (TOE), skilled labor, hauling and other similar services are expected to remain consistent. Changes to the use of these services would be covered by the unallocated reserve.

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 36,648,700	\$ 38,210,700	\$ 12,513,300	\$ 40,062,900	\$ 1,852,200	4.8%	\$ 42,611,200
3.1 Electric	11,972,200	12,301,600	4,574,100	12,281,000	(20,600)	-0.2%	12,465,000
3.2 Gas	4,623,900	4,449,800	1,501,900	4,690,000	240,200	5.4%	4,760,000
3.3 Sewage Service	1,620,800	1,452,400	504,900	1,669,000	216,600	14.9%	1,695,000
3.4 Water Service	2,903,700	3,042,400	825,900	2,907,000	(135,400)	-4.5%	2,962,000
4.1 Chemicals	7,954,000	9,381,700	3,818,800	9,397,500	15,800	0.2%	9,491,500
4.2 Supplies & Other	16,126,100	16,343,300	3,898,100	16,237,400	(105,900)	-0.6%	16,057,600
4.3 Contractual Services	22,557,700	24,285,400	8,068,500	24,268,400	(17,000)	-0.1%	24,435,400
5.1 Capital Program Allocation	(1,068,700)	(1,292,700)	(318,000)	(1,429,500)	(136,800)	10.6%	(1,722,400)
5.2 Shared Services	(157,400)	(160,400)	(53,500)	(163,200)	(2,800)	1.7%	(165,700)
6.0 Capital Outlay	223,800	-	-	-	-	-	-
7.0 Unallocated Reserve	-	1,189,800	-	2,283,600	1,093,800	91.9%	2,295,000
Grand Total	\$ 103,404,800	\$ 109,204,000	\$ 35,334,000	\$ 112,204,100	\$ 3,000,100	2.7%	\$ 114,884,600

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Wastewater Administration	\$ 1,629,800	\$ 2,269,900	\$ 582,400	\$ 2,203,000	\$ (66,900)	-2.9%	\$ 1,819,600
Water Resource Recovery Facility	81,756,900	86,164,600	28,005,900	87,173,300	1,008,700	1.2%	88,979,100
Wastewater Engineering	2,803,100	2,758,600	798,600	3,524,400	765,800	27.8%	3,593,600
Industrial Waste Control	2,499,300	2,473,600	817,700	2,539,200	65,600	2.7%	2,786,000
Wastewater Laboratories	4,000,800	3,832,200	1,061,300	3,840,300	8,100	0.2%	4,404,000
Combined Sewer Overflow	10,714,900	10,515,300	4,068,100	10,640,300	125,000	1.2%	11,007,300
Wastewater Operations Unallocated	-	1,189,800	-	2,283,600	1,093,800	91.9%	2,295,000
Grand Total	\$ 103,404,800	\$ 109,204,000	\$ 35,334,000	\$ 112,204,100	\$ 3,000,100	2.7%	\$ 114,884,600

Personnel Budget

Wastewater Operations Group personnel expense is largely comprised of wastewater operations and maintenance staffing of 450 positions. The staffing plan target is consistent with the agreed upon level with the Michigan Department of Environment, Great Lakes, and Energy. Included in the staffing plan are 8 workforce development positions for positions that have proven difficult to fill. These positions demonstrate GLWA's commitment to developing the talent necessary to accomplish its initiatives effectively. Two positions have been added for an Asset Life Cycle Project Manager and Technical Management Leader. These positions are intended to increase the wastewater commitment to reliability and proper asset management. Two additional positions for an Asset Life Cycle Project Manager and a Technical Management Leader were added in FY 2024 and again in FY 2025. The additional positions, being Capital Improvement Program (CIP) oriented, have an 80% allocation towards capital and 20% allocation towards operations and maintenance budget.

The tables on the following page provide three alternate views of the staffing plan.

Staffing Plan- Number of Positions – The following table presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is currently vacant.

Staffing Plan

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Wastewater System Operations	443.00	448.00	450.00	452.00	454.00	454.00	454.00
Wastewater Administration	14.00	14.00	13.00	13.00	13.00	13.00	13.00
Water Resource Recovery Facility	299.00	301.00	304.00	304.00	304.00	304.00	304.00
Wastewater Engineering	24.00	26.00	31.00	33.00	35.00	35.00	35.00
Wastewater Laboratories	40.00	41.00	40.00	40.00	40.00	40.00	40.00
Industrial Waste Control	29.00	29.00	29.00	29.00	29.00	29.00	29.00
Combined Sewer Overflow	37.00	37.00	33.00	33.00	33.00	33.00	33.00

Full Time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted, based upon a standard of 2,080 hours per year.

Full Time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2026 FTEs
Wastewater System Operations	436.75	431.25	421.69	451.75	453.75	453.75	453.75
Wastewater Administration	14.00	14.00	13.00	13.00	13.00	13.00	13.00
Water Resource Recovery Facility	294.25	289.00	287.00	304.00	304.00	304.00	304.00
Wastewater Engineering	23.50	25.50	30.50	33.00	35.00	35.00	35.00
Wastewater Laboratories	40.00	39.75	34.00	40.00	40.00	40.00	40.00
Industrial Waste Control	28.50	28.25	27.75	29.00	29.00	29.00	29.00
Combined Sewer Overflow	36.50	34.75	29.44	32.75	32.75	32.75	32.75

Personnel Budget – The tables on the following page present the Wastewater Operations Group personnel budget which consists of the following expense categories: Salaries & Wages, Salaries & Wages – Workforce Development, Overtime, Employee Benefits and Contractual Transition Services. The values are based on the *Full Time Equivalents* above using current pay levels. Wage and benefit adjustments are based on merit increases and are included in category 7.0 Unallocated Reserve as shown in the Five-Year Financial Plan below.

Personnel Budget

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.1 Salaries & Wages	\$ 18,795,100	\$ 20,421,600	\$ 6,123,500	\$ 21,985,900	\$ 1,564,300	7.7%	\$ 23,635,700
2.2 Workforce Development	282,500	255,400	81,600	276,900	21,500	8.4%	349,600
2.3 Overtime	2,802,000	3,072,600	915,300	2,830,800	(241,800)	-7.9%	2,761,300
2.4 Employee Benefits	8,513,500	8,414,400	2,573,700	9,282,300	867,900	10.3%	10,177,600
2.5 Transition Services	6,255,600	6,046,700	2,819,200	5,687,000	(359,700)	-5.9%	5,687,000
Grand Total	\$ 36,648,700	\$ 38,210,700	\$ 12,513,300	\$ 40,062,900	\$ 1,852,200	4.8%	\$ 42,611,200

Personnel Budget – Five-Year Financial Plan

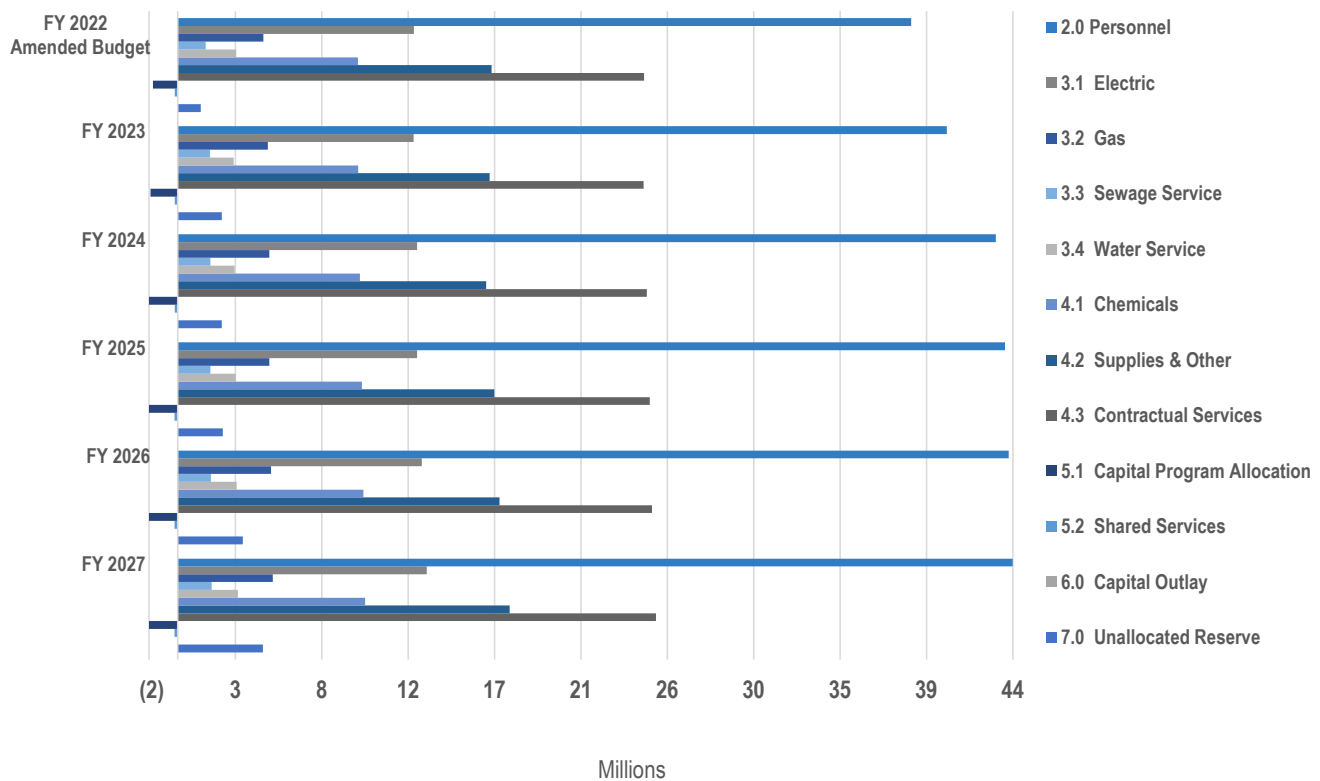
Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Wastewater Administration	\$ 1,625,300	\$ 1,569,800	\$ 1,577,300	\$ 1,584,900	\$ 1,592,400	\$ 1,600,000
Water Resource Recovery Facility	25,184,700	26,903,200	28,158,500	28,282,400	28,406,300	28,530,400
Wastewater Engineering	2,573,600	3,249,600	3,622,400	3,926,100	3,945,100	3,964,000
Wastewater Laboratories	3,379,300	3,356,800	3,913,500	3,933,500	3,953,500	3,973,500
Industrial Waste Control	2,208,300	2,273,700	2,351,700	2,364,900	2,378,200	2,391,500
Combined Sewer Overflow	3,239,500	2,709,800	2,987,800	3,001,100	3,014,300	3,027,500
Grand Total	\$ 38,210,700	\$ 40,062,900	\$ 42,611,200	\$ 43,092,900	\$ 43,289,800	\$ 43,486,900

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 09.30.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.1 Salaries & Wages	\$ 20,421,600	\$ 6,123,500	\$ 21,985,900	\$ 1,564,300	7.7%	\$ 23,635,700	\$ 23,835,700	\$ 23,835,700	\$ 23,835,700
2.2 Workforce									
Development	255,400	81,600	276,900	21,500	8.4%	349,600	349,600	349,600	349,600
2.3 Overtime	3,072,600	915,300	2,830,800	(241,800)	-7.9%	2,761,300	2,780,800	2,780,800	2,780,800
2.4 Employee Benefits	8,414,400	2,573,700	9,282,300	867,900	10.3%	10,177,600	10,439,800	10,636,700	10,833,800
2.5 Transition Services	6,046,700	2,819,200	5,687,000	(359,700)	-5.9%	5,687,000	5,687,000	5,687,000	5,687,000
3.1 Electric	12,301,600	4,574,100	12,281,000	(20,600)	-0.2%	12,465,000	12,465,000	12,715,000	12,970,000
3.2 Gas	4,449,800	1,501,900	4,690,000	240,200	5.4%	4,760,000	4,760,000	4,854,000	4,950,000
3.3 Sewage Service	1,452,400	504,900	1,669,000	216,600	14.9%	1,695,000	1,695,000	1,728,000	1,761,000
3.4 Water Service	3,042,400	825,900	2,907,000	(135,400)	-4.5%	2,962,000	3,009,000	3,069,000	3,130,000
4.1 Chemicals	9,381,700	3,818,800	9,397,500	15,800	0.2%	9,491,500	9,587,300	9,669,500	9,754,700
4.2 Supplies & Other	16,343,300	3,898,100	16,237,400	(105,900)	-0.6%	16,057,600	16,482,900	16,762,600	17,283,600
4.3 Contractual Services	24,285,400	8,068,500	24,268,400	(17,000)	-0.1%	24,435,400	24,589,700	24,707,200	24,907,500
5.1 Capital Program									
Allocation	(1,292,700)	(318,000)	(1,429,500)	(136,800)	10.6%	(1,722,400)	(1,959,500)	(1,968,600)	(1,977,700)
5.2 Shared Services	(160,400)	(53,500)	(163,200)	(2,800)	1.7%	(165,700)	(168,200)	(170,600)	(173,500)
7.0 Unallocated Reserve	1,189,800	-	2,283,600	1,093,800	91.9%	2,295,000	2,340,900	3,387,700	4,435,400
Grand Total	\$ 109,204,000	\$ 35,334,000	\$ 112,204,100	\$ 3,000,100	2.7%	\$ 114,884,600	\$ 115,895,000	\$ 118,043,600	\$ 120,527,900

Five-Year Financial Plan



Five-Year Financial Plan by Team

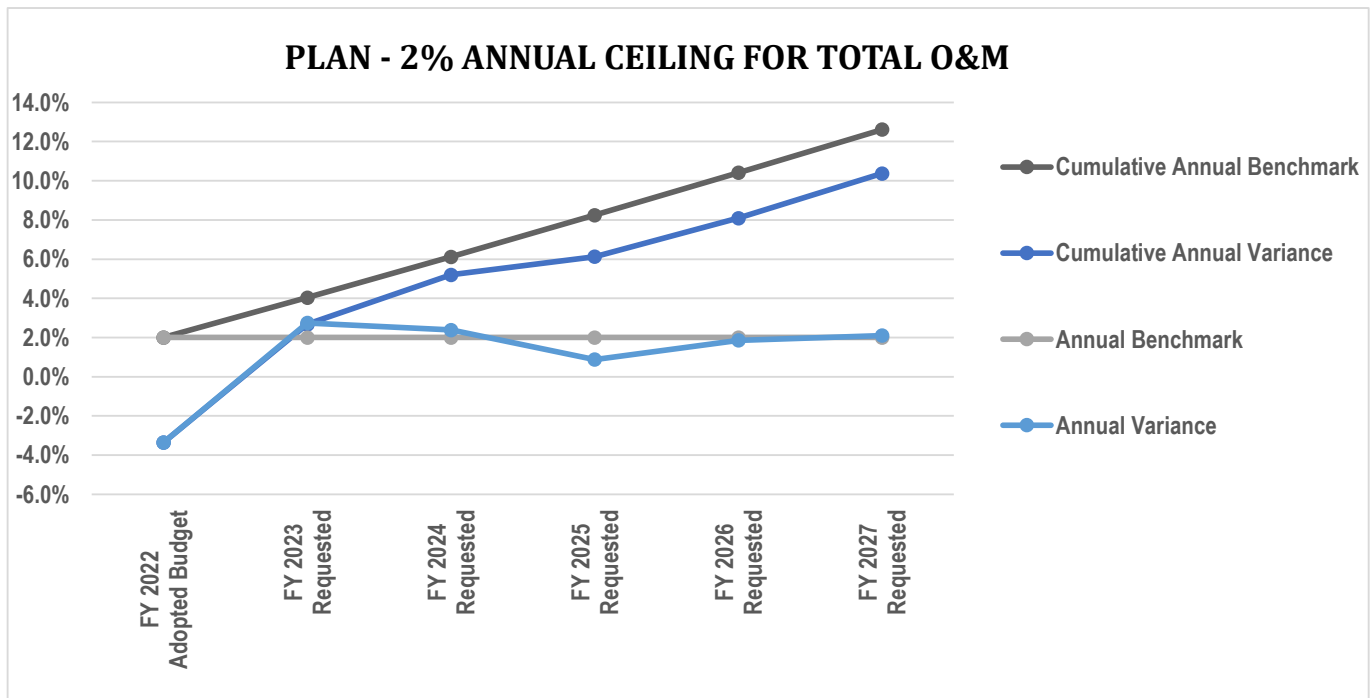
Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Wastewater Administration	\$ 2,269,900	\$ 582,400	\$ 2,203,000	\$ (66,900)	-2.9%	\$ 1,819,600	\$ 1,833,100	\$ 1,745,600	\$ 1,755,200
Water Resource Recovery Facility	86,164,600	28,005,900	87,173,300	1,008,700	1.2%	88,979,100	89,664,000	90,742,400	91,722,300
Industrial Waste Control	2,758,600	798,600	3,524,400	765,800	27.8%	3,593,600	3,559,800	3,474,500	3,499,200
Wastewater Engineering	2,473,600	817,700	2,539,200	65,600	2.7%	2,786,000	2,805,300	2,825,300	2,671,200
Wastewater Laboratories	3,832,200	1,061,300	3,840,300	8,100	0.2%	4,404,000	4,441,700	4,448,900	4,474,200
Combined Sewer Overflow	10,515,300	4,068,100	10,640,300	125,000	1.2%	11,007,300	11,250,200	11,419,200	11,970,400
Wastewater Operations Unallocated	1,189,800	-	2,283,600	1,093,800	91.9%	2,295,000	2,340,900	3,387,700	4,435,400
Grand Total	\$ 109,204,000	\$ 35,334,000	\$ 112,204,100	\$ 3,000,100	2.7%	\$ 114,884,600	\$ 115,895,000	\$ 118,043,600	\$ 120,527,900

Wastewater Master Plan

In September 2020, the Board approved the Comprehensive Regional Wastewater Master Plan (WWMP). The 40-year plan, unlike any other in the nation, is the result of unprecedented regional collaboration among 100 stakeholders, including GLWA's member partners, watershed advocacy groups, regulatory agencies and more. The WWMP gives the region a roadmap for the future and a plan that builds on the work already done – with a focus on water quality and a path that manages affordability through partnerships and collaboration. This five-year financial plan takes into consideration the elements of the WWMP that are called for in the first five years, including continuation of condition assessments to ensure our current assets are in good working order and preparation by operations and maintenance for the future capital projects that are identified in Phase 1 of the WWMP.

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Wastewater Operating Group's financial plan reflects a five-year overall increase of 10.4% which is on target with the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment).



Capital Outlay

Wastewater Operations Group capital outlay is funded by the Improvement & Extension (I&E) budget.

Five-Year Capital Outlay by Asset Category

Asset Type	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Building/Structures	\$ 357,500	\$ 362,800	\$ 368,100	\$ 373,500	\$ 379,000	\$ 384,600
Leasehold Improvements	880,000	550,200	250,000	-	-	-
Machinery & Equipment	5,168,500	8,560,800	4,106,200	3,684,600	4,846,800	6,176,700
Computers & IT	150,000	150,000	100,000	360,500	-	1,800,000
Controls & Communication	1,960,000	5,325,500	2,016,000	1,165,500	2,949,200	2,677,500
Flow Measuring & Meters	625,000	120,000	120,000	35,000	20,000	33,000
Furniture & Fixtures	-	-	-	2,000	7,000	-
Heavy Equipment & Misc	-	350,000	-	-	-	95,000
Laboratory	40,100	61,700	14,200	43,400	186,200	193,400
Pipes, Gates & Valves	261,500	175,000	179,500	181,000	205,500	30,000
Process Equipment/Treatment	439,000	530,000	311,600	530,700	422,900	289,700
Pumps & Motors	1,613,900	1,798,600	1,357,600	1,366,500	1,047,000	978,600
Tools, Shop & Warehouse	79,000	50,000	7,300	-	9,000	79,500
Site Improvements	-	23,000	-	-	-	-
Landscape	-	23,000	-	-	-	-
Vehicles	-	300,000	500,000	22,000	200,000	424,000
Heavy Truck	-	-	500,000	-	200,000	-
Light Truck	-	300,000	-	-	-	-
Utility Vehicle	-	-	-	22,000	-	424,000
Projects & Programs	800,000	-	-	-	-	-
Grand Total	\$ 7,206,000	\$ 9,796,800	\$ 5,224,300	\$ 4,080,100	\$ 5,425,800	\$ 6,985,300

Five-Year Capital Outlay by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 7,206,000	\$ 9,796,800	\$ 5,224,300	\$ 4,080,100	\$ 5,425,800	\$ 6,985,300
Grand Total	\$ 7,206,000	\$ 9,796,800	\$ 5,224,300	\$ 4,080,100	\$ 5,425,800	\$ 6,985,300

Five-Year Capital Outlay by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Water Resource Recovery Facility	\$ 4,346,500	\$ 7,711,500	\$ 3,546,000	\$ 2,128,700	\$ 4,094,500	\$ 5,184,600
Wastewater Engineering	-	-	-	-	-	13,000
Industrial Waste Control	-	48,000	-	27,500	7,000	26,000
Wastewater Laboratories	40,100	36,700	14,200	17,900	186,200	167,400
Combined Sewer Overflow	2,819,400	2,000,600	1,664,100	1,906,000	1,138,100	1,594,300
Combined Sewer Overflow	800,000	-	-	-	-	-
Puritan Fenkell CSO	165,000	205,500	19,000	60,000	-	58,700
7 Mile CSO	131,000	35,000	68,000	750,600	14,000	85,000
Hubble Southfield CSO	200,000	287,000	400,800	138,800	189,700	-
Leib CSO	382,000	198,800	144,600	45,900	67,300	220,000
St Aubin CSO	229,400	45,000	178,000	73,000	18,500	595,700
Connor Creek CSO	515,000	791,500	324,700	489,700	397,500	19,100
Baby Creek CSO	302,000	324,800	434,000	234,000	451,100	367,500
Oakwood CSO	95,000	113,000	95,000	114,000	-	248,300
Grand Total	\$ 7,206,000	\$ 9,796,800	\$ 5,224,300	\$ 4,080,100	\$ 5,425,800	\$ 6,985,300

Line-Item Budget and Financial Plan

The five-year plan by line-item expense starts below. The expenses are listed for each cost center. Because many of GLWA's initiatives extend multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
892001 - Chief Operating Officer Wastewater	1,629,800	2,269,900	582,400	2,203,000	1,819,600	1,833,100	1,745,600	1,755,200
2.1 Salaries & Wages	1,164,600	1,237,000	417,200	1,183,800	1,183,800	1,183,800	1,183,800	1,183,800
2.3 Overtime	200	2,800	-	500	500	500	500	500
2.4 Employee Benefits	324,400	385,500	122,100	385,500	393,000	400,600	408,100	415,700
4.2 Supplies & Other	110,100	170,900	34,000	160,800	168,000	174,100	174,300	176,500
Memberships, Licenses & Subscriptions	105,300	54,800	200	56,900	57,000	58,000	58,100	59,100
Mileage and Parking	200	1,600	100	1,200	1,200	1,200	1,200	1,200
Office Supplies	3,200	9,500	2,100	9,700	9,800	9,900	10,000	10,200
Training and Internal Meetings	1,800	75,000	30,100	75,000	75,000	75,000	75,000	75,000
Travel	(400)	30,000	1,500	18,000	25,000	30,000	30,000	31,000
4.3 Contractual Services	73,400	510,000	25,000	513,000	115,000	115,000	20,000	20,000
5.1 Capital Program Allocation	(42,900)	(36,300)	(15,900)	(40,600)	(40,700)	(40,900)	(41,100)	(41,300)
892201 - Wastewater Director	5,303,500	7,519,100	2,797,300	8,065,400	7,993,400	8,021,900	8,039,900	8,020,500
2.1 Salaries & Wages	1,868,500	1,939,600	682,300	2,254,600	2,349,900	2,349,900	2,349,900	2,349,900
2.2 Workforce Development	40,900	44,100	14,300	43,000	43,000	43,000	43,000	43,000
2.3 Overtime	457,700	463,000	135,500	485,900	467,000	467,000	467,000	467,000
2.4 Employee Benefits	805,000	803,400	277,200	954,300	1,012,400	1,031,900	1,051,400	1,070,800
2.5 Transition Services	1,407,200	1,993,500	745,400	1,869,600	1,869,600	1,869,600	1,869,600	1,869,600
4.2 Supplies & Other	387,300	429,000	82,000	642,200	432,900	397,000	385,600	392,500
Car Lease	58,600	30,000	32,500	65,000	52,000	10,000	-	-
Memberships, Licenses & Subscriptions	200	1,500	100	1,500	1,500	1,500	1,500	1,500
Office Supplies	2,200	3,500	300	3,000	3,000	3,000	3,000	3,000
Repairs & Maintenance-Equipment	296,500	155,000	48,400	341,500	344,800	350,300	358,900	365,500
Training and Internal Meetings	19,000	-	-	-	-	-	-	-
Tuition Refund	-	3,000	-	1,200	1,600	2,200	2,200	2,500
Capital Outlay less than \$5,000	10,800	236,000	700	230,000	30,000	30,000	20,000	20,000
4.3 Contractual Services	336,900	1,846,500	860,600	1,815,800	1,818,600	1,863,500	1,873,400	1,827,700



Wastewater Operations Group
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
892211 - Wastewater Engineering	2,803,100	2,758,600	798,600	3,524,400	3,593,600	3,559,800	3,474,500	3,499,200
2.1 Salaries & Wages	1,496,900	1,680,500	494,300	2,238,900	2,495,600	2,695,600	2,695,600	2,695,600
2.3 Overtime	166,400	156,300	38,700	190,400	208,000	227,500	227,500	227,500
2.4 Employee Benefits	508,700	604,800	179,800	820,300	918,800	1,003,000	1,022,000	1,040,900
2.5 Transition Services	196,000	132,000	47,500					
4.2 Supplies & Other	47,400	44,000	10,700	45,500	45,900	46,300	46,800	47,300
Memberships, Licenses & Subscriptions	4,900	5,000	4,100	5,000	5,100	5,400	5,500	5,800
Mileage and Parking	21,600	18,000	5,100	22,000	22,200	22,200	22,400	22,400
Office Supplies	10,200	10,000	1,200	10,500	10,600	10,700	10,900	11,100
Operating Supplies	2,100	9,000	300	6,000	6,000	6,000	6,000	6,000
Training and Internal Meetings	7,700	-	-					
Tuition Refund	900	2,000	-	2,000	2,000	2,000	2,000	2,000
4.3 Contractual Services	1,359,500	1,339,200	312,400	1,618,200	1,607,000	1,506,000	1,410,100	1,424,300
5.1 Capital Program Allocation	(971,800)	(1,198,200)	(284,800)	(1,918,900)	(1,681,700)	(1,918,900)	(1,936,400)	(1,936,400)
892221 - Wastewater Operations	21,477,600	20,965,900	6,600,400	21,330,900	21,812,800	21,952,100	22,338,200	22,787,000
2.1 Salaries & Wages	702,100	713,700	262,400	863,200	963,500	963,500	963,500	963,500
2.3 Overtime	178,500	202,700	74,900	210,400	214,100	214,100	214,100	214,100
2.4 Employee Benefits	251,800	271,700	104,200	339,800	395,200	402,800	410,400	418,000
3.1 Electric	9,812,400	10,226,200	3,793,700	10,128,000	10,280,000	10,280,000	10,486,000	10,696,000
3.2 Gas	2,496,700	2,343,600	657,900	2,500,000	2,538,000	2,538,000	2,589,000	2,641,000
3.3 Sewage Service	579,500	497,600	183,400	593,000	593,000	593,000	605,000	617,000
3.4 Water Service	2,296,300	2,502,100	668,000	2,300,000	2,346,000	2,393,000	2,441,000	2,490,000
4.1 Chemicals		5,000	300	5,100	5,200	5,300	5,400	5,500
4.2 Supplies & Other	3,051,700	3,653,300	676,200	3,714,400	3,779,600	3,852,000	3,900,200	4,005,100
Inspection and Permit Fees	134,700	250,000	84,500	255,000	260,000	266,000	272,000	278,000
Memberships, Licenses & Subscriptions	300	1,200	1,800	1,200	1,200	1,200	1,200	1,200
Mileage and Parking	100	-	-					
Office Supplies	24,100	30,000	4,500	30,600	31,200	31,800	32,400	33,100
Operating Supplies	73,900	105,000	24,700	82,200	84,400	86,600	88,900	91,200
Operating Supplies-Janitorial	40,600	55,000	16,200	42,200	43,100	43,900	44,800	45,700
Penalties	11,600	-	-					
Repairs & Maintenance-Equipment	74,500	75,000	8,400	76,400	77,900	79,400	49,700	82,400
Repairs & Maintenance-Facilities	2,564,800	3,008,900	505,100	3,106,200	3,161,500	3,220,700	3,283,200	3,346,400
Supplies & Other - Covid19	8,500	-	3,800					
Training and Internal Meetings	26,600	-	-					
Tuition Refund	200	3,000	-	2,000	2,000	2,000	2,000	2,000
Uniforms, Laundry, Cleaning	86,800	115,200	26,900	105,600	108,300	110,400	112,700	114,900
Capital Outlay less than \$5,000	5,000	10,000	300	13,000	10,000	10,000	13,300	10,200
4.3 Contractual Services	2,108,600	550,000	179,400	686,000	698,200	710,400	723,600	736,800
892222 - Wastewater Process Control	3,449,400	4,500,400	786,300	3,758,200	4,107,200	4,018,200	4,123,500	4,365,400
2.1 Salaries & Wages	1,437,800	1,528,100	454,200	1,604,700	1,674,700	1,674,700	1,674,700	1,674,700
2.3 Overtime	125,300	110,200	44,800	122,300	107,900	107,900	107,900	107,900
2.4 Employee Benefits	536,700	563,600	166,100	614,500	651,700	664,200	676,700	689,300
2.5 Transition Services	81,000	-	26,800					
4.1 Chemicals	500	-	-					
4.2 Supplies & Other	534,800	1,293,000	3,100	648,800	715,800	685,300	783,200	851,900
Operating Supplies	3,800	10,800	2,700	9,800	9,900	10,100	10,300	10,600
Repairs & Maintenance-Equipment	195,400	636,200	(9,500)	212,600	214,000	215,500	216,900	219,000
Repairs & Maintenance-Hardware	269,800	414,000	8,500	382,000	403,200	389,700	433,600	571,200
Repairs & Maintenance-Software	63,600	172,000	-	30,400	73,700	53,000	104,400	33,100
Capital Outlay less than \$5,000	2,200	60,000	1,400	14,000	15,000	17,000	18,000	18,000
4.3 Contractual Services	794,900	1,068,300	112,200	832,000	1,022,500	952,800	949,000	1,111,000
5.2 Shared Services	(61,600)	(62,800)	(20,900)	(64,100)	(65,400)	(66,700)	(68,000)	(69,400)
892223 - Wastewater Primary Process	8,259,000	8,131,400	3,086,100	8,732,000	8,979,400	9,017,800	9,164,300	9,193,100
2.1 Salaries & Wages	1,826,000	2,012,100	576,300	2,309,000	2,387,000	2,387,000	2,387,000	2,387,000
2.2 Workforce Development	40,200	38,400	12,600	37,700	37,700	37,700	37,700	37,700
2.3 Overtime	401,300	494,200	118,100	402,000	399,700	399,700	399,700	399,700
2.4 Employee Benefits	1,028,600	923,100	273,500	1,073,100	1,131,700	1,153,400	1,175,200	1,197,000
2.5 Transition Services	895,900	822,600	441,700	670,000	670,000	670,000	670,000	670,000
4.1 Chemicals	1,976,700	2,107,200	990,600	2,107,200	2,128,000	2,149,000	2,170,000	2,192,000
4.2 Supplies & Other	1,979,000	1,302,800	499,900	1,683,300	1,766,900	1,752,800	1,847,700	1,822,900
Operating Supplies	65,500	60,000	19,300	61,200	62,400	63,600	64,800	66,100
Repairs & Maintenance-Equipment	1,882,000	1,190,000	470,100	1,619,100	1,651,300	1,685,800	1,719,300	1,753,000
Tuition Refund	1,200	-	-					
Capital Outlay less than \$5,000	30,300	52,800	10,500	3,000	53,200	3,400	63,600	3,800
4.3 Contractual Services	111,300	431,000	173,400	449,700	458,400	468,200	477,000	486,800



Wastewater Operations Group
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
892224 - Wastewater Secondary Process	9,296,900	10,348,200	3,862,800	10,531,400	10,669,100	10,765,400	10,857,600	10,955,600
2.1 Salaries & Wages	2,058,500	2,061,700	636,200	2,269,900	2,303,300	2,303,300	2,303,300	2,303,300
2.2 Workforce Development	58,400	43,700	14,300	52,100	79,400	79,400	79,400	79,400
2.3 Overtime	268,700	292,200	82,300	266,000	222,000	222,000	222,000	222,000
2.4 Employee Benefits	961,900	884,800	276,700	983,700	1,030,600	1,050,400	1,070,200	1,090,000
2.5 Transition Services	755,700	750,100	381,800	763,200	763,200	763,200	763,200	763,200
4.1 Chemicals	3,972,200	4,801,700	1,753,200	4,801,700	4,850,000	4,899,000	4,948,000	4,997,000
4.2 Supplies & Other	1,024,000	1,320,000	651,500	1,191,000	1,212,000	1,234,700	1,254,300	1,279,700
Operating Supplies	47,900	40,000	37,400	40,800	41,600	42,500	43,400	44,300
Repairs & Maintenance-Equipment	941,300	1,275,000	608,400	1,145,100	1,165,200	1,185,400	1,205,600	1,225,900
Capital Outlay less than \$5,000	34,800	5,000	5,700	5,100	5,200	6,800	5,300	9,500
4.3 Contractual Services	197,500	194,000	66,800	203,800	208,600	213,400	217,200	221,000
892225 - Wastewater Dewatering Process	6,407,500	6,356,800	2,206,700	6,305,000	6,582,700	6,576,000	6,628,000	6,752,800
2.1 Salaries & Wages	1,480,400	1,834,400	467,700	1,902,600	2,086,100	2,086,100	2,086,100	2,086,100
2.2 Workforce Development	40,800	44,100	14,200	43,000	43,000	43,000	43,000	43,000
2.3 Overtime	265,800	307,800	88,000	269,800	238,600	238,600	238,600	238,600
2.4 Employee Benefits	942,600	863,400	242,000	901,900	997,600	1,016,800	1,036,000	1,055,200
2.5 Transition Services	1,102,100	519,500	404,900	526,300	526,300	526,300	526,300	526,300
4.1 Chemicals	1,025,000	1,033,600	345,900	1,032,000	1,043,000	1,054,000	1,054,000	1,054,000
4.2 Supplies & Other	1,395,500	1,662,000	530,900	1,509,600	1,526,400	1,487,100	1,518,000	1,621,100
Operating Supplies	39,000	60,000	12,200	46,200	47,400	49,600	51,800	54,000
Repairs & Maintenance-Equipment	1,350,100	1,600,000	518,200	1,378,400	1,406,800	1,435,400	1,464,000	1,492,700
Capital Outlay less than \$5,000	6,400	2,000	500	85,000	72,200	2,100	2,200	74,400
4.3 Contractual Services	155,300	92,000	113,100	119,800	121,700	124,100	126,000	128,500
892226 - Wastewater Incineration Process	5,251,600	6,117,400	1,561,300	6,835,200	6,844,000	7,161,100	7,198,500	7,010,500
2.1 Salaries & Wages	1,362,800	1,717,100	482,600	1,981,700	2,152,800	2,152,800	2,152,800	2,152,800
2.2 Workforce Development	40,900	34,100	11,300	43,000	43,000	43,000	43,000	43,000
2.3 Overtime	236,500	225,800	69,800	215,700	215,700	215,700	215,700	215,700
2.4 Employee Benefits	794,600	794,400	233,800	931,600	1,021,500	1,041,100	1,060,700	1,080,400
2.5 Transition Services	1,163,800	1,127,400	539,900	1,144,800	1,144,800	1,144,800	1,144,800	1,144,800
4.1 Chemicals	51,800	45,000	6,400	45,000	45,000	45,000	45,000	45,000
4.2 Supplies & Other	1,359,500	1,846,200	192,300	2,128,600	1,874,100	2,167,300	2,173,800	1,961,700
Operating Supplies	24,100	25,000	9,500	25,400	25,800	26,300	26,800	27,300
Repairs & Maintenance-Equipment	1,322,400	1,777,200	182,800	2,042,600	1,807,800	2,074,000	2,105,800	1,872,000
Capital Outlay less than \$5,000	13,000	44,000	-	60,600	40,500	67,000	41,200	62,400
4.3 Contractual Services	241,700	327,400	25,200	344,800	347,100	351,400	362,700	367,100
892227 - BDF, COF & Hauling	19,939,200	20,147,600	7,092,500	20,165,200	20,540,500	20,701,500	20,942,400	21,187,400
2.1 Salaries & Wages	270,100	322,900	91,300	336,100	436,400	436,400	436,400	436,400
2.3 Overtime	57,800	87,400	19,400	60,800	70,000	70,000	70,000	70,000
2.4 Employee Benefits	124,900	146,700	39,700	153,700	205,900	209,900	213,800	217,800
2.5 Transition Services	106,100	203,200	66,700	203,200	203,200	203,200	203,200	203,200
3.1 Electric	1,144,400	1,120,000	413,500	1,149,000	1,166,000	1,166,000	1,189,000	1,213,000
3.2 Gas	1,980,800	1,900,000	833,400	2,013,000	2,043,000	2,043,000	2,084,000	2,126,000
3.3 Sewage Service	500,000	350,400	153,300	500,000	508,000	508,000	518,000	528,000
3.4 Water Service	244,000	180,000	75,200	228,000	231,000	231,000	236,000	241,000
4.3 Contractual Services	15,511,100	15,837,000	5,400,000	15,521,400	15,677,000	15,834,000	15,992,000	16,152,000
892228 - Wastewater Fire Damage	372,200	627,800	12,500					
4.2 Supplies & Other	372,200	627,800	12,500					
Repairs & Maintenance-Damage Recovery	372,200	627,800	12,500					
892231 - Industrial Waste Control	2,499,300	2,473,600	817,700	2,539,200	2,786,000	2,805,300	2,825,300	2,671,200
2.1 Salaries & Wages	1,594,000	1,571,300	533,200	1,593,600	1,634,000	1,634,000	1,634,000	1,634,000
2.3 Overtime	25,300	24,200	9,700	26,600	27,300	27,300	27,300	27,300
2.4 Employee Benefits	665,600	612,800	202,900	653,500	690,400	703,600	716,900	730,200
4.1 Chemicals	200	-	-					
4.2 Supplies & Other	110,000	148,300	54,500	138,500	129,500	138,200	141,800	152,400
Advertising	81,300	56,200	26,900	60,000	60,000	65,000	65,000	65,000
Memberships, Licenses & Subscriptions		2,900	200	2,500	2,900	2,500	2,900	2,500
Mileage and Parking		1,000	-	1,000	1,000	1,000	1,000	1,000
Office Supplies	6,800	14,500	1,200	9,400	9,500	9,500	9,500	9,500
Operating Supplies	12,000	25,400	12,000	33,400	32,400	32,400	27,400	38,600
Operating Supplies-Janitorial	400	1,900	-	2,000	2,100	2,200	2,300	2,300
Postage	3,800	10,000	1,400	6,000	6,000	6,000	6,000	6,000
Repairs & Maintenance-Equipment		2,000	100					
Training and Internal Meetings	700	7,500	1,200	7,500	7,600	7,600	7,600	7,500
Travel		4,000	-	4,000	4,000	4,000	4,000	4,000
Uniforms, Laundry, Cleaning	3,200	4,000	1,000	4,000	4,000	4,000	4,000	4,000
Capital Outlay less than \$5,000	1,800	18,900	10,500	8,700		4,000	12,100	12,000
4.3 Contractual Services	104,200	117,000	17,400	127,000	304,800	302,200	305,300	127,300



Wastewater Operations Group
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
892235 - Wastewater Laboratories	4,000,800	3,832,200	1,061,300	3,840,300	4,404,000	4,441,700	4,448,900	4,474,200
2.1 Salaries & Wages	2,209,400	2,300,500	591,200	2,252,400	2,649,600	2,649,600	2,649,600	2,649,600
2.3 Overtime	246,100	209,000	60,800	233,100	222,800	222,800	222,800	222,800
2.4 Employee Benefits	866,800	869,800	233,300	871,300	1,041,100	1,061,100	1,081,100	1,101,100
2.5 Transition Services		-	1,900					
4.1 Chemicals	157,300	131,200	61,300	157,200	158,500	160,600	160,700	162,800
4.2 Supplies & Other	422,000	170,200	78,800	155,700	159,700	174,000	159,900	161,300
Car Lease	7,500	10,000	3,300	5,500				
Memberships, Licenses & Subscriptions	4,200	6,500	200	800	800	11,800	800	800
Office Supplies	14,800	5,900	3,800	6,000	6,000	6,000	6,000	6,000
Operating Supplies	127,200	127,900	64,300	127,600	130,400	132,600	133,400	134,800
Rentals-Buildings	229,900	-	-					
Repairs & Maintenance-Equipment	11,200	7,800	6,600	12,000	12,000	12,000	12,000	12,000
Repairs & Maintenance-Facilities	12,100	-	-					
Training and Internal Meetings	2,400	-	-					
Tuition Refund	300	-	-					
Uniforms, Laundry, Cleaning	2,900	3,500	600	3,500	3,500	3,700	3,700	3,700
Capital Outlay less than \$5,000	9,500	8,600	-	300	7,000	7,900	4,000	4,000
4.3 Contractual Services	99,200	151,500	34,000	170,600	172,300	173,600	174,800	176,600
892269 - Suburban Only Green Infrastructure								
Allo	2,000,000	1,450,000	-	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
4.2 Supplies & Other	2,000,000	1,450,000	-	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
Inspection and Permit Fees	2,000,000	1,450,000	-	1,450,000	1,450,000	1,450,000	1,450,000	1,450,000
892270 - Combined Sewer Overflow	4,051,300	4,494,000	1,558,400	4,016,300	4,304,700	4,401,500	4,508,500	4,566,100
2.1 Salaries & Wages	1,324,000	1,502,700	434,600	1,195,400	1,319,000	1,319,000	1,319,000	1,319,000
2.2 Workforce Development	61,300	51,000	14,900	58,100	103,500	103,500	103,500	103,500
2.3 Overtime	372,400	497,000	173,300	347,300	367,700	367,700	367,700	367,700
2.4 Employee Benefits	701,900	690,400	222,400	599,100	687,700	701,000	714,200	727,400
2.5 Transition Services	547,800	498,400	162,600	509,900	509,900	509,900	509,900	509,900
4.2 Supplies & Other	24,300	82,000	7,000	31,600	32,100	32,600	33,400	33,800
Car Lease	5,500	49,800	-					
Inspection and Permit Fees	700	700	-	700	700	700	700	700
Memberships, Licenses & Subscriptions	600	500	-	700	700	700	700	700
Mileage and Parking		2,800	-	2,900	3,000	3,000	3,100	3,100
Office Supplies	300	4,100	-	4,100	4,100	4,100	4,200	4,200
Operating Supplies	3,900	2,000	2,300	2,100	2,100	2,200	2,200	2,300
Training and Internal Meetings	6,300	9,600	2,700	9,600	9,800	10,000	10,100	10,200
Travel		4,500	500	3,000	3,000	3,200	3,200	3,400
Tuition Refund	1,500	1,000	-	1,500	1,500	1,500	2,000	2,000
Uniforms, Laundry, Cleaning	5,500	7,000	1,500	7,000	7,200	7,200	7,200	7,200
4.3 Contractual Services	1,093,000	1,250,400	567,500	1,295,000	1,305,300	1,388,700	1,482,200	1,526,600
5.1 Capital Program Allocation	(54,000)	(58,200)	(17,300)					
5.2 Shared Services	(19,400)	(19,700)	(6,600)	(20,100)	(20,500)	(20,900)	(21,400)	(21,800)
892271 - Puritan Fenkell Combined Sewer Overflow								
3.1 Electric	227,100	306,500	64,300	295,800	299,600	300,700	304,700	307,500
3.2 Gas	49,200	52,000	15,600	50,000	51,000	51,000	52,000	53,000
3.3 Sewage Service	14,000	20,000	-	17,000	17,000	17,000	17,000	17,000
3.4 Water Service	11,100	10,000	9,500	10,000	10,000	10,000	10,000	10,000
4.1 Chemicals	9,600	10,000	5,900	10,000	10,000	10,000	10,000	10,000
4.2 Supplies & Other	3,500	9,800	4,000	9,800	10,000	10,000	10,000	10,000
Office Supplies	115,100	159,800	26,800	153,500	155,800	156,500	158,700	160,000
Operating Supplies	100	200	-	200	200	200	200	200
Repairs & Maintenance-Equipment	2,400	1,800	2,400	4,000	4,000	4,100	4,100	4,200
Repairs & Maintenance-Facilities	56,600	73,000	16,900	65,500	66,600	67,200	68,200	69,000
4.3 Contractual Services	56,000	84,800	7,500	83,800	85,000	85,000	86,200	86,600
4.3 Contractual Services	24,600	44,900	2,500	45,500	45,800	46,200	47,000	47,500
892272 - 7 Mile Combined Sewer Overflow	178,900	164,100	31,000	186,400	188,300	192,200	195,200	199,900
3.1 Electric	32,700	26,000	10,600	33,000	33,000	33,000	34,000	35,000
3.2 Gas	4,400	12,000	500	10,000	10,000	10,000	10,000	10,000
3.3 Sewage Service	12,900	9,000	4,300	13,000	13,000	13,000	13,000	13,000
3.4 Water Service	8,600	12,000	4,600	10,000	10,000	10,000	10,000	10,000
4.1 Chemicals		1,900	-	1,900	2,000	2,000	2,000	2,000
4.2 Supplies & Other	106,400	59,900	8,500	74,400	75,800	79,000	80,500	83,700
Office Supplies	200	-	-					
Operating Supplies	400	1,800	100	1,000	1,000	1,000	1,000	1,000
Repairs & Maintenance-Equipment	13,400	42,500	1,100	32,400	33,500	33,800	35,000	35,400
Repairs & Maintenance-Facilities	92,400	15,600	7,300	41,000	41,300	44,200	44,500	47,300
4.3 Contractual Services	13,900	43,300	2,500	44,100	44,500	45,200	45,700	46,200



Wastewater Operations Group
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
892273 - Hubble Southfield CSO	631,200	568,300	281,000	601,300	611,200	616,200	602,800	632,800
3.1 Electric	61,300	63,000	25,400	64,000	65,000	65,000	66,000	67,000
3.2 Gas	20,500	18,500	1,700	19,000	19,000	19,000	19,000	19,000
3.3 Sewage Service	1,200	2,000	300	2,000	2,000	2,000	2,000	2,000
3.4 Water Service	109,700	90,800	4,700	110,000	112,000	112,000	114,000	116,000
4.1 Chemicals	70,500	112,000	53,500	112,000	113,000	114,000	115,000	116,000
4.2 Supplies & Other	325,000	219,200	173,900	229,100	233,200	236,400	218,300	243,400
Office Supplies		600	-	100	100	100	100	100
Operating Supplies	1,100	16,000	1,200	6,300	6,600	7,000	7,000	7,000
Repairs & Maintenance-Equipment	232,700	157,700	128,700	160,300	163,800	166,500	168,200	172,700
Repairs & Maintenance-Facilities	91,200	44,900	44,000	62,400	62,700	62,800	43,000	63,600
4.3 Contractual Services	43,000	62,800	21,500	65,200	67,000	67,800	68,500	69,400
892274 - Leib Combined Sewer Overflow	638,100	305,800	105,700	325,300	371,300	373,500	377,000	382,300
3.1 Electric	51,000	27,000	24,900	51,000	52,000	52,000	53,000	54,000
3.2 Gas	5,900	16,000	300	10,000	10,000	10,000	10,000	10,000
3.3 Sewage Service	5,100	9,000	2,100	7,000	7,000	7,000	7,000	7,000
3.4 Water Service	3,200	5,000	1,300	4,000	4,000	4,000	4,000	4,000
4.1 Chemicals	27,400	17,800	29,300	17,800	18,000	18,000	18,000	18,000
4.2 Supplies & Other	523,100	164,200	21,900	167,400	211,300	212,400	214,000	217,300
Office Supplies	1,300	500	-	500	600	600	600	700
Operating Supplies	5,900	5,500	2,000	5,500	5,600	5,600	5,700	5,700
Repairs & Maintenance-Equipment	325,300	131,100	11,500	134,400	177,600	178,500	179,600	182,400
Repairs & Maintenance-Facilities	189,500	27,100	8,400	27,000	27,500	27,700	28,100	28,500
Capital Outlay less than \$5,000	1,100	-	-	-	-	-	-	-
4.3 Contractual Services	22,400	66,800	25,900	68,100	69,000	70,100	71,000	72,000
892275 - St Aubin Combined Sewer Overflow	303,200	278,900	66,900	269,200	272,100	274,500	277,900	281,500
3.1 Electric	22,000	26,000	7,800	26,000	26,000	26,000	27,000	28,000
3.2 Gas	7,300	8,000	500	8,000	8,000	8,000	8,000	8,000
3.3 Sewage Service	1,300	2,300	300	2,000	2,000	2,000	2,000	2,000
3.4 Water Service	2,900	3,000	900	3,000	3,000	3,000	3,000	3,000
4.1 Chemicals		21,600	-	17,400	17,400	17,800	17,800	17,800
4.2 Supplies & Other	234,000	173,500	27,400	167,500	169,600	171,000	172,600	174,500
Office Supplies		1,000	200	500	500	500	500	500
Operating Supplies	3,100	8,400	700	7,000	7,100	7,200	7,300	7,400
Repairs & Maintenance-Equipment	42,600	69,100	13,500	70,600	72,300	73,400	74,600	76,200
Repairs & Maintenance-Facilities	184,800	95,000	13,000	89,400	89,700	89,900	90,200	90,400
Capital Outlay less than \$5,000	3,500	-	-	-	-	-	-	-
4.3 Contractual Services	35,700	44,500	30,000	45,300	46,100	46,700	47,500	48,200
892276 - Connor Creek Combined Sewer Overflow	1,846,100	2,102,800	1,040,200	2,214,700	2,292,600	2,710,800	2,819,200	3,201,000
3.1 Electric	259,500	280,400	105,900	264,000	268,000	268,000	273,000	278,000
3.2 Gas	66,000	83,800	6,600	71,000	72,000	72,000	73,000	74,000
3.3 Sewage Service	39,300	150,100	-	102,000	104,000	104,000	106,000	108,000
3.4 Water Service	16,900	53,100	-	39,000	40,000	40,000	41,000	42,000
4.1 Chemicals	447,700	771,200	449,100	771,200	779,000	787,000	795,000	803,000
4.2 Supplies & Other	863,400	586,800	397,600	790,600	851,000	1,258,400	1,346,900	1,708,600
Office Supplies	4,400	6,600	300	7,200	7,400	7,500	7,600	7,700
Operating Supplies	25,500	35,000	5,900	35,700	36,400	36,800	37,200	37,600
Repairs & Maintenance-Equipment	679,100	427,800	52,400	583,800	590,200	944,400	928,100	1,284,100
Repairs & Maintenance-Facilities	141,800	117,400	339,000	163,900	217,000	269,700	374,000	379,200
Capital Outlay less than \$5,000	12,600	-	-	-	-	-	-	-
4.3 Contractual Services	153,300	177,400	81,000	176,900	178,600	181,400	184,300	187,400
892277 - Baby Creek Combined Sewer Overflow	998,900	972,800	444,100	1,217,700	1,303,600	983,200	941,800	951,400
3.1 Electric	113,400	132,000	33,800	131,000	133,000	133,000	136,000	139,000
3.2 Gas	27,900	45,400	900	41,000	42,000	42,000	43,000	44,000
4.1 Chemicals	115,600	212,600	59,700	212,600	215,000	217,000	219,000	221,000
4.2 Supplies & Other	702,900	497,200	336,500	746,200	826,300	503,100	455,000	457,700
Office Supplies	100	500	-	500	600	600	600	700
Operating Supplies	4,400	12,300	1,500	10,000	10,200	10,400	10,600	10,800
Repairs & Maintenance-Equipment	429,600	129,300	312,800	329,700	333,000	333,400	333,600	334,500
Repairs & Maintenance-Facilities	268,800	355,100	22,200	406,000	482,500	158,700	110,200	111,700
4.3 Contractual Services	39,100	85,600	13,200	86,900	87,300	88,100	88,800	89,700



Wastewater Operations Group
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
892278 - Oakwood Combined Sewer Overflow	1,603,700	1,290,700	484,700	1,513,600	1,363,900	1,397,600	1,392,100	1,447,900
3.1 Electric	426,300	349,000	142,900	385,000	391,000	391,000	399,000	407,000
3.2 Gas	400	2,500	100	1,000	1,000	1,000	1,000	1,000
3.3 Sewage Service	470,400	422,000	151,700	449,000	456,000	456,000	465,000	474,000
3.4 Water Service	212,500	186,400	65,300	203,000	206,000	206,000	210,000	214,000
4.1 Chemicals	103,200	99,200	57,200	99,200	100,000	101,000	102,000	103,000
4.2 Supplies & Other	357,100	197,600	64,000	348,900	181,300	213,800	186,100	219,700
Office Supplies	300	1,000	-	500	500	500	500	500
Operating Supplies	6,600	13,500	1,300	10,000	10,200	10,400	10,600	10,800
Repairs & Maintenance-Equipment	81,000	97,700	31,100	130,400	102,200	134,100	105,800	137,800
Repairs & Maintenance-Facilities	268,900	85,400	31,600	208,000	68,400	68,800	69,200	70,600
Capital Outlay less than \$5,000	300	-	-	-	-	-	-	-
4.3 Contractual Services	33,800	34,000	3,500	27,500	28,600	28,800	29,000	29,200
892279 - Belle Isle Combined Sewer Overflow	236,400	31,400	(8,200)	-	-	-	-	-
4.1 Chemicals	2,400	11,900	8,300	7,400	7,400	7,600	7,600	7,600
4.2 Supplies & Other	81,300	85,600	8,100	59,800	60,400	60,900	61,500	62,500
Operating Supplies	1,000	1,900	100	1,000	1,100	1,100	1,200	1,200
Repairs & Maintenance-Equipment	58,400	28,700	400	28,800	29,100	29,600	30,100	30,500
Repairs & Maintenance-Facilities	21,900	55,000	7,600	30,000	30,200	30,200	30,200	30,800
4.3 Contractual Services	5,300	11,800	1,400	11,800	12,000	12,100	12,100	12,200
5.2 Shared Services	(76,400)	(77,900)	(26,000)	(79,000)	(79,800)	(80,600)	(81,200)	(82,300)
6.0 Capital Outlay	223,800	-	-	-	-	-	-	-
897600 - Wastewater System Operations								
Unallocated		1,189,800	-	2,283,600	2,295,000	2,340,900	3,387,700	4,435,400
7.0 Unallocated Reserve		1,189,800	-	2,283,600	2,295,000	2,340,900	3,387,700	4,435,400
Grand Total	\$ 103,404,800	\$ 109,204,000	\$ 35,334,000	\$ 112,204,100	\$ 114,884,600	\$ 115,895,000	\$ 118,043,600	\$ 120,527,900

Wastewater Operations Pumping Stations

The Wastewater Operations Pumping (Lift) Stations are facilities designed to move wastewater from lower to higher elevation, particularly where the elevation of the source is not sufficient for gravity flow and/or when the use of gravity conveyance will result in excessive excavation depths and high sewer construction costs.

The Wastewater Operations Area Pumping (Lift) Stations strategic initiatives include the following.

❖ **Maximize pumping reliability (Ongoing)**

Regularly scheduled preventive maintenance is necessary and required to maintain the condition of all pumping (lift) stations.

❖ **Minimize energy usage (Ongoing)**

Energy consumption is dependent on flow rate, total pressure, climate, and overall pump efficiency. Energy can be minimized through proper preventive maintenance in order to maintain the condition of all pumping (lift) stations.

The table below shows how the wastewater operations area pumping (lift) stations strategic initiatives relate to the organizational strategic goals.

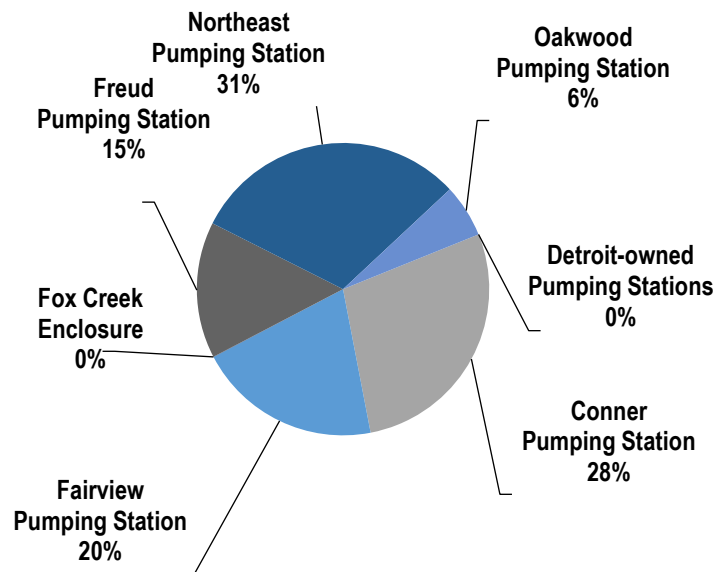
		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Wastewater Pump Stations Strategic Initiatives	Maximize pumping reliability				x	x		x				
	Minimize energy usage		x		x	x						

Organization

The Wastewater Operations Pumping (Lift) Stations consist of (9) sewer lift station and (1) sewer pump station in the wastewater collections system. Wastewater stations pump wastewater, and when necessary, excess storm water, to the Water Resource Recovery Facility.

- ❖ Conner Pumping Station
- ❖ Detroit-owned Pumping Stations
 - Belle Isle Pump Station
 - Bluehill Pump Station
 - Fischer Pump Station
 - Woodmere Pump Station
- ❖ Fairview Pumping Station
- ❖ Freud Pumping Station
- ❖ Northeast Pumping Station**
- ❖ Oakwood Pumping Station
- ❖ Fox Creek Pumping Station*
(sewer pump station)

FY 2023 REQUEST BY TEAM



*Fox Creek Pumping Station demolished on a date prior to January 1, 2016 (no longer in use by GLWA).

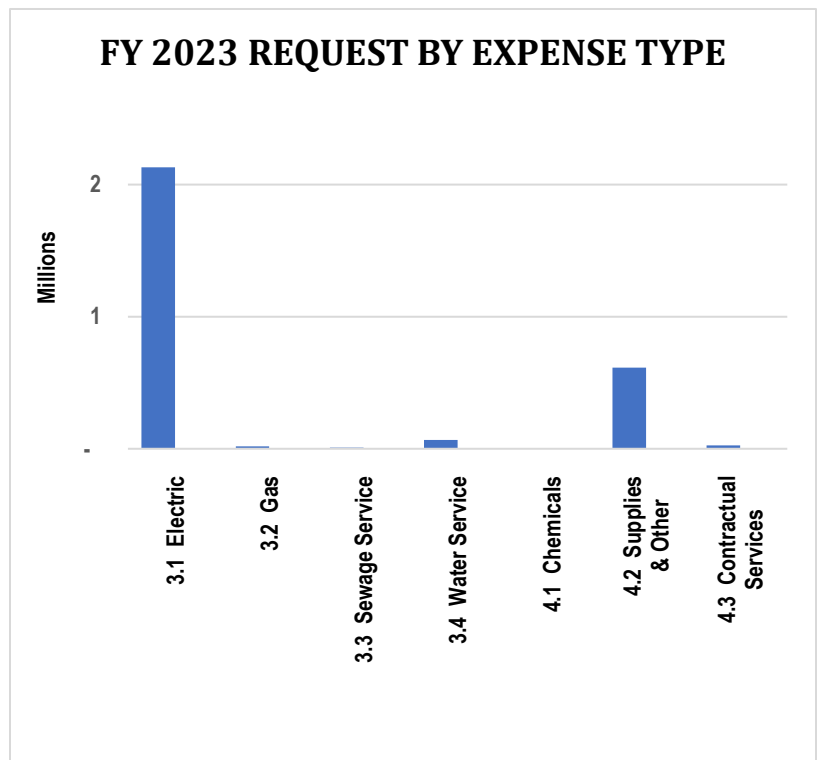
**A portion of the cost for Northeast Pumping Station is billed to OMID through an intergovernmental agreement.

Expense Categories

There is one major category of expense in the Wastewater pumping stations operations and maintenance budget as listed below.

❖ Electric Utilities

Electric utilities are the highest expense category for Wastewater operations pumping (lift) stations. Lift stations require a significant amount of power. Typically, power costs account for 85 to 95 percent of the total operations and maintenance costs and are directly proportional to the unit cost of power and the actual power used by the lift station pumps.



Biennial Budget Request

The biennial budget reflects an overall decrease in FY 2023 of \$185,900, or 6.7%. Key factors that impact the FY 2023 budget include the following.

- ❖ Shared Services contra account for Detroit-owned pumping stations is equivalent to the budget for those departments and is based solely on the entire actual expenses for these locations being billed back to Detroit Water and Sewerage Department (DWSD) (decrease of \$100,900).
- ❖ Annual maintenance costs vary, depending on the complexity of the equipment and instrumentation. New forecast in usage result in a decrease of \$71,000.



Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
3.1 Electric	2,621,000	2,137,000	1,257,700	2,131,000	(6,000)	-0.3%	2,131,000
3.2 Gas	10,900	24,000	600	19,000	(5,000)	-20.8%	19,000
3.3 Sewage Service	9,500	9,000	3,100	9,000	-	0.0%	9,000
3.4 Water Service	82,300	67,500	25,200	67,500	-	0.0%	67,500
4.2 Supplies & Other	805,300	686,200	330,400	615,200	(71,000)	-10.3%	615,200
4.3 Contractual Services	15,900	28,200	3,200	25,200	(3,000)	-10.6%	25,200
5.2 Shared Services	(180,800)	(184,500)	(61,600)	(285,400)	(100,900)	54.7%	(285,400)
6.0 Capital Outlay	-	-	69,800	-	-	0.0%	-
Grand Total	\$ 3,364,100	\$ 2,767,400	\$ 1,628,400	\$ 2,581,500	\$ (185,900)	-6.7%	\$ 2,581,500

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Detroit-owned							
Pumping Stations	\$ 7,600	\$ 121,900	\$ 187,200	\$ -	\$ (121,900)	-100.0%	\$ -
Belle Isle Pumping Station	(29,900)	(8,800)	29,300	-	8,800	-100.0%	-
Blue Hill Pumping Station	8,600	99,200	46,500	-	(99,200)	-100.0%	-
Fischer Pumping Station	7,900	300	1,800	-	(300)	-100.0%	-
Woodmere Pumping Station	21,000	31,200	109,600	-	(31,200)	-100.0%	-
Conner Pumping Station	648,500	725,000	567,500	725,000	-	0.0%	725,000
Fairview Pumping Station	914,300	555,000	270,700	525,000	(30,000)	-5.4%	525,000
Fox Creek Enclosure	700	1,000	100	1,000	-	0.0%	1,000
Freud Pumping Station	541,800	390,500	235,600	389,500	(1,000)	-0.3%	389,500
Northeast Pumping Station	1,116,000	796,000	298,900	790,000	(6,000)	-0.8%	790,000
Oakwood Pumping Station	135,200	178,000	68,400	151,000	(27,000)	-15.2%	151,000
Grand Total	\$ 3,364,100	\$ 2,767,400	\$ 1,628,400	\$ 2,581,500	\$ (185,900)	-6.7%	\$ 2,581,500

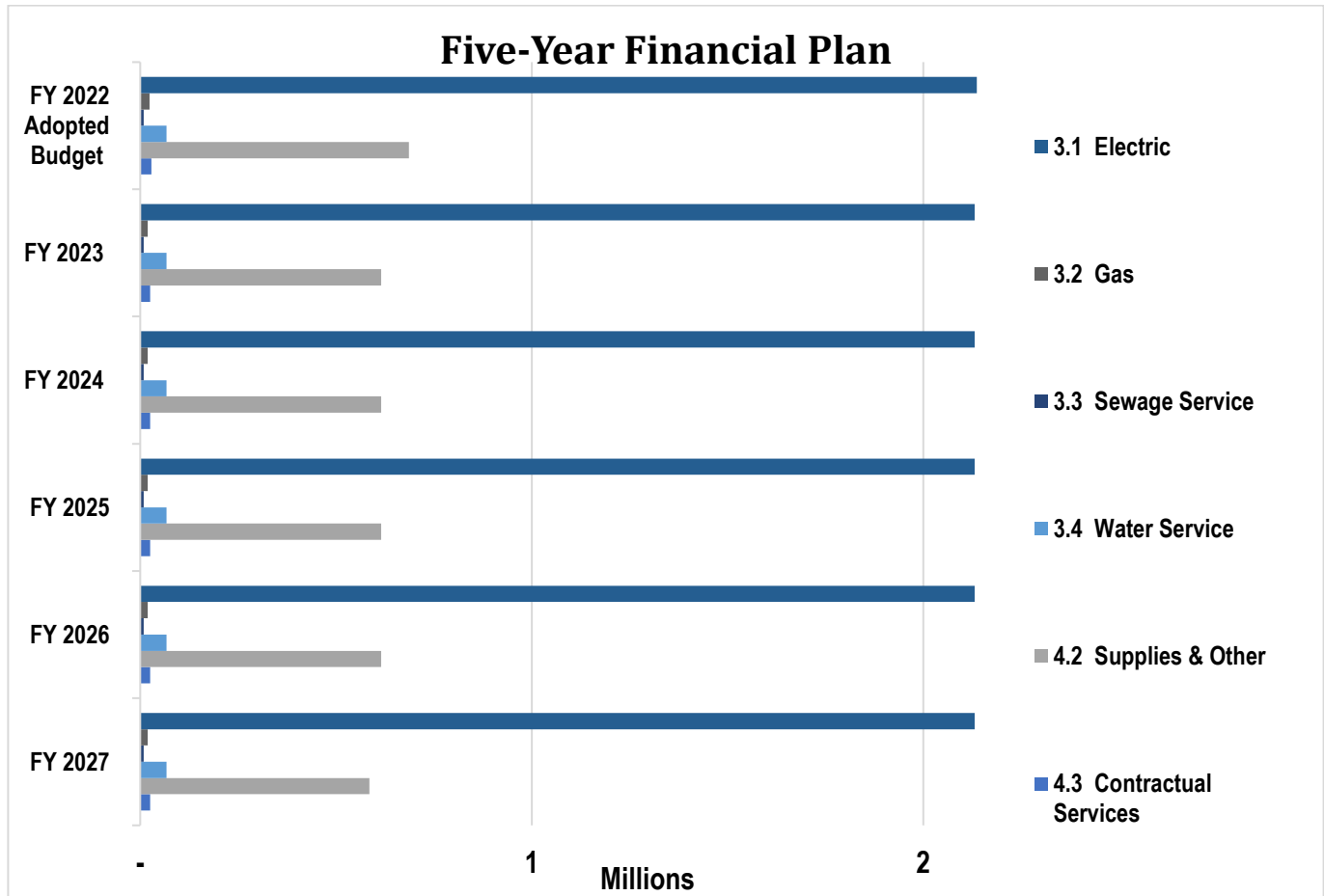
Personnel Budget

Personnel budget is not a component of the Wastewater Operations Area Pumping (Lift) Stations. Labor to maintain these facilities is included in the Field Service Operations budget.

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
3.1 Electric	2,137,000	1,257,700	2,131,000	(6,000)	-0.3%	2,131,000	2,131,000	2,131,000	2,131,000
3.2 Gas	24,000	600	19,000	(5,000)	-20.8%	19,000	19,000	19,000	19,000
3.3 Sewage Service	9,000	3,100	9,000	-	0.0%	9,000	9,000	9,000	9,000
3.4 Water Service	67,500	25,200	67,500	-	0.0%	67,500	67,500	67,500	67,500
4.2 Supplies & Other	686,200	330,400	615,200	(71,000)	-10.3%	615,200	615,200	615,200	585,200
4.3 Contractual Services	28,200	3,200	25,200	(3,000)	-10.6%	25,200	25,200	25,200	25,200
5.2 Shared Services	(184,500)	(61,600)	(285,400)	(100,900)	54.7%	(285,400)	(285,400)	(285,400)	(285,400)
6.0 Capital Outlay	-	69,800	-	-	0.0%	-	-	-	-
Grand Total	\$ 2,767,400	\$ 1,628,400	\$ 2,581,500	\$ (185,900)	-6.7%	\$ 2,581,500	\$ 2,581,500	\$ 2,581,500	\$ 2,551,500

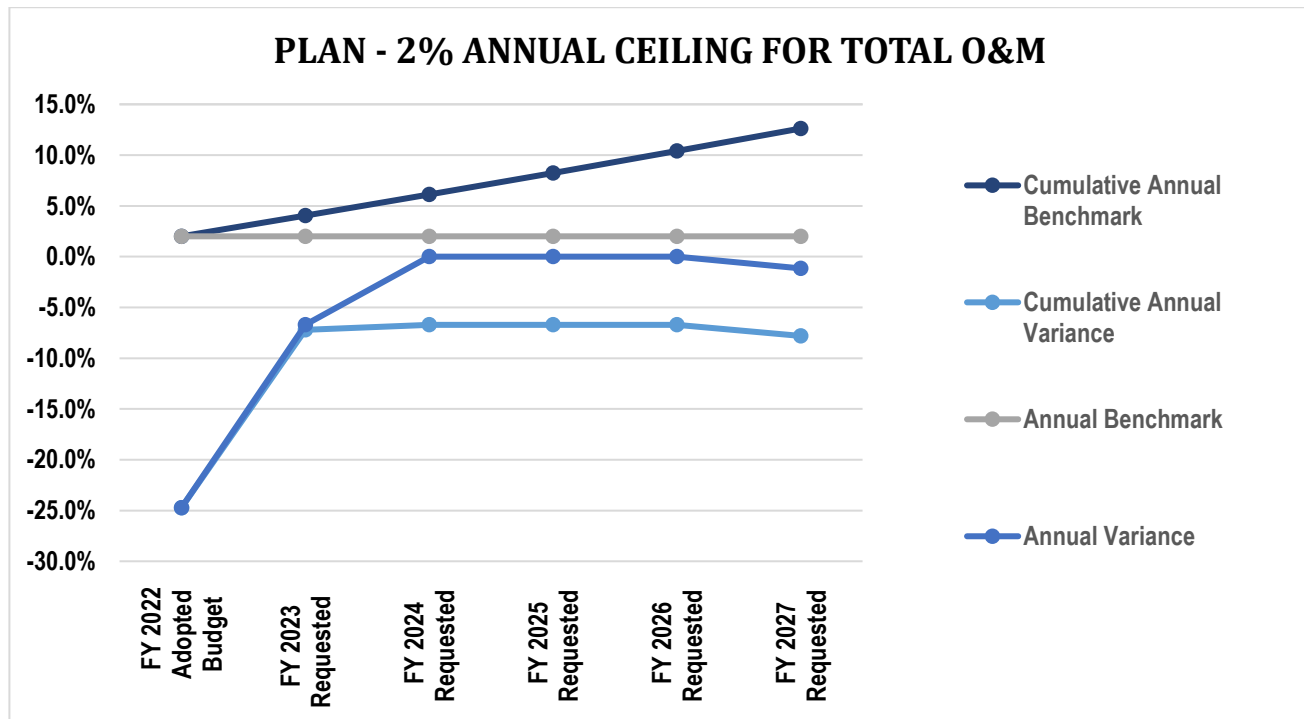


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Detroit-owned									
Pumping Stations	\$ 121,900	\$ 187,200	\$ -	\$ (121,900)	-100.0%	\$ -	\$ -	\$ -	\$ -
Belle Isle Pumping Station	(8,800)	29,300	-	8,800	-100.0%	-	-	-	-
Blue Hill Pumping Station	99,200	46,500	-	(99,200)	-100.0%	-	-	-	-
Fischer Pumping Station	300	1,800	-	(300)	-100.0%	-	-	-	-
Woodmere Pumping Station	31,200	109,600	-	(31,200)	-100.0%	-	-	-	-
Conner Pumping Station	725,000	567,500	725,000	-	0.0%	725,000	725,000	725,000	725,000
Fairview Pumping Station	555,000	270,700	525,000	(30,000)	-5.4%	525,000	525,000	525,000	495,000
Fox Creek Enclosure	1,000	100	1,000	-	0.0%	1,000	1,000	1,000	1,000
Freud Pumping Station	390,500	235,600	389,500	(1,000)	-0.3%	389,500	389,500	389,500	389,500
Northeast Pumping Station	796,000	298,900	790,000	(6,000)	-0.8%	790,000	790,000	790,000	790,000
Oakwood Pumping Station	178,000	68,400	151,000	(27,000)	-15.2%	151,000	151,000	151,000	151,000
Grand Total	\$ 2,767,400	\$ 1,628,400	\$ 2,581,500	\$ (185,900)	-6.7%	\$ 2,581,500	\$ 2,581,500	\$ 2,581,500	\$ 2,551,500

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Wastewater Operations pumping (lift) stations Group's financial plan reflects a five-year overall decrease of 7.8% which is well within the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment).



Capital Outlay

Capital Outlay is not a component of the Wastewater Pumping (Lift) Stations' budget.

Line-Item Budget and Financial Plan

The five-year plan by line-item expense is reflected on the following page. The expenses are listed for each cost center. Because many of GLWA's initiatives extend multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.



Wastewater Pump Stations
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
892342 - Belle Isle Pumping Station	\$ (29,900)	\$ (8,800)	\$ 29,300	\$ -	\$ -	\$ -	\$ -	\$ -
4.2 Supplies & Other	25,200	45,000	48,100	45,000	45,000	45,000	45,000	45,000
Repairs & Maintenance-Equipment	25,200	45,000	48,100	45,000	45,000	45,000	45,000	45,000
4.3 Contractual Services	1,300	3,700	400	3,700	3,700	3,700	3,700	3,700
Contractual Buildings & Grounds Maint	1,300	3,700	400	3,700	3,700	3,700	3,700	3,700
5.2 Shared Services	(56,400)	(57,500)	(19,200)	(48,700)	(48,700)	(48,700)	(48,700)	(48,700)
Shared Services Reimbursement	(56,400)	(57,500)	(19,200)	(48,700)	(48,700)	(48,700)	(48,700)	(48,700)
892343 - Blue Hill Pumping Station	8,600	99,200	46,500	-	-	-	-	-
4.2 Supplies & Other	82,900	173,000	71,900	152,000	152,000	152,000	152,000	152,000
Repairs & Maintenance-Equipment	82,900	173,000	71,900	152,000	152,000	152,000	152,000	152,000
4.3 Contractual Services	1,200	3,200	300	3,200	3,200	3,200	3,200	3,200
Contractual Buildings & Grounds Maint	1,200	3,200	300	3,200	3,200	3,200	3,200	3,200
5.2 Shared Services	(75,500)	(77,000)	(25,700)	(155,200)	(155,200)	(155,200)	(155,200)	(155,200)
Shared Services Reimbursement	(75,500)	(77,000)	(25,700)	(155,200)	(155,200)	(155,200)	(155,200)	(155,200)
892345 - Conner Pumping Station	648,500	725,000	567,500	725,000	725,000	725,000	725,000	725,000
3.1 Electric	504,300	500,000	483,100	500,000	500,000	500,000	500,000	500,000
3.2 Gas	1,100	2,000	200	2,000	2,000	2,000	2,000	2,000
3.3 Sewage Service	9,500	9,000	3,100	9,000	9,000	9,000	9,000	9,000
3.4 Water Service	40,400	39,000	13,400	39,000	39,000	39,000	39,000	39,000
4.2 Supplies & Other	83,900	170,000	68,000	170,000	170,000	170,000	170,000	170,000
Repairs & Maintenance-Equipment	83,900	170,000	68,000	170,000	170,000	170,000	170,000	170,000
4.3 Contractual Services	9,300	5,000	(300)	5,000	5,000	5,000	5,000	5,000
Contractual Professional Services	9,300	5,000	(300)	5,000	5,000	5,000	5,000	5,000
892346 - Fairview Pumping Station	914,300	555,000	270,700	525,000	525,000	525,000	525,000	495,000
3.1 Electric	901,000	450,000	264,800	450,000	450,000	450,000	450,000	450,000
3.2 Gas	400	10,000	100	5,000	5,000	5,000	5,000	5,000
3.4 Water Service	6,000	20,000	2,300	20,000	20,000	20,000	20,000	20,000
4.2 Supplies & Other	6,900	75,000	3,500	50,000	50,000	50,000	50,000	20,000
Repairs & Maintenance-Equipment	6,900	75,000	3,500	50,000	50,000	50,000	50,000	20,000
892347 - Fischer Pumping Station	7,900	300	1,800	-	-	-	-	-
4.2 Supplies & Other	18,100	7,200	5,500	7,200	7,200	7,200	7,200	7,200
Repairs & Maintenance-Equipment	18,100	7,200	5,500	7,200	7,200	7,200	7,200	7,200
4.3 Contractual Services	2,000	5,600	500	5,600	5,600	5,600	5,600	5,600
Contractual Buildings & Grounds Maint	2,000	5,600	500	5,600	5,600	5,600	5,600	5,600
5.2 Shared Services	(12,200)	(12,500)	(4,200)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)
Shared Services Reimbursement	(12,200)	(12,500)	(4,200)	(12,800)	(12,800)	(12,800)	(12,800)	(12,800)
892348 - Fox Creek Enclosure	700	1,000	100	1,000	1,000	1,000	1,000	1,000
3.1 Electric	700	1,000	100	1,000	1,000	1,000	1,000	1,000
892349 - Freud Pumping Station	541,800	390,500	235,600	389,500	389,500	389,500	389,500	389,500
3.1 Electric	295,900	275,000	152,400	275,000	275,000	275,000	275,000	275,000
3.2 Gas	9,400	12,000	300	12,000	12,000	12,000	12,000	12,000
3.4 Water Service	35,900	8,500	9,500	8,500	8,500	8,500	8,500	8,500
4.2 Supplies & Other	199,900	90,000	71,400	90,000	90,000	90,000	90,000	90,000
Repairs & Maintenance-Equipment	199,900	90,000	71,400	90,000	90,000	90,000	90,000	90,000
4.3 Contractual Services	700	5,000	2,000	4,000	4,000	4,000	4,000	4,000
Contractual Professional Services	700	5,000	2,000	4,000	4,000	4,000	4,000	4,000
892350 - Northeast Pumping Station	1,116,000	796,000	298,900	790,000	790,000	790,000	790,000	790,000
3.1 Electric	790,000	796,000	298,900	790,000	790,000	790,000	790,000	790,000
4.2 Supplies & Other	326,000	-	-	-	-	-	-	-
Repairs & Maintenance-Equipment	326,000	-	-	-	-	-	-	-
892351 - Oakwood Pumping Station	135,200	178,000	68,400	151,000	151,000	151,000	151,000	151,000
3.1 Electric	129,100	115,000	58,400	115,000	115,000	115,000	115,000	115,000
4.2 Supplies & Other	6,100	61,000	10,000	36,000	36,000	36,000	36,000	36,000
Repairs & Maintenance-Equipment	6,100	61,000	10,000	36,000	36,000	36,000	36,000	36,000
4.3 Contractual Services	-	2,000	-	-	-	-	-	-
Contractual Professional Services	-	2,000	-	-	-	-	-	-
892352 - Woodmere Pumping Station	21,000	31,200	39,800	-	-	-	-	-
4.2 Supplies & Other	56,300	65,000	52,000	65,000	65,000	65,000	65,000	65,000
Repairs & Maintenance-Equipment	56,300	65,000	52,000	65,000	65,000	65,000	65,000	65,000
4.3 Contractual Services	1,400	3,700	300	3,700	3,700	3,700	3,700	3,700
Contractual Buildings & Grounds Maint	1,400	3,700	300	3,700	3,700	3,700	3,700	3,700
5.2 Shared Services	(36,700)	(37,500)	(12,500)	(68,700)	(68,700)	(68,700)	(68,700)	(68,700)
Shared Services Reimbursement	(36,700)	(37,500)	(12,500)	(68,700)	(68,700)	(68,700)	(68,700)	(68,700)
6.0 Capital Outlay	-	-	69,800	-	-	-	-	-
Grand Total	\$ 3,364,100	\$ 2,767,400	\$ 1,628,400	\$ 2,581,500	\$ 2,581,500	\$ 2,581,500	\$ 2,581,500	\$ 2,551,500

Planning Services

Teaming with our member partners, the Planning Services area provides strategic guidance for major GLWA programs with a focus on the areas of asset management, capital improvement planning, innovative system analytics and social and environmental policy to shape GLWA's future.

The Planning Services Area leads several strategic initiatives that impact both the Water and Wastewater Systems.

Water System Programs:

❖ **Linear System Integrity Program – (Ongoing)**

Assess the risk to the water delivery infrastructure through the physical inspection of the transmission system as well as assessing reliability to ensure stability of service delivery to member partners. In addition, this program will provide the framework to optimize the wastewater interceptor inspection, maintenance, and renewal. We have selected a vendor, HDR of Michigan as our strategic partner for this initiative and have begun program development in FY 2022.

❖ **Water Performance Monitoring – (Ongoing)**

This initiative ensures quality and efficiency at local levels. Using Aquasight software, individual communities will be able to monitor their water systems with customized real time system data.

❖ **Water Master Plan Update – (Completion Date – June 2025)**

An update to the regional plan ensuring GLWA continues to meet the needs of its members and strategic investment in assets. This project will be performed primarily by GLWA team members.

❖ **Units of Service for Non-Master Meter Members of Great Lakes Water Authority and System Water Audit – (Ongoing)**

An analytical review of data to quantify flow volumes for our member partners who do not have master meters and systemwide water audit including review of water treatment plant flows and transmission system.

Wastewater System Programs:

❖ **Wastewater Master Plan – (Ongoing)**

Maximizes the use of existing GLWA and member partner facilities through the review of collection and treatment facilities to produce affordable operating solutions. Implementation of components of this plan are ongoing with phase II scheduled to begin in 2024.

❖ **Good Sewer Metering Practice Analysis & Support – (Ongoing)**

This ongoing program in the Wastewater Analytics Task Force (WATF) consists of four core elements: metering, sewer shares analysis and review, collection system initiative and Water Resource Recovery Facility initiatives.

❖ **Meter Dye Testing – (Ongoing)**

This program ensures the accuracy of the sewer meters through review, repair, and calibration.

❖ **Professional and Technical Sewer Support Services – (Ongoing)**

This program is for the calibration, corrective maintenance, and emergency repair of sewer meters in the collection system. This program also covers the installation of new meters, control cabinets and programmable controllers at various locations throughout the collection system.

Both Systems (GLWA Wide) Initiatives:

❖ **Capital Improvement Plan – (Completion Date – June 2023)**

In May 2019 GLWA's Board of Directors approved a partnership with consultants, AECOM to provide Capital Improvement Planning (CIP) services. This partnership will provide GLWA with tools and resources to manage a best-in-class CIP program at the end of this four-year contract. The CIP is broken into the following 10 tasks outlined in the chart below:

Capital Improvement Process (CIP) Task	Purpose
1. - CIP Business Process Improvements 2. - CIP Delivery Standard Operating Procedure Development	These initial tasks will focus on general GLWA business and process improvements.
3. - CIP Delivery Resource Evaluation	This task will help GLWA identify and secure the human resources necessary to execute the CIP.
4. - Development of Project Management Information System (PMIS)	This task will identify and select technology solutions necessary to support the new CIP business processes.
5A. - Project Controls and Reporting Support (O&M) 5B. - Project Controls and Reporting Support (Capital) 6. - CIP Validation	These tasks will identify, validate, and implement project controls necessary for a well-managed CIP.
7A. - Engineering & Construction Staff Augmentation (O&M) 7B. - Engineering & Construction Staff Augmentation (Capital) 8. - Other Staff Augmentation as Required	These tasks will provide staffing augmentation to execute the CIP and supplemental resources to meet the needs of the organization while existing internal processes are being re-engineered.
9. - Advanced Facilities Planning (Capital) 10. - Enterprise-Wide Energy Optimization & Sustainability Planning	These tasks will support the creation of reliable and sustainable projects.

The bulk of the agreement will be funded as Capital as it targets specific, long-term projects. However, there is a significant Operations and Maintenance (O&M) component involving business improvement, process development and other O&M related support. As we continue into the final two years of the initial agreement, we are indeed observing this expected expenditure shift as presented in the schedules below. Staffing is being ramped up throughout the organization to continue the work of AECOM consultants upon contract completion.

❖ **Oracle Work and Asset Management System (WAM) Support – (Completion Date – June 2024)**

Provides consulting services for support, training, and policy management of GLWA's Computerized Maintenance Management System. A recent renegotiation of this contract has resulted in reduced costs for FY 2021 and beyond.

The tables below present how Planning Services programs align with overall corporate strategic goals.

Water System Programs

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Planning Services Strategic Initiatives Water System Programs	Linear System Integrity Program				x		x					
	Water Performance Monitoring				x				x	x		x
	Water Master Plan Update				x	x	x			x		
	Units of Service for Non-Master Meter Members				x	x				x		

Wastewater System Programs

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Planning Services Strategic Initiatives Wastewater System Programs	Wastewater Master Plan				x	x	x		x	x		
	Good Sewer Metering Practice Analysis & Support				x	x				x		
	Meter Dye Testing				x					x		
	Professional and Technical Sewer Support Services				x					x		

Both Systems (GLWA Wide Initiatives)

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Planning Services Strategic Initiatives Combined Systems Programs	Capital Improvement Plan				x	x	x			x		
	Oracle Work and Asset Management System Support				x	x	x					



Planning Services Contracts

In the tables below, budget values beyond contract end date are estimates for future study updates or subsequent implementation of a program. Expenditures that extend beyond contract completion assume contract renewal. These services would generally require a separate procurement process. The charts below delineate the key contracts for these services.

Water System

Water system programs provide infrastructure analysis, long term capital planning, real time data for quality and efficiency of product delivery and flow analysis for non-metered systems assuring outstanding product quality, system reliability and billing accuracy for our member partners.

Water System Programs

Project Description	Linear System Integrity Program (LSIP)	Water Performance Monitoring	Water Master Plan Update	Units of Service for Non-Master Meter Customers	Total
Prime Consultant or Supplier	HDR	Aquasight	TBD	Black & Veatch	
Contract #	1902659	1900949	TBD	GLWA-CS-039	
Contract Amount	29,012,900	\$ 850,000	TBD	\$ 1,824,800	
Contract End Date	08/31/27	04/25/22	TBD	In Renewal	
Cost Center Name	Asset Management	Systems Planning	Systems Planning	Systems Analytics	
Expense Category	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2020 Spend	\$ -	\$ -	\$ -	\$ 1,300,700	\$ 1,300,700
FY 2020 Spend	-	-	-	336,700	336,700
FY 2021 Spend	-	378,600	-	252,700	631,300
FY 2022 Amended	2,770,400	350,000	-	300,000	3,420,400
FY 2023 Requested	1,312,900	450,000	100,000	309,000	2,171,900
FY 2024 Requested	1,585,400	450,000	-	318,300	2,353,700
FY 2025 Requested	5,475,100	500,000	-	327,800	6,302,900
FY 2026 Requested	4,143,600	500,000	-	337,700	4,981,300
FY 2027 Requested	5,219,700	500,000	130,000	347,800	6,197,500
Total	\$ 20,507,100	\$ 3,128,600	\$ 230,000	\$ 3,830,700	\$ 27,696,400



Wastewater System Programs

Wastewater system programs focus heavily on the preservation and improvement of system integrity and the efficiency of sewage flow. These programs benefit system operations today and many years into the future.

Wastewater System Programs

Project Description	Wastewater Master Plan & Update	Good Sewer Metering Practice Analysis & Support	Meter Dye Testing	Professional and Technical Sewer Support Services	Linear System Integrity Program (LSIP)	Total
Prime Consultant or Supplier	CDM Smith or Other	CDM Smith	Applied Science	PCI LLC	HDR	
Contract #	GLWA-CS-036	GLWA-CS-239	GLWA-CS-236	GLWA-CON-179	1902659	
Contract Amount	\$ 9,022,700	\$ 2,420,900	\$ 1,435,100	\$ 6,465,800	29,012,900	
Contract End Date	10/31/20	In Renewal	In Renewal	07/02/22	08/31/27	
Cost Center Name	Systems Planning	Systems Analytics	Systems Analytics	Systems Analytics	Asset Management	
Expense Category	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2020 Spend	\$ 6,769,100	\$ 815,300	\$ 421,100	\$ 1,774,400		\$ 9,779,900
FY 2020 Spend	2,105,800	518,900	316,800	747,633		3,689,133
FY 2021 Spend	11,600	492,800	-	964,700		1,469,100
FY 2022 Amended	-	600,000	425,000	1,392,900	100,000	2,517,900
FY 2023 Requested	-	600,000	527,000	1,451,400	297,000	2,875,400
FY 2024 Requested	100,000	700,000	527,000	1,451,400	100,000	2,878,400
FY 2025 Requested	110,000	730,000	527,000	1,451,400	100,000	2,918,400
FY 2026 Requested	120,000	760,000	527,000	1,451,400	100,000	2,958,400
FY 2027 Requested		800,000	527,000	1,451,400	100,000	2,878,400
Total	\$ 9,216,500	\$ 6,017,000	\$ 3,797,900	\$ 12,136,633	\$ 797,000	\$ 31,965,033

Combined Water / Wastewater Programs

System wide programs supporting both Water and Wastewater include initiatives that benefit the management of GLWA's strategic assets, computer systems and will further support the development of a Capital Improvement Planning Office that will oversee the organization's long-term strategic goals.

Combined System (GLWA Wide) Programs

Project Description	Systems Planning	Asset Management Planning	Capital Improvement Planning	CMMS Support	Total
Prime Consultant or Supplier	Wade Trim	Jacobs Engineering or Other	AECOM or Other	Experis Financial or Other	
Contract #	1905080	GLWA-CS-198	GLWA-CS-272	PO 7279	
Contract Amount	\$ 921,800	\$ 4,113,300	\$ 15,519,000	Annual PO	
Contract End Date	02/01/22	In Renewal	05/27/23	In Renewal	
Cost Center Name	Systems Planning	Asset Management	Capital Improvement Planning	Asset Management	
Expense Category	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2020 Spend	\$ -	\$ 1,900,400	\$ 558,500	\$ 552,400	\$ 3,011,300
FY 2020 Spend	92,000	792,900	7,107,300	282,400	8,182,600
FY 2021 Spend	632,300	569,900	4,239,300	226,000	5,035,200
FY 2022 Amended	600,000	500,000	510,000	250,000	1,260,000
FY 2023 Requested	200,000	100,000	1,900,000	200,000	2,200,000
FY 2024 Requested		100,000	1,500,000	100,000	1,700,000
FY 2025 Requested		300,000	250,000		550,000
FY 2026 Requested		300,000	250,000		550,000
FY 2027 Requested		100,000	250,000		350,000
Total	\$ 1,524,300	\$ 4,663,200	\$ 16,565,100	\$ 1,610,800	\$ 22,839,100

Note: The AECOM (CS-272) total contract award was \$58.6 million of which \$15.5 million is allocatable to the O&M budget and the remainder of \$43.1 million is allocatable to the capital improvement program over the life of the program.

Organization

The GLWA System Planning Area consists of five teams.

❖ Office of the Chief Planning Officer

Administration and oversight of GLWA's planning efforts with current and prospective Member-Partners

❖ Systems Planning & Development

This new department led by a director will limit the reliance on external engineering and consulting firms related to creating and updating water and wastewater master plans/models and begin to develop an in-house group that can perform modeling,

evaluate potential service extension to new customers and various other updates.

❖ Asset Management

Responsible for leading the enterprise-wide asset management strategy at GLWA

❖ Systems Planning

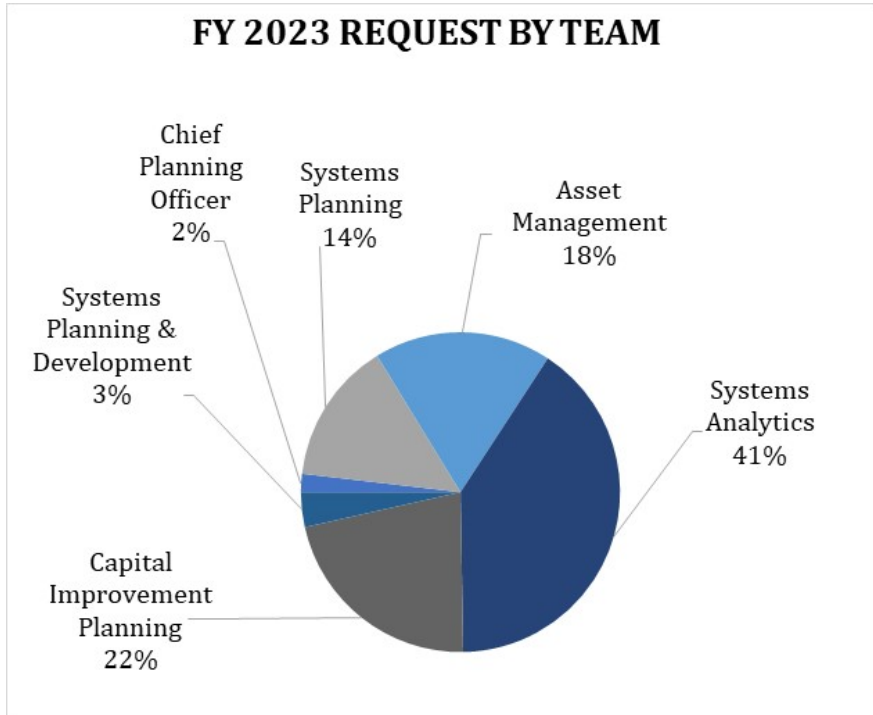
Responsible for internal and external strategic planning, outreach, and coordination with member partners

❖ Capital Improvement Planning

Manages the planning and execution of the enterprise-wide capital improvement program including the development of a five-year Capital Improvement Plan which is updated annually

❖ Systems Analytics

Responsible for maintaining meter operations and analyzing flow data for both water and wastewater, and for administrating the Wholesale Automatic Meter Reading (WAMR) system



Expense Categories

Contractual Services and Personnel costs are two major categories of Planning Services Area expenses in the operations and maintenance budgets listed below.

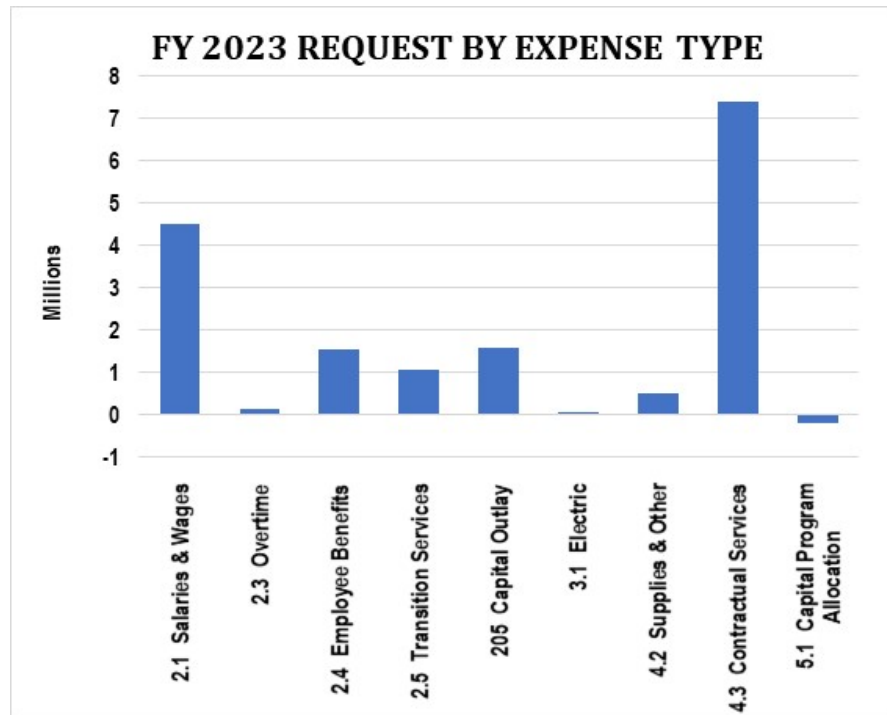
Contractual Services is the largest expense category with strategic initiatives spanning the entire organization. Significant efforts include the Linear System Pipe Integrity Program, and the Capital Improvement Plan. Other efforts include significant contractual services supporting meter operations and customer / partner outreach. To optimize

member engagement, the Planning Services Team employs the services of The Bridgeport Consulting Group who specialize in efficient group facilitation assuring that GLWA Member Partners are fully engaged in making decisions that affect the region today and in the future.

The Planning Services Area has been in existence for six years. Given the breadth of assignments, recruiting, and retaining top talent is a high priority. Accordingly, personnel costs are the second highest expense category. To help reduce the requirement for the contractual services support noted above, we are ramping up to support a more in-house approach to planning and modeling activities. A new department, Systems Planning and Development has been established to help oversee this transition. Additionally, staffing increases are projected for the Capital Improvement Planning group (CIP) as they continue to transition operational responsibility from our existing vendor, AECOM.

It is possible that a portion of the daily activities of the Planning Services Area will have a direct impact on capital delivery. To the extent that occurs, an allocation of this Area's effort will be assigned directly to construction projects.

Smaller expenditures for utilities, supplies, training, and other miscellaneous expense round out the departmental budget request.



Biennial Budget Request

The biennial budget reflects a \$122,600 increase, or 0.8%, in FY 2023 due to changes in activity levels of several large consulting projects within the Planning Services Area.

- ❖ The Capital Improvement Planning team is ramping up their staffing to support an in-house operation with the expected completion of AECOM's support in June 2023. The forecast for AECOM's services has been increased to reflect a more accurate spend projection for the final year of the contract. Net departmental increase (\$1.9 million).
- ❖ The newly created Systems Planning and Development team lead by a director expected to be onboard by July 2023 will have the responsibility for the creation and updates of Water and Sewer Master Plans as well as other in-house planning and modeling activities. Support staff for this team will be three engineers drawn from the Systems Planning and Systems Analytics and Meter Operations teams. This new team is expected to significantly reduce the need for contracted engineering and other professional services going forward. Net departmental increase (\$0.6 million).
- ❖ Systems Planning completed phase one of the Wastewater Master Plan with vendor, CDM Smith in FY 2020. As Phase II will be overseen by the Systems Planning and Development Team (as well as transitioning one engineer), we see an expected decrease in budget request in this department. Net department decrease (\$0.8 million).
- ❖ As noted earlier, the Asset Management Team has selected strategic vendor HDR of Michigan for the Linear System Integrity Program and has already begun work beginning in FY 2022. As we continue to develop the schedule for this project, major spending has been pushed back to 2025 resulting in significant budget request reductions in the current cycle. Net departmental decrease (\$1.6 million).

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity thru 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 5,052,300	\$ 6,053,200	\$ 1,736,400	\$ 7,251,100	\$ 1,197,900	19.8%	\$ 8,353,100
3.1 Electric	77,800	81,700	16,100	82,000	300	0.4%	82,300
4.2 Supplies & Other	301,500	492,900	19,000	528,700	35,800	7.3%	623,600
4.3 Contractual Services	7,986,900	8,337,700	2,308,900	7,417,500	(920,200)	-11.0%	7,008,700
5.1 Capital Program Allocation	-	-		(191,200)	(191,200)	-100.0%	(192,200)
5.2 Shared Services	(83,200)			-	-	0.0%	-
Grand Total	\$ 13,335,300	\$ 14,965,500	\$ 4,080,400	\$ 15,088,100	\$ 122,600	0.8%	\$ 15,875,500

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity thru 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY2023 Percent Variance	FY 2024 Department Requested
Chief Planning Officer	\$ 301,500	\$ 297,500	\$ 71,400	\$ 307,300	\$ 9,800	3.3%	\$ 309,600
Systems Planning & Development				\$ 585,900	\$ 585,900	100.0%	\$ 674,000
Systems Planning	2,045,600	2,870,200	399,500	2,099,500	(770,700)	-26.9%	2,186,500
Asset Management	1,589,100	4,591,000	431,600	2,993,900	(1,597,100)	-34.8%	3,358,600
Systems Analytics	4,644,600	5,939,600	1,640,800	5,978,000	38,400	0.6%	6,351,600
Capital Improvement Planning	4,754,500	1,267,200	1,537,100	3,123,500	1,856,300	146.5%	2,995,200
Grand Total	\$ 13,335,300	\$ 14,965,500	\$ 4,080,400	\$ 15,088,100	\$ 122,600	0.8%	\$ 15,875,500

Personnel Budget

The staffing plan provides for 68 positions as of FY 2023. Three more positions will be filled in FY 2024 (Asset Management 1, Systems Analytics 2) bringing a steady state of 71 positions going forward.

Staffing Plan – Number of Positions - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a forecast of hours less than 2,080 per year, or one that is vacant.

Staffing Plan

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Planning Services	73.00	57.00	68.00	71.00	71.00	71.00	71.00
Chief Planning Officer	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Systems Planning & Development	-	-	4.00	4.00	4.00	4.00	4.00
Systems Planning	7.00	5.00	4.00	4.00	4.00	4.00	4.00
Asset Management	11.00	8.00	10.00	11.00	11.00	11.00	11.00
Systems Analytics	44.00	36.00	35.00	37.00	37.00	37.00	37.00
Capital Improvement Planning	8.00	6.00	13.00	13.00	13.00	13.00	13.00

Full Time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled or budgeted, based upon a standard of 2,080 hours. For this budget area, the Staffing Plan and correlating FTEs project gradual, annual increases in staffing, leveling off to, “full” in FY 2024 and beyond.

Full Time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Planning Services	63.25	56.00	62.25	71.00	71.00	71.00	71.00
Chief Planning Officer	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Systems Planning & Development	-	-	3.25	4.00	4.00	4.00	4.00
Systems Planning	6.00	4.50	3.25	4.00	4.00	4.00	4.00
Asset Management	9.50	7.50	8.00	11.00	11.00	11.00	11.00
Systems Analytics	39.25	36.00	35.00	37.00	37.00	37.00	37.00
Capital Improvement Planning	5.50	6.00	10.75	13.00	13.00	13.00	13.00

Personnel Budget – The tables below present the Planning Services personnel budget which consists of the following expense categories: Salaries & Wages, Salaries & Wages – Workforce Development, Overtime, Employee Benefits and Contractual Transition Services. The values for the personnel budget are based on the full-time equivalents table above using current pay levels. Wage and benefit adjustments are based on merit increases and are included in the Unallocated Reserve line item for the Central Services Operating Area which is shown in detail in the Operating Financial Plan Introduction section.

Biennial Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity thru 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY2023 Percent Variance	FY 2024 Department Requested
Chief Planning Officer	\$ 272,600	\$ 282,600	\$ 71,000	\$ 292,000	\$ 9,400	3.3%	\$ 293,400
Systems Planning & Development		-		474,600	474,600	100.0%	562,400
Systems Planning	353,000	497,000	132,500	402,400	(94,600)	-19.0%	498,800
Asset Management	744,000	928,300	241,800	1,044,400	116,100	12.5%	1,427,200
Systems Analytics	3,198,500	3,620,800	1,111,000	3,637,500	16,700	0.5%	3,898,700
Capital Improvement Planning	484,200	724,500	180,100	1,400,200	675,700	93.3%	1,672,600
Grand Total	\$ 5,052,300	\$ 6,053,200	\$ 1,736,400	\$ 7,251,100	\$ 1,197,900	19.8%	\$ 8,353,100

Five-Year Personnel Budget

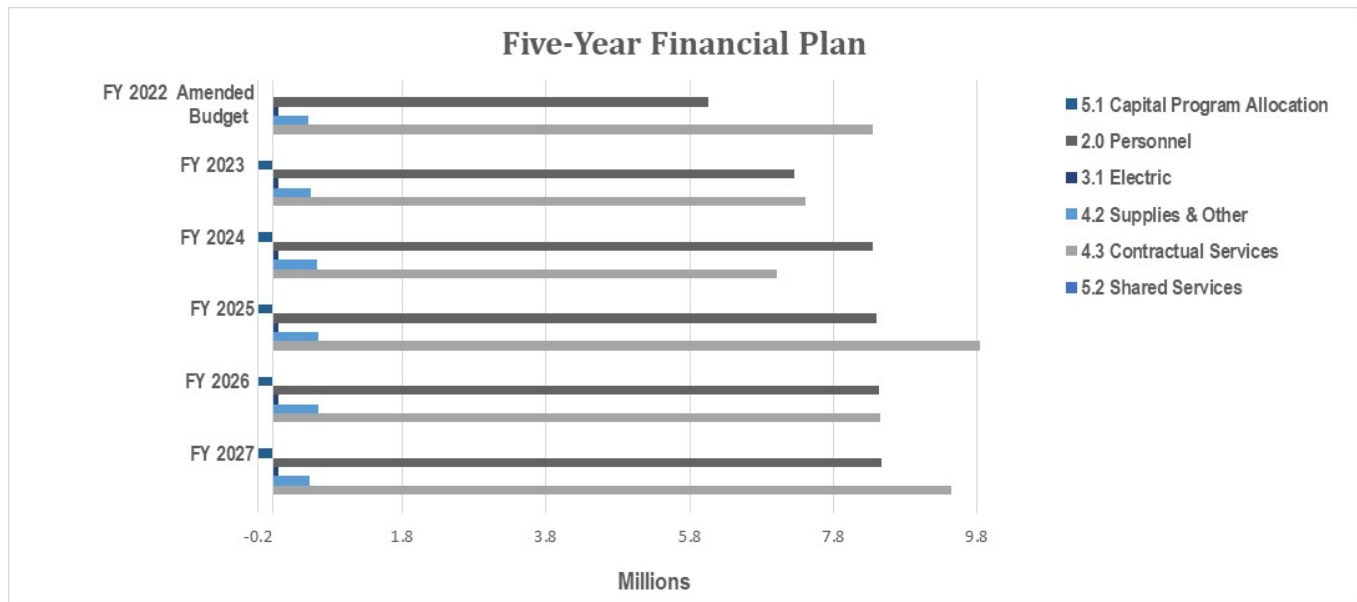
Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Chief Planning Officer	\$ 272,600	\$ 282,600	\$ 292,000	\$ 293,400	\$ 294,700	\$ 296,000	\$ 297,300
Systems Planning & Development		-	474,600	562,400	564,900	567,500	570,100
Systems Planning	353,000	497,000	402,400	498,800	501,100	503,500	505,900
Asset Management	744,000	928,300	1,044,400	1,427,200	1,433,900	1,440,500	1,447,200
Systems Analytics	3,198,500	3,620,800	3,637,500	3,898,700	3,915,000	3,931,300	3,947,600
Capital Improvement Planning	484,200	724,500	1,400,200	1,672,600	1,680,500	1,688,300	1,696,200
Grand Total	\$ 5,052,300	\$ 6,053,200	\$ 7,251,100	\$ 8,353,100	\$ 8,390,100	\$ 8,427,100	\$ 8,464,300



Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Team	FY 2022 Amended Budget	FY 2022 Activity thru 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 6,053,200	\$ 1,736,400	\$ 7,251,100	1,197,900	19.8%	\$ 8,353,100	\$ 8,390,100	\$ 8,427,100	\$ 8,464,300
3.1 Electric	81,700	16,100	82,000	300	0.4%	82,300	82,600	82,900	83,200
4.2 Supplies & Other	492,900	19,000	528,700	35,800	7.3%	623,600	633,900	639,100	523,600
4.3 Contractual Services	8,337,700	2,308,900	7,417,500	(920,200)	-11.0%	7,008,700	9,829,500	8,449,300	9,437,100
5.1 Capital Program Allocation	-	-	(191,200)	(191,200)	-100.0%	(192,200)	(193,100)	(194,000)	(194,900)
Grand Total	\$ 14,965,500	\$ 4,080,400	\$ 15,088,100	\$ 122,600	0.8%	\$ 15,875,500	\$ 18,743,000	\$ 17,404,400	\$ 18,313,300

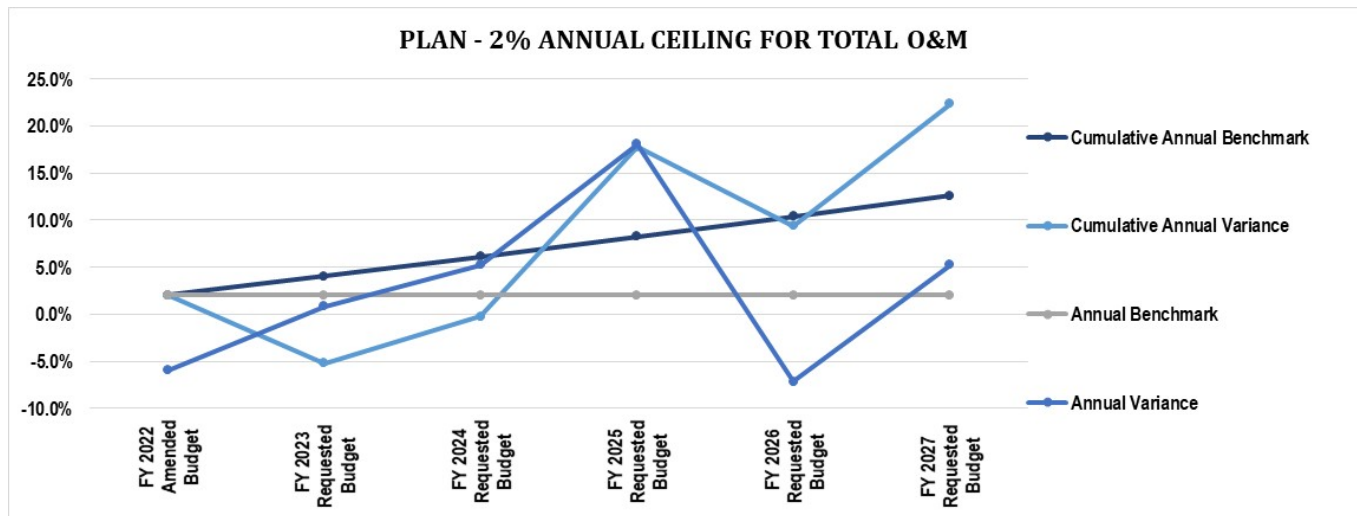


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity thru 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Chief Planning Officer	\$ 297,500	\$ 71,400	\$ 307,300	\$ 9,800	3.3%	\$ 309,600	\$ 311,900	\$ 314,200	\$ 316,200
Systems Planning & Development	-	-	585,900	585,900	100.0%	674,000	686,700	699,600	712,400
Systems Planning	2,870,200	399,500	2,099,500	(770,700)	-26.9%	2,186,500	2,219,100	2,121,700	2,054,100
Asset Management	4,591,000	431,600	2,993,900	(1,597,100)	-34.8%	3,358,600	7,362,400	6,039,900	6,925,100
Systems Analytics	5,939,600	1,640,800	5,978,000	38,400	0.6%	6,351,600	6,410,500	6,469,700	6,539,200
Capital Improvement Planning	1,267,200	1,537,100	3,123,500	1,856,300	0.0%	2,995,200	1,752,400	1,759,300	1,766,300
Grand Total	\$ 14,965,500	\$ 4,080,400	\$ 15,088,100	\$ 122,600	0.8%	\$ 15,875,500	\$ 18,743,000	\$ 17,404,400	\$ 18,313,300

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Planning Services Area financial plan reflects a five-year overall increase of 5.2% while the entity-wide goal is a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment). This increase is primarily explained by the addition on the Linear System Pipe Integrity Program (LSIP) and the filling of necessary staffing positions throughout the organization. This is mitigated by a plan to bring more engineering and professional services in house hence reducing the requirement for contracted services particularly in the areas of planning and modeling.



Capital Outlay

Planning Services capital outlay is funded by the Improvement and Extension (I&E) Budget. Significant components of the FY 2022 I&E budget are as follows:

- ✓ Flow Metering & Meters – sewage meter design, installation, and replacement program.
- ✓ Furniture & Fixtures/Leasehold Improvements – improvements to 11th floor Water Board Building and Central Services Facility. This effort has been delayed due the FY 2021 Covid-19 building vacancy and related funding will not be used in this period. The completion of this effort will resume in future periods.
- ✓ Tools, Shop & Warehouse – purchase, maintenance, and repair of equipment necessary to repair meters.

Five-Year Capital Outlay Plan by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 548,000	\$ 1,477,400	\$ 1,781,500	\$ 1,483,600	\$ 1,485,800	\$ 1,488,100
Computers & IT						
Flow Metering & Meters	546,000	905,400	905,400	905,400	905,400	905,400
Furniture & Fixtures	2,000	2,000	4,000	4,000	4,000	4,000
11th Floor Renovations NE Corner			300,000			
CIP I&E		500,000	500,000	500,000	500,000	500,000
Passenger Vehicles						
Tools, Shop & Warehouse		70,000	72,100	74,200	76,400	78,700
Grand Total	548,000	1,477,400	1,781,500	1,483,600	1,485,800	1,488,100

Five-Year Capital Outlay Plan by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
O&M	\$ 207,400	\$ 207,400	\$ 209,400	\$ 209,400	\$ 209,400	\$ 209,400
Improvement & Extension	340,600	1,270,000	1,572,100	1,274,200	1,276,400	1,278,700
Grand Total	\$ 548,000	\$ 1,477,400	\$ 1,781,500	\$ 1,483,600	\$ 1,485,800	\$ 1,488,100

Five-Year Capital Outlay Plan by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Planning Services Total	\$ 548,000	\$ 1,477,400	\$ 1,781,500	\$ 1,483,600	\$ 1,485,800	\$ 1,488,100
Chief Planning Officer	2,000	2,000	2,000	2,000	2,000	2,000
Systems Planning		-	302,000	2,000	2,000	2,000
Asset Management						
Systems Analytics	546,000	975,400	977,500	979,600	981,800	984,100
Capital Improvement Planning	-	500,000	500,000	500,000	500,000	500,000
Grand Total	\$ 548,000	\$ 1,477,400	\$ 1,781,500	\$ 1,483,600	\$ 1,485,800	\$ 1,488,100



Line-Item Budget and Financial Plan

The five-year plan by line-item expense is presented on the following pages. The expenses are listed for each cost center. Because many of GLWA's initiatives extend multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.



Planning Services
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity thru 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
886001 - Chief Planning Officer	\$ 301,500	\$ 297,500	\$ 71,400	\$ 307,300	\$ 309,600	\$ 311,900	\$ 314,200	\$ 316,200
2.1 Salaries & Wages	222,600	219,800	52,900	224,900	224,900	224,900	224,900	224,900
2.3 Overtime	-	-	-	-	-	-	-	-
2.4 Employee Benefits	50,000	62,800	18,100	67,100	68,500	69,800	71,100	72,400
4.2 Supplies & Other	3,800	14,300	400	14,700	15,600	16,600	17,600	18,300
Capital Outlay less than \$5000	-	2,000	-	2,000	2,000	2,000	2,000	2,000
Memberships, Licenses & Subscriptions	500	900	-	1,100	1,400	1,600	1,900	2,100
Mileage and Parking	-	-	-	-	-	-	-	-
Office Supplies	600	2,500	400	2,700	3,000	3,200	3,500	3,700
Training and Internal Meetings	2,700	3,600	-	3,600	3,700	3,800	3,900	4,000
Travel	-	5,300	-	5,300	5,500	6,000	6,300	6,500
Tuition Refund	-	-	-	-	-	-	-	-
4.3 Contractual Services	25,100	600	-	600	600	600	600	600
Contract Professional Services	100	600	-	600	600	600	600	600
Contract Professional Services - All Sewer	25,000	-	-	-	-	-	-	-
886100 - Systems Planning & Development	-	-	-	585,900	674,000	686,800	699,600	712,400
2.1 Salaries & Wages	-	-	-	365,500	429,300	429,300	429,300	429,300
2.4 Employee Benefits	-	-	-	109,100	133,100	135,600	138,200	140,800
4.2 Supplies & Other	-	-	-	11,300	11,600	11,800	12,100	12,300
Capital Outlay less than \$5000	-	-	-	-	-	-	-	-
Memberships, Licenses & Subscriptions	-	-	-	600	600	600	600	600
Mileage and Parking	-	-	-	2,000	2,000	2,000	2,000	2,000
Office Supplies	-	-	-	2,700	3,000	3,200	3,500	3,700
Training and Internal Meetings	-	-	-	3,000	3,000	3,000	3,000	3,000
Travel	-	-	-	3,000	3,000	3,000	3,000	3,000
4.3 Contractual Services	-	-	-	100,000	100,000	110,000	120,000	130,000
Contractual Operating Services - All Sewer	-	-	-	-	100,000	110,000	120,000	-
Contractual Operating Services - All Water	-	-	-	100,000	-	-	-	130,000
886101 - Systems Planning	2,045,600	2,870,200	399,500	2,099,500	2,186,500	2,219,100	2,121,700	2,054,100
2.1 Salaries & Wages	278,000	376,900	103,700	304,500	375,700	375,700	375,700	375,700
2.3 Overtime	-	-	-	-	-	-	-	-
2.4 Employee Benefits	75,000	120,100	28,800	97,900	123,100	125,400	127,800	130,200
4.2 Supplies & Other	1,900	83,600	900	102,100	187,700	188,000	188,200	68,200
Capital Outlay less than \$5000	-	-	-	-	2,000	2,000	2,000	2,000
Memberships, Licenses & Subscriptions	-	800	200	1,000	1,300	1,500	1,500	1,500
Mileage and Parking	-	1,200	-	1,200	1,300	1,300	1,300	1,300
Office Supplies	500	6,900	-	7,200	7,500	7,500	7,500	7,500
Operating Supplies	100	65,000	700	82,500	165,000	165,000	165,000	45,000
Training and Internal Meetings	1,000	500	-	800	1,000	1,000	1,000	1,000
Travel	300	9,200	-	9,400	9,600	9,700	9,900	9,900
4.3 Contractual Services	1,690,700	2,289,600	266,100	1,595,000	1,500,000	1,530,000	1,430,000	1,480,000
Contractual Professional Services	1,300,600	1,364,600	266,100	1,020,000	925,000	980,000	880,000	930,000
Contractual Professional Services - All Water	378,500	925,000	-	575,000	575,000	550,000	550,000	550,000
Contractual Professional Services - All Sewer	11,600	-	-	-	-	-	-	-



Planning Services
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity thru 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
886201 - Asset Management	1,589,100	4,591,000	431,600	2,993,900	3,358,600	7,362,400	6,039,900	6,925,100
2.1 Salaries & Wages	598,300	712,900	187,300	795,000	1,080,000	1,080,000	1,080,000	1,080,000
2.4 Employee Benefits	145,700	215,400	54,500	249,400	347,200	353,900	360,500	367,200
4.2 Supplies & Other	49,100	42,300	1,900	39,600	46,000	53,400	55,800	58,200
Capital Outlay less than \$5000	-	-	-	-	-	-	-	-
Memberships, Licenses & Subscriptions	2,000	1,500	-	2,000	2,200	2,400	2,600	2,800
Mileage and Parking	-	7,200	-	3,000	4,000	5,000	6,000	7,000
Office Supplies	1,900	18,900	500	16,600	17,800	20,000	21,200	22,400
Repairs & Maintenance Software	41,800	-	-	-	-	-	-	-
Training and Internal Meetings	3,400	500	1,400	6,000	8,000	10,000	10,000	10,000
Travel	-	12,200	-	10,000	12,000	14,000	14,000	14,000
Tuition Refund	-	2,000	-	2,000	2,000	2,000	2,000	2,000
4.3 Contractual Services	796,000	3,620,400	187,900	1,909,900	1,885,400	5,875,100	4,543,600	5,419,700
Contractual Professional Services	796,000	850,000	187,900	300,000	200,000	300,000	300,000	100,000
Contractual Professional Services - All Sewer	-	300,000	-	297,000	100,000	100,000	100,000	100,000
Contractual Professional Services - All Water	-	2,470,400	-	1,312,900	1,585,400	5,475,100	4,143,600	5,219,700
886401 - Systems Analytics	4,644,600	5,939,600	1,640,800	5,978,000	6,351,600	6,410,500	6,469,700	6,539,200
2.1 Salaries & Wages	1,779,100	1,883,600	617,100	1,753,700	1,938,700	1,938,700	1,938,700	1,938,700
2.2 Workforce Development	-	-	-	-	-	-	-	-
2.3 Overtime	124,000	136,400	45,100	137,700	139,100	140,500	141,900	143,300
2.4 Employee Benefits	686,000	697,900	229,600	694,700	769,500	784,400	799,300	814,200
2.5 Transition Services - All Sewer	609,400	902,900	219,200	1,051,400	1,051,400	1,051,400	1,051,400	1,051,400
3.1 Electric	77,800	81,700	16,100	82,000	82,300	82,600	82,900	83,200
4.2 Supplies & Other	246,700	345,000	15,500	346,500	347,900	349,100	350,400	351,600
Capital Outlay less than \$5000	104,700	205,400	-	205,400	205,400	205,400	205,400	205,400
Memberships, Licenses & Subscriptions	2,300	2,500	-	2,500	2,500	2,500	2,500	2,500
Mileage and Parking	700	2,700	600	2,700	2,700	2,700	2,700	2,700
Office Supplies	6,100	9,000	700	9,000	9,000	9,000	9,000	9,000
Operating Supplies	6,000	14,600	3,600	15,000	15,500	16,000	16,400	16,900
Repairs & Maintenance Equipment	107,000	68,300	8,300	68,600	68,900	69,200	69,500	69,800
Repairs & Maintenance Hardware	1,700	9,000	300	9,400	9,700	9,700	10,000	10,000
Repairs & Maintenance Miscellaneous	3,300	10,000	-	10,000	10,000	10,000	10,000	10,000
Training and Internal Meetings	6,400	5,100	-	5,100	5,100	5,100	5,100	5,100
Travel	300	5,900	-	6,000	6,000	6,000	6,000	6,000
Tuition Refund	-	2,000	-	2,000	2,000	2,000	2,000	2,000
Uniforms, Laundry, Cleaning	8,200	10,500	2,000	10,800	11,100	11,500	11,800	12,200
4.3 Contractual Services	1,204,800	1,892,100	498,200	1,912,000	2,022,700	2,063,800	2,105,100	2,156,800
Contractual Services - Information Technology	104,000	77,100	-	76,000	77,400	79,000	80,400	82,000
Contractual Operating Services - All Sewer	848,100	1,515,000	450,600	1,527,000	1,627,000	1,657,000	1,687,000	1,727,000
Contractual Professional Services - All Water	252,700	300,000	47,600	309,000	318,300	327,800	337,700	347,800
5.2 Shared Services	(83,200)	-	-	-	-	-	-	-
886601 - Capital Improvement Planning	4,754,500	1,267,200	1,537,100	3,123,500	2,995,200	1,752,400	1,759,300	1,766,300
2.1 Salaries & Wages	365,700	554,900	143,300	1,065,600	1,264,500	1,264,500	1,264,500	1,264,500
2.4 Employee Benefits	99,100	169,600	36,800	334,600	408,100	416,000	423,800	431,700
2.5 Transition Services	19,400	-	-	-	-	-	-	-
4.2 Supplies & Other	-	7,700	300	14,500	14,800	15,000	15,000	15,000
Memberships, Licenses & Subscriptions	-	800	-	2,000	2,300	2,500	2,500	2,500
Mileage and Parking	-	800	-	1,000	1,000	1,000	1,000	1,000
Office Supplies	-	1,800	300	2,000	2,000	2,000	2,000	2,000
Training and Internal Meetings	-	1,000	-	2,000	2,000	2,000	2,000	2,000
Travel	-	3,300	-	7,500	7,500	7,500	7,500	7,500
4.3 Contractual Services	4,270,300	535,000	1,356,700	1,900,000	1,500,000	250,000	250,000	250,000
5.1 Capital Program Allocation	-	-	-	(191,200)	(192,200)	(193,100)	(194,000)	(194,900)
Grand Total	\$ 13,335,300	\$ 14,965,500	\$ 4,080,400	\$ 15,088,100	\$ 15,875,500	\$ 18,743,000	\$ 17,404,400	\$ 18,313,300

Systems Control

The Systems Control Area operates the water transmission system by controlling and monitoring the distribution of water throughout the Regional Water System. The treatment and distribution system is controlled by an award-winning state of the arts Supervisory Control and Data Acquisition (SCADA) system. Operators remotely control the pumps and valves that allow the system to deliver water to all communities. Access to real-time data from throughout the system allows quicker response, reaction, detection, and isolation of system leaks and rapidly changing conditions such as storm water inflow.

The Systems Control Area strategic initiatives include the following.

❖ Control Systems Enhancement (Ongoing)

Drive the use of Ovation (distributed control system) and OSIsoft PI (application software for real-time data infrastructure solutions called process information) systems for technology enhancement and analytics

❖ Operational Efficiency (Ongoing)

- Improve operational efficiency, maintain regulatory and environmental compliance, and accommodate future systems expansion.
- Implement real-time pump curves at all booster stations for pump efficiency monitoring.
- Pressure compliance is one of the metrics reported on by Systems Control to ELT monthly
- Goal of inspecting the entire sewer system every 5 years, normally this takes 7 years.

The table below shows how the system control area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Systems Control Strategic Initiatives	Control System Enhancements		x		x	x	x	x				
	Operational Efficiency		x		x	x	x	x				

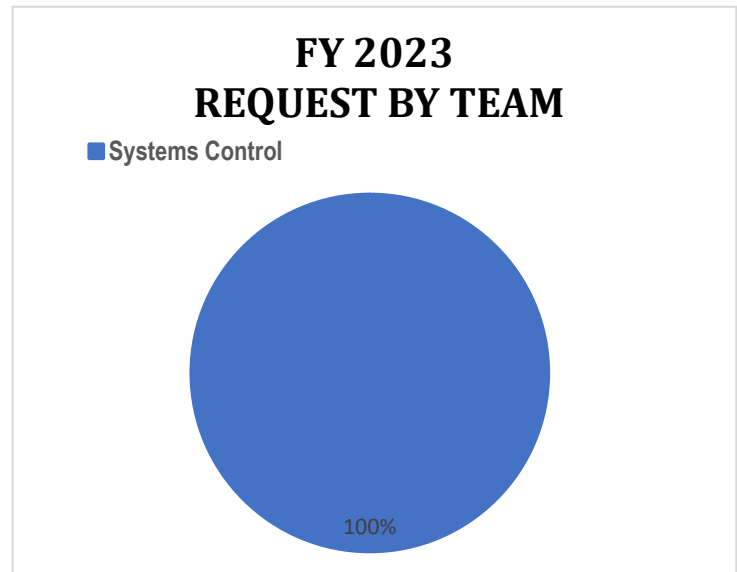
Systems Control Contracts

The Systems Control budget contains several contractual services related to VFD (variable frequency drive) maintenance and service and specialized services for engineering, instrumentation, and SCADA network. Budgeted amounts beyond contract date are estimates for future study updates, or subsequent implementation of a program. These services would generally require a separate procurement process. In the chart below are the key contracts for these services. It should be noted that contracts CON-158 is shared with other departments.

Project Description	Specialized Services (contract split w/ Field Service)	Professional Engineering Services for Instrumentation & SCADA	Low Voltage Electrical Wiring	(Wastewater) Regional River Water Quality Monitoring Program	Total
Prime Consultant or Supplier	Lakeshore Global Corp	PCI LLC	Lakeshore Global Corp	U.S. Geological Survey	
Contract #	GLWA-CON-158	CS-090A	2004773	2003901	
Contract Amount	\$ 25,827,805	\$ 10,302,139	\$ 5,639,560	\$ 1,365,000	
Contract End Date	07/17/22	02/14/22	07/18/24	09/30/25	
Cost Center Name	Systems Control	Systems Control	Systems Control	Systems Control	
Expense Category	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2021 Spend	\$ 7,402,121	\$ 6,798,365	\$ 5,019,444	\$ -	\$ 19,219,930
FY 2021 Actual	2,673,474	1,679,019	2,278,489	128,500	6,759,482
FY 2022 Budget	2,900,000	1,900,000	1,900,000	2,730,000	9,430,000
FY 2023 Requested	2,700,000	1,900,000	1,900,000	273,000	6,773,000
FY 2024 Requested	2,900,000	1,900,000	1,900,000	273,000	6,973,000
FY 2025 Requested	2,900,000	1,900,000	1,900,000	273,000	6,973,000
FY 2026 Requested	2,900,000	1,900,000	1,900,000	273,000	6,973,000
FY 2027 Requested	2,900,000	1,900,000	1,900,000	273,000	6,973,000
Total	\$ 27,275,595	\$ 19,877,384	\$ 18,697,933	\$ 4,223,500	\$ 70,074,412

Organization

The Systems Control area has one team.



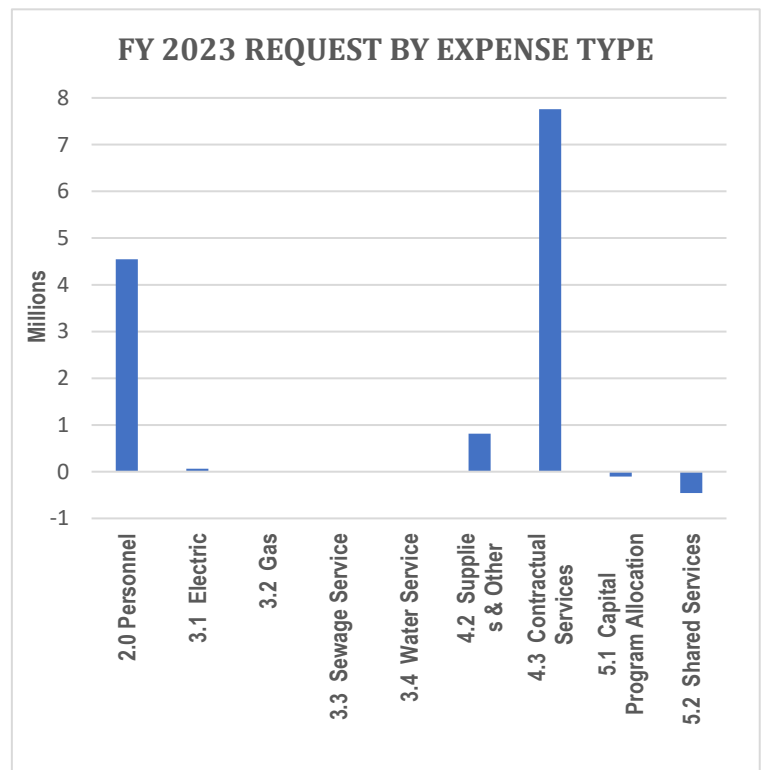
Expense Categories

There are two major categories of Systems Control expenses in the Operations and Maintenance Budget as listed below.

- ❖ Contractual Services
- ❖ Personnel Costs

Contractual Services are the highest expense category for Systems Control. Contractual services are heavily utilized in the Systems Control group to perform various maintenance, monitoring and evaluations of the distribution systems to maintain operational readiness.

Personnel costs are the second highest expense category.



Biennial Budget Request

The biennial budget reflects an increase of \$317,300, or 2.6%, in Operations & Maintenance for FY 2023. Key factors that impact the FY 2023 budget include the following:

- ❖ Contractual Services budget increased to account for support services contract (\$309,500).
- ❖ Personnel – Adjustment of FTE to align budget with anticipated time frame in which vacant positions will be filled (\$100,100)
- ❖ Increased budget based on spending for Repairs & Maintenance-Equipment & Operating Supplies (\$125,000).
- ❖ Reduction of Sewage Service budget based on historical spend (\$3,000).

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 4,841,400	\$ 4,647,600	\$ 1,753,700	\$ 4,547,500	\$ (100,100)	-2.2%	\$ 4,852,800
3.1 Electric	55,900	65,000	18,600	65,000	-	0.0%	65,000
3.2 Gas	200	300	100	200	(100)	-20.0%	200
3.3 Sewage Service	1,400	5,000	700	2,000	(3,000)	-60.0%	2,000
3.4 Water Service	500	600	-	600	-	0.0%	600
4.2 Supplies & Other	806,900	689,400	182,300	814,400	125,000	18.1%	814,400
4.3 Contractual Services	6,450,700	7,447,500	1,665,100	7,757,000	309,500	4.2%	7,957,000
5.1 Capital Program Allocation	(98,000)	(100,300)	(40,800)	(105,400)	(5,100)	5.1%	(103,800)
5.2 Shared Services	(437,800)	(446,600)	(148,900)	(455,500)	(8,900)	2.0%	(464,600)
Grand Total	\$ 11,621,200	\$ 12,308,500	\$ 3,430,800	\$ 12,625,800	\$ 317,300	2.6%	\$ 13,123,600

Biennial Budget Request by Team

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Systems Control	\$ 11,621,200	\$ 12,308,500	\$ 3,430,800	\$ 12,625,800	\$ 317,300	2.6%	\$ 13,123,600
Grand Total	\$ 11,621,200	\$ 12,308,500	\$ 3,430,800	\$ 12,625,800	\$ 317,300	2.6%	\$ 13,123,600

Personnel Budget

Systems Control personnel consists of 44 positions for FY 2023. Systems Control is largely comprised of technicians that operate and maintain instrumentation equipment in the water and wastewater operations, field services, pumping stations, electrical systems, computerized process controls, and equipment. This staffing plan includes 2 apprentice positions. The creation of these positions shows GLWA's commitment to developing its workforce and sustaining it for the future.

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan – The following table presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Systems Control	43.00	44.00	44.00	44.00	44.00	44.00	44.00

Full-time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.

Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Systems Control	43.00	44.00	40.25	44.00	44.00	44.00	44.00

Personnel Budget - The table below presents the Systems Control personnel budget which consists of the following expense categories: Salaries & Wages, Salaries & Wages – Workforce Development, Overtime, Employee Benefits and Contractual Transition Services. The values for the personnel budget are based on the full-time equivalents table above using current pay levels. Wage and benefit adjustments are based on merit increases and are included in the Unallocated Reserve line item for the Central Services Operating Area which is shown in detail in the Operating Financial Plan Introduction section.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Systems Control	\$ 4,841,400	\$ 4,647,600	\$ 1,753,700	\$ 4,547,500	\$ (100,100)	-2.2%	\$ 4,852,800
Grand Total	\$ 4,841,400	\$ 4,647,600	\$ 1,753,700	\$ 4,547,500	\$ (100,100)	-2.2%	\$ 4,852,800

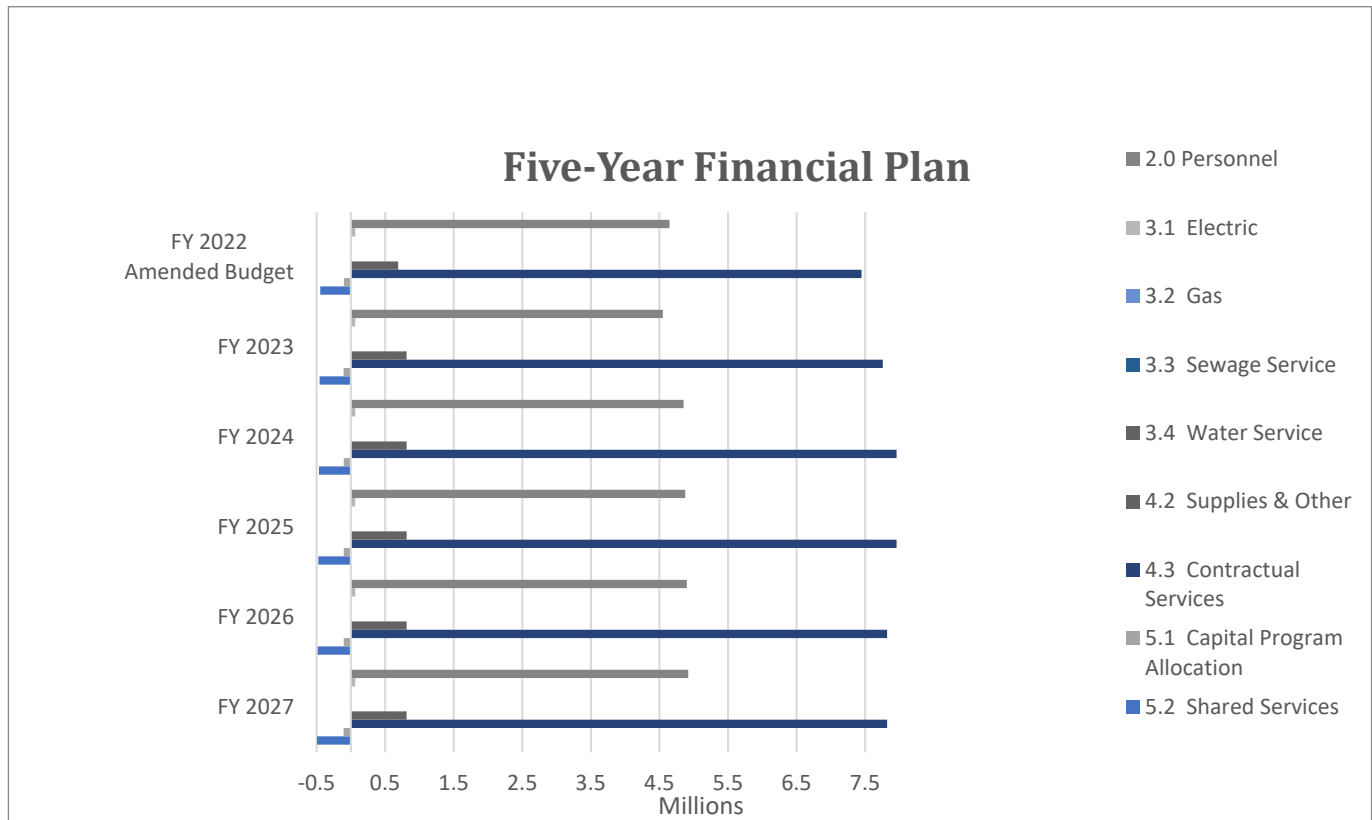
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Systems Control	\$ 4,647,600	\$ 4,830,200	\$ 4,852,800	\$ 4,875,300	\$ 4,897,900	\$ 4,920,400
Grand Total	\$ 4,647,600	\$ 4,830,200	\$ 4,852,800	\$ 4,875,300	\$ 4,897,900	\$ 4,920,400

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 4,647,600	\$ 1,753,700	\$ 4,547,500	\$ (100,100)	-2.2%	\$ 4,852,800	\$ 4,875,300	\$ 4,897,900	\$ 4,920,400
3.1 Electric	65,000	18,600	65,000	-	0.0%	65,000	65,000	65,000	65,000
3.2 Gas	300	100	200	(100)	-20.0%	200	200	200	200
3.3 Sewage Service	5,000	700	2,000	(3,000)	-60.0%	2,000	2,000	2,000	2,000
3.4 Water Service	600	-	600	-	0.0%	600	600	600	600
4.2 Supplies & Other	689,400	182,300	814,400	125,000	18.1%	814,400	814,400	814,400	814,400
4.3 Contractual Services	7,447,500	1,665,100	7,757,000	309,500	4.2%	7,957,000	7,957,000	7,820,500	7,820,500
5.1 Capital Program Allocation	(100,300)	(40,800)	(105,400)	(5,100)	5.1%	(103,800)	(104,200)	(104,700)	(105,100)
5.2 Shared Services	(446,600)	(148,900)	(455,500)	(8,900)	2.0%	(464,600)	(473,800)	(483,300)	(493,000)
Grand Total	\$ 12,308,500	\$ 3,430,800	\$ 12,625,800	\$ 317,300	2.6%	\$ 13,123,600	\$ 13,136,500	\$ 13,012,600	\$ 13,025,000

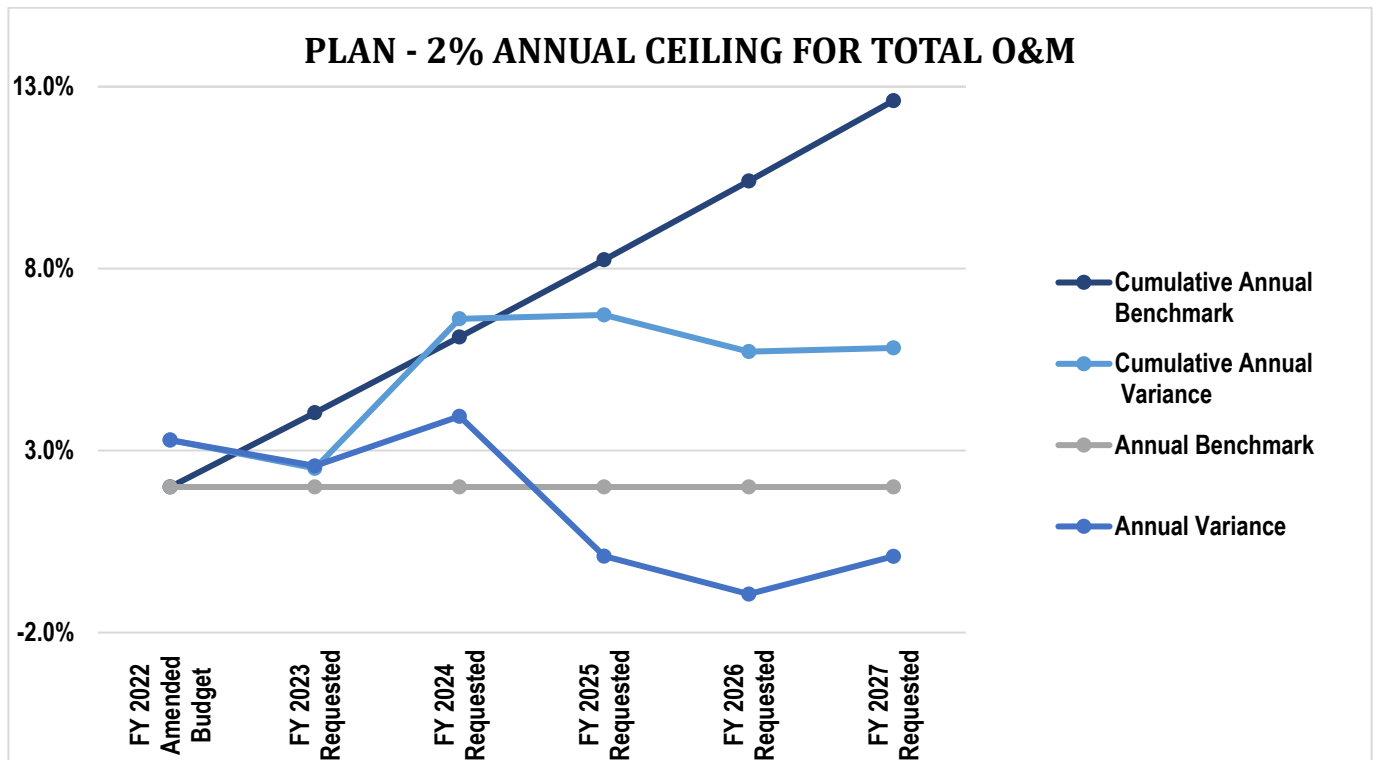


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Systems Control	\$ 12,308,500	\$ 3,430,800	\$ 12,625,800	\$ 317,300	2.6%	\$ 13,123,600	\$ 13,136,500	\$ 13,012,600	\$ 13,025,000
Grand Total	\$ 12,308,500	3,430,800	\$ 12,625,800	\$ 317,300	2.6%	\$ 13,123,600	\$ 13,136,500	\$ 13,012,600	\$ 13,025,000

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Systems Control Group's financial plan reflects a five-year overall increase of 5.8% which is well within the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment).



Capital Outlay

Systems Control five-year capital outlay is funded by the Improvement & Extension (I&E) budget.

Five-Year Capital Outlay Plan by Asset

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 2,812,500	\$ 2,975,000	\$ 2,775,000	\$ 3,400,000	\$ 3,750,000	\$ 2,812,500
Information Technology	75,000	75,000	75,000	75,000	75,000	75,000
Software	75,000	75,000	75,000	75,000	75,000	75,000
Machinery & Equipment	2,737,500	2,900,000	2,700,000	3,325,000	3,675,000	2,737,500
Controls & Communication	375,000	375,000	375,000	625,000	500,000	375,000
Pipes, Gates & Valves	450,000	450,000	450,000	450,000	450,000	450,000
Process Equipment/Treatment	412,500	575,000	375,000	375,000	475,000	412,500
Pumps & Motors	1,500,000	1,500,000	1,500,000	1,875,000	2,250,000	1,500,000
Grand Total	\$ 2,812,500	\$ 2,975,000	\$ 2,775,000	\$ 3,400,000	\$ 3,750,000	\$ 2,812,500

Five-Year Capital Outlay Plan by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 2,812,500	\$ 2,975,000	\$ 2,775,000	\$ 3,400,000	\$ 3,750,000	\$ 2,812,500
Grand Total	\$ 2,812,500	\$ 2,975,000	\$ 2,775,000	\$ 3,400,000	\$ 3,750,000	\$ 2,812,500

Five-Year Capital Outlay Plan by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Systems Control	\$ 2,812,500	\$ 2,975,000	\$ 2,775,000	\$ 3,400,000	\$ 3,750,000	\$ 2,812,500
Grand Total	\$ 2,812,500	\$ 2,975,000	\$ 2,775,000	\$ 3,400,000	\$ 3,750,000	\$ 2,812,500

Line-Item Budget and Financial Plan

The five-year plan by line-item expense is shown below. The expenses are listed for each cost center. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882301 - Systems Operations Control	\$ 11,621,200	\$ 12,308,500	\$ 3,430,800	\$ 12,625,800	\$ 13,123,600	\$ 13,136,500	\$ 13,012,600	\$ 13,025,000
2.1 Salaries & Wages	2,536,600	2,590,000	844,400	2,488,200	2,686,100	2,686,100	2,686,100	2,686,100
2.2 Workforce Development	4,100	94,500	-	94,500	94,500	94,500	94,500	94,500
2.3 Overtime	1,057,600	900,000	466,400	900,000	900,000	900,000	900,000	900,000
2.4 Employee Benefits	950,400	1,063,100	380,100	1,064,800	1,172,200	1,194,700	1,217,300	1,239,800
2.5 Transition Services	292,700	-	62,800	-	-	-	-	-
3.1 Electric	55,900	65,000	18,600	65,000	65,000	65,000	65,000	65,000
3.2 Gas	200	300	100	200	200	200	200	200
3.3 Sewage Service	1,400	5,000	700	2,000	2,000	2,000	2,000	2,000
3.4 Water Service	500	600	-	600	600	600	600	600
4.2 Supplies & Other	806,900	689,400	182,300	814,400	814,400	814,400	814,400	814,400
Capital Outlay less than \$5,000	125,700	130,000	-	130,000	130,000	130,000	130,000	130,000
Employee Uniform Expense	28,600	20,000	6,800	30,000	30,000	30,000	30,000	30,000
Memberships, Licenses & Subscriptions	15,700	10,500	2,600	15,500	15,500	15,500	15,500	15,500
Mileage and Parking	700	4,000	-	4,000	4,000	4,000	4,000	4,000
Office Supplies	5,600	12,200	600	12,200	12,200	12,200	12,200	12,200
Operating Supplies	233,100	114,800	13,500	189,800	189,800	189,800	189,800	189,800
Operating Supplies-Janitorial	300	1,000	200	1,000	1,000	1,000	1,000	1,000
Property Taxes	-	-	-	-	-	-	-	-
Rentals-Buildings	22,100	38,100	6,000	38,100	38,100	38,100	38,100	38,100
Repairs & Maintenance-Equipment	219,700	150,000	46,500	200,000	200,000	200,000	200,000	200,000
Repairs & Maintenance-Hardware	67,200	119,000	9,500	104,000	104,000	104,000	104,000	104,000
Repairs & Maintenance-Software	84,400	50,300	96,600	50,300	50,300	50,300	50,300	50,300
Training and Internal Meetings	3,800	28,000	-	28,000	28,000	28,000	28,000	28,000
Travel	-	10,000	-	10,000	10,000	10,000	10,000	10,000
Tuition Refund	-	1,500	-	1,500	1,500	1,500	1,500	1,500
4.3 Contractual Services	6,450,700	7,447,500	1,665,100	7,757,000	7,957,000	7,957,000	7,820,500	7,820,500
Contract Services-Information Technology	19,000	100,000	14,300	100,000	100,000	100,000	100,000	100,000
Contractual Buildings & Grounds Maint	4,600	5,000	7,600	5,000	5,000	5,000	5,000	5,000
Contractual Operating Services	2,579,000	3,492,000	505,500	2,992,000	3,192,000	3,192,000	3,192,000	3,192,000
Contractual Professional Services	3,848,100	3,850,500	1,137,700	4,660,000	4,660,000	4,660,000	4,523,500	4,523,500
5.1 Capital Program Allocation	(98,000)	(100,300)	(40,800)	(105,400)	(103,800)	(104,200)	(104,700)	(105,100)
5.2 Shared Services	(437,800)	(446,600)	(148,900)	(455,500)	(464,600)	(473,800)	(483,300)	(493,000)
Shared Services : Salaries & Wages Reimb	(138,200)	(141,000)	(47,000)	(143,800)	(146,700)	(149,600)	(152,600)	(155,700)
Shared Services Reimbursement	(244,400)	(249,300)	(83,100)	(254,300)	(259,400)	(264,500)	(269,800)	(275,200)
Shared Services: Employee Benefit Reimb	(55,200)	(56,300)	(18,800)	(57,400)	(58,500)	(59,700)	(60,900)	(62,100)
Grand Total	\$ 11,621,200	\$ 12,308,500	\$ 3,430,800	\$ 12,625,800	\$ 13,123,600	\$ 13,136,500	\$ 13,012,600	\$ 13,025,000

Facility Operations

The Facility Operations Area is responsible for maintaining and managing all properties, such as the grounds and structures associated with the water and wastewater system. These activities include but are not limited to glass repairs, electrical work, painting and other maintenance.

The Facility Operations Area key strategic initiative focuses on the following.

❖ **Improving buildings and grounds efficiency (Ongoing)**

Ensure facilities, buildings and grounds are properly maintained, secure, environmentally safe and upgraded to support GLWA's specific operations.

The table below shows how the facility operations area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Facility Operations Strategic Initiatives	Improving building & grounds efficiency		x		x	x						



Facility Operations Contracts

The Facility Operations budget contains several contractual services to provide maintenance and repairs for all GLWA facilities including but not limited to lawn care, snow removal, rubbish removal, elevator maintenance and extermination services. Budgeted amounts beyond contract date are estimates for future study updates or subsequent implementation of a program. These services would generally require a separate procurement process. In the chart below are the key contracts for these services. The GDI Services Commercial Janitorial Services budget is shared across multiple cost centers and not completely represented in the budget below.

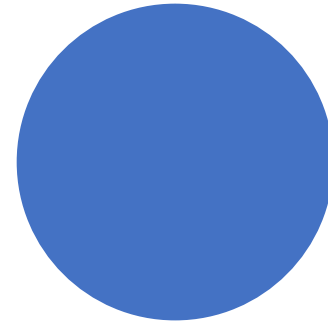
Project Description	Commerical Janitorial Services	Deicing/Snow Removal Services	Lawn care/ Grounds Maintenance	Elevators Preventative Maintenance & Repair Service	Refuse & Recycling Service	Shared Facilities Shared Cost	Total
Prime Consultant or Supplier	GDI Services	Premier Group Associates	Premier Group Associates	ThyssenKrupp Elevator Service	Waste Management	OPS-006 DWSD Shared Service	
Contract #	1904332	1901555	1900702	1703524	1902536	N/A	
Contract Amount	\$ 9,575,569	\$ 2,384,806	\$ 2,628,282	\$ 1,612,147	\$ 155,160		
Contract End Date	04/05/24	11/30/2021	7/14/2022	10/31/2022	12/14/2021		
Cost Center Name	Facility Operations	Facility Operations	Facility Operations	Facility Operations	Facility Operations	Facility Operations	
Expense Category	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2021 Spend	\$ 705,286	\$ 888,427	\$ 913,821	\$ 600,142	\$ 176,867	\$ 6,133,133	\$ 9,417,675
FY 2021 Actual	1,339,530	516,378	682,350	385,863	73,411	2,346,000	5,343,531
FY 2022 Budget	1,762,900	600,000	900,000	500,000	85,000	2,392,900	6,240,800
FY 2023 Requested	1,783,820	500,000	900,000	400,000	85,000	2,440,800	6,109,620
FY 2024 Requested	1,795,500	600,000	900,000	500,000	85,000	2,489,600	6,370,100
FY 2025 Requested	1,806,500	600,000	900,000	500,000	85,000	2,539,400	6,430,900
FY 2026 Requested	1,818,600	600,000	900,000	500,000	85,000	2,590,200	6,493,800
FY 2027 Requested	1,831,500	600,000	900,000	500,000	85,000	2,642,000	6,558,500
Total	\$ 12,843,636	\$ 4,904,804	\$ 6,996,171	\$ 3,886,005	\$ 760,278	\$ 23,574,033	\$ 52,964,926

Organization

The Facility Operations area has one team.

FY 2023 REQUEST BY TEAM

■ Facility...



Expense Categories

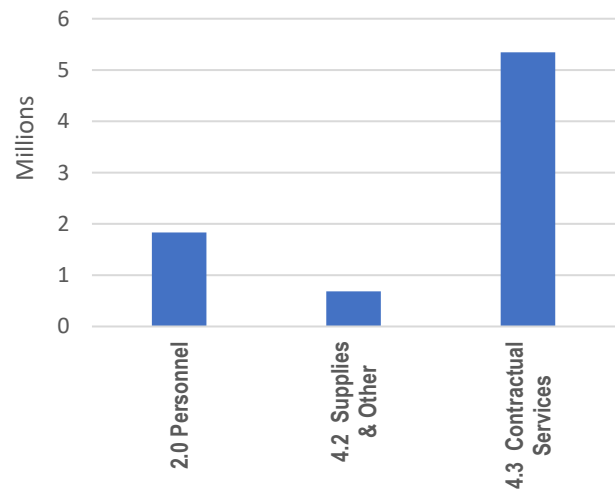
There are two major categories of Facility Operations expenses in the Operations and Maintenance Budget as listed below.

- ❖ Contractual Services
- ❖ Personnel Costs

Contractual Services is the highest expense category for Facility Operations. The level of contractual services reflects the decision to contract for certain non-core services which includes lawn care maintenance, snow removal, rubbish removal, extermination services, elevator maintenance, preventative maintenance, Detroit Water & Sewerage Department (DWSD) shared services (OPS-006 – Shared Facilities Shared Cost) as well as the efficient management of peak workload activities.

Personnel costs is the second highest expense category.

FY 2023 REQUEST BY EXPENSE TYPE



Biennial Budget Request

The biennial budget reflects an increase of \$614,200, or 8.5%, in FY 2023.

- ❖ Personnel cost decrease due to FTE adjustment (\$216,800)
- ❖ Increase in Contractual Services due to repair of Hurlbut Memorial Gate (anticipated FY 2022-23) (\$500,000).
- ❖ FY 2023 Contractual service budget has been adjusted based on anticipated use of various contracts (\$359,300).
- ❖ Reduction of Rentals – Miscellaneous (Supplies & Other) because bleacher rentals are no longer necessary due to construction of permanent bleachers at WWP (\$-28,300)

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 1,647,100	\$ 2,048,900	\$ 565,900	\$ 1,832,100	\$ (216,800)	-10.6%	\$ 2,153,200
4.2 Supplies & Other	504,900	714,100	223,500	685,800	(28,300)	-4.0%	685,800
4.3 Contractual Services	4,903,200	4,486,600	1,586,400	5,345,900	\$ 859,300	19.2%	5,094,700
5.5 Intergovernmental Agreement	(77,400)	-	(9,900)	-	-	0.0%	-
Grand Total	\$ 6,977,800	\$ 7,249,600	\$ 2,365,900	\$ 7,863,800	\$ 614,200	8.5%	\$ 7,933,700

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Facility Operations	\$ 6,977,800	\$ 7,249,600	\$ 2,365,900	\$ 7,863,800	\$ 614,200	8.5%	\$ 7,933,700
Grand Total	\$ 6,977,800	\$ 7,249,600	\$ 2,365,900	\$ 7,863,800	\$ 614,200	8.5%	\$ 7,933,700

Personnel Budget

Facility Operations personnel consists of 23 positions for FY 2023 and is largely comprised of operations staffing that perform a variety of skilled facility work relative to the operations and maintenance of water and wastewater facilities.

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan - The following table presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Facility Operations	25.00	23.00	23.00	23.00	23.00	23.00	23.00

Full-time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year.



Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Facility Operations	24.50	22.50	19.00	22.50	22.50	22.50	22.50

Personnel Budget - The table below presents the Facility Operations personnel budget which consists of the following expense categories: Salaries & Wages, Overtime and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above using current pay levels. Wage and benefit adjustments are based on merit increases and are included in the Unallocated Reserve line item for the Central Services Operating Area, which is shown in detail in the Operating Financial Plan Introduction section.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Facility Operations	\$ 1,647,100	\$ 2,048,900	\$ 565,900	\$ 1,832,100	\$ (216,800)	-10.6%	\$ 2,153,200
Grand Total	\$ 1,647,100	\$ 2,048,900	\$ 565,900	\$ 1,832,100	\$ (216,800)	-10.6%	\$ 2,153,200

Personnel Budget – Five-Year Financial Plan

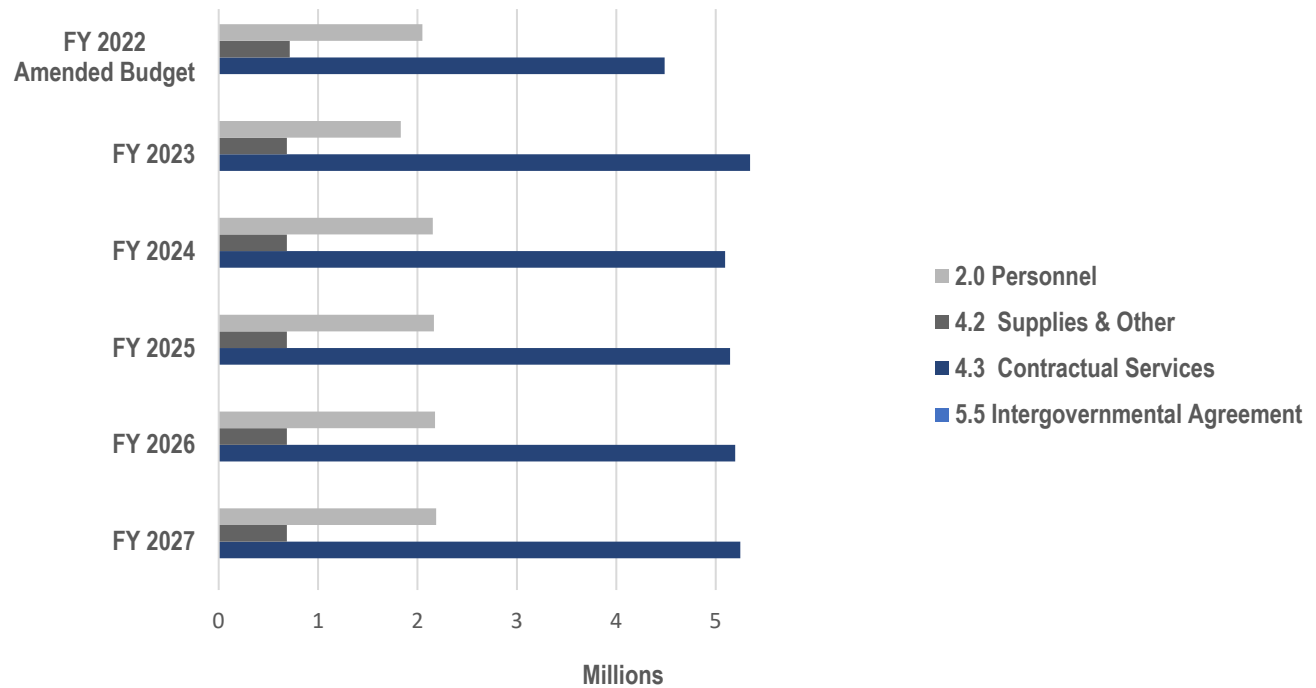
Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Facility Operations	\$ 2,048,900	\$ 1,832,100	\$ 2,153,200	\$ 2,164,600	\$ 2,176,000	\$ 2,187,400
Grand Total	\$ 2,048,900	\$ 1,832,100	\$ 2,153,200	\$ 2,164,600	\$ 2,176,000	\$ 2,187,400

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 2,048,900	\$ 565,900	\$ 1,832,100	\$ (216,800)	-10.6%	\$ 2,153,200	\$ 2,164,600	\$ 2,176,000	\$ 2,187,400
4.2 Supplies & Other	714,100	223,500	685,800	(28,300)	-4.0%	685,800	685,800	685,800	685,800
4.3 Contractual Services	4,486,600	1,586,400	5,345,900	859,300	19.2%	5,094,700	5,144,500	5,195,300	5,247,100
5.5 Intergovernmental Agreement	-	(9,900)	-	-	0.0%	-	-	-	-
Grand Total	\$ 7,249,600	\$ 2,365,900	\$ 7,863,800	\$ 614,200	8.5%	\$ 7,933,700	\$ 7,994,900	\$ 8,057,100	\$ 8,120,300

Five-Year Financial Plan

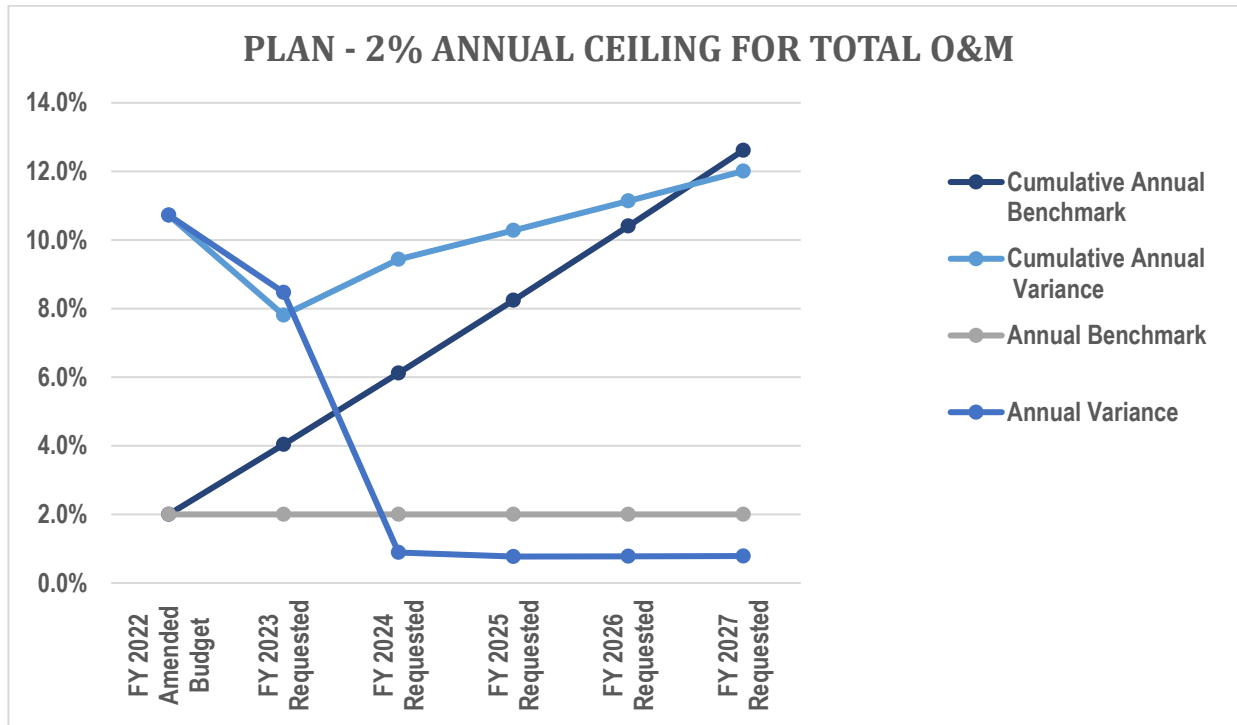


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Facility Operations	\$ 7,249,600	\$ 2,365,900	\$ 7,863,800	\$ 614,200	8.5%	\$ 7,933,700	\$ 7,994,900	\$ 8,057,100	\$ 8,120,300
Grand Total	\$ 7,249,600	2,365,900	\$ 7,863,800	\$ 614,200	8.5%	\$ 7,933,700	\$ 7,994,900	\$ 8,057,100	\$ 8,120,300

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Facility Operations Group's financial plan reflects a five-year overall increase of 12%. This is within the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment).





Capital Outlay

Facility Operations five-year capital outlay is funded by the Improvement & Extension (I&E) budget. Note that facility improvements are budgeted to align with cost centers requests for improvement.

Five-Year Capital Outlay Plan by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Machinery & Equipment	125,000	125,000	125,000	125,000	125,000	125,000
Furniture & Fixtures	50,000	50,000	50,000	50,000	50,000	50,000
Heavy Equipment & Misc	15,000	15,000	15,000	15,000	15,000	15,000
Pumps & Motors	60,000	60,000	60,000	60,000	60,000	60,000
Grand Total	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000

Five-Year Capital Outlay Plan by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Grand Total	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000

Five-Year Capital Outlay Plan by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Facility Operations	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Grand Total	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000



Line-Item Budget and Financial Plan

The five-year plan by line-item expense is shown below. The expenses are listed for each cost center. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882421 - Facility Operations	6,977,800	7,249,600	2,365,900	7,863,800	7,933,700	7,994,900	8,057,100	8,120,300
2.1 Salaries & Wages	1,180,400	1,491,700	412,200	1,321,200	1,540,100	1,540,100	1,540,100	1,540,100
2.3 Overtime	9,600	20,000	6,200	15,000	20,000	20,000	20,000	20,000
2.4 Employee Benefits	457,100	537,200	147,500	495,900	593,100	604,500	615,900	627,300
4.2 Supplies & Other	504,900	714,100	223,500	685,800	685,800	685,800	685,800	685,800
Capital Outlay less than \$5,000	-	125,000	-	125,000	125,000	125,000	125,000	125,000
Employee Uniform Expense	6,700	10,000	2,300	10,000	10,000	10,000	10,000	10,000
Inspection and Permit Fees	1,600	2,000	-	12,000	12,000	12,000	12,000	12,000
Memberships, Licenses & Subscriptions	9,400	16,000	-	2,000	2,000	2,000	2,000	2,000
Mileage and Parking	-	500	-	500	500	500	500	500
Office Supplies	1,300	8,000	100	8,000	8,000	8,000	8,000	8,000
Operating Supplies	191,200	231,000	48,500	225,000	225,000	225,000	225,000	225,000
Operating Supplies-Janitorial	8,400	5,000	5,800	5,000	5,000	5,000	5,000	5,000
Rentals-Miscellaneous	-	50,000	-	-	-	-	-	-
Repairs & Maintenance-Buildings & Ground	278,100	261,100	161,700	292,800	292,800	292,800	292,800	292,800
Repairs & Maintenance-Equipment	(2,900)	-	-	-	-	-	-	-
Supplies & Other - Covid19	11,100	-	5,100	-	-	-	-	-
Training and Internal Meetings	200	2,000	-	2,000	2,000	2,000	2,000	2,000
Travel	(200)	2,500	-	2,500	2,500	2,500	2,500	2,500
Tuition Refund	-	1,000	-	1,000	1,000	1,000	1,000	1,000
4.3 Contractual Services	4,903,200	4,486,600	1,586,400	5,345,900	5,094,700	5,144,500	5,195,300	5,247,100
Contract Bldg & Grounds Maint-All Water	-	-	-	500,000	-	-	-	-
Contractual Buildings & Grounds Maint	2,074,000	1,568,500	376,100	2,068,500	2,268,500	2,268,500	2,268,500	2,268,500
Contractual Operating Services	2,654,400	2,918,100	1,202,300	2,777,400	2,826,200	2,876,000	2,926,800	2,978,600
Contractual Services - Covid19	174,800	-	8,000	-	-	-	-	-
5.5 Intergovernmental Agreement	(77,400)	-	(9,900)	-	-	-	-	-
Grand Total	6,977,800	7,249,600	2,365,900	7,863,800	7,933,700	7,994,900	8,057,100	8,120,300

Fleet Operations

The Fleet Operations Area is responsible for maintaining and managing all vehicles, such as the cars, trucks, lifts, vacuum tanker, etc. associated with the water and wastewater system while ensuring vehicles and equipment are properly matched to the job requirements and functioning properly and safely.

The Fleet Operations Area strategic initiatives includes the following.

❖ **Improve vehicle efficiency (Ongoing)**

Ensure vehicles are properly maintained, functioning properly and safely as well as matched to the job requirements to support GLWA's operational needs

❖ **Increase Team member Safety (Ongoing)**

Utilizing metrics provided by the GEOTAB system we are able to work with our team members on safety factors such as seat belt usage, speed, hard cornering, and aggressive driving. These items are reported out to ELT on a monthly basis.

The table below shows how the fleet operations area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Fleet Operations Strategic Initiatives	Improve Vehicle Efficiency		x		x	x	x					
	Increase Team Member Safety		x			x	x					



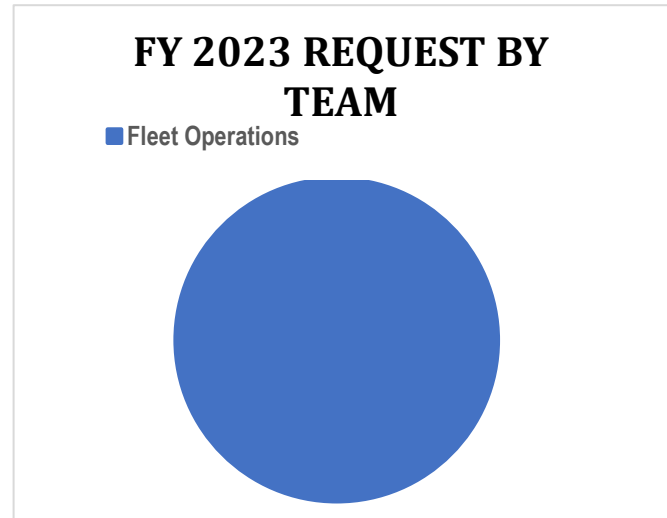
Fleet Operations Contracts

The Fleet Operations budget contains several contractual services to ensure the company vehicles are in safe, operable conditions while controlling costs, productivity, and fuel management. In the chart below are the key contracts for these services. Budgeted amounts beyond contract date are estimates for future study updates or subsequent implementation of a program. These services would generally require a separate procurement process.

Project Description	Fleet Maintenance	Furnish Fuel & Diesel Fuel	Rental of Fleet Vehicles	GPS/AVL Tracking	Total
Prime Consultant or Supplier	Enterprise Fleet Management	Crystal Flash	EAN Holdings / Hertz Corp	GEOTAB Inc.	
Contract #	1802710	2100144	2102560	1904862	
Contract Amount	\$ 1,553,000	\$ 400,000	\$ 200,000	\$ 375,000	
Contract End Date	11/04/24	09/30/22	09/15/24	06/30/22	
Cost Center Name	Fleet Operations	Fleet Operations	Fleet Operations	Fleet Operations	
Expense Category	Contractual Services	Supplies & Other	Contractual Services	Contractual Services	
Pre-FY 2021 Spend	\$ 22,076	\$ 965,206	\$ 250,409	\$ -	\$ 1,237,690
FY 2021 Actual	746,355	418,513	203,135	86,954	1,454,957
FY 2022 Budget	1,015,600	425,423	-	75,000	1,516,023
FY 2023 Requested	599,600	440,000	50,000	75,000	1,164,600
FY 2024 Requested	599,600	440,000	50,000	75,000	1,164,600
FY 2025 Requested	599,600	440,000	50,000	75,000	1,164,600
FY 2026 Requested	599,600	440,000	50,000	75,000	1,164,600
FY 2027 Requested	599,600	440,000	50,000	75,000	1,164,600
Total	\$ 4,782,031	\$ 4,009,141	\$ 703,544	\$ 536,954	\$ 10,031,671

Organization

The Fleet Operations area has one team.



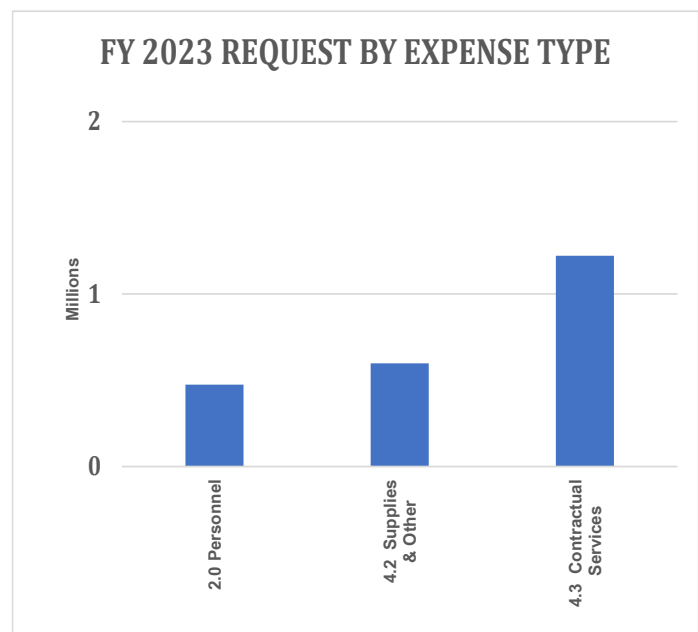
Expense Categories

There are three major categories of Fleet Operations expenses in the Operations and Maintenance Budget as listed below.

- Personnel
- Supplies & Other
- Contractual Services

Contractual Services is the highest expense category for Fleet Operations.

The level of contractual services reflects the ongoing contract with Enterprise Fleet Management, as well as various small contracts implemented over the past year to replace services once provided by DWSD through the Shared Services Agreement.





Biennial Budget Request

The biennial budget reflects a decrease of \$800, or 0.0%, in Operations & Maintenance for FY2023. Key Factors that are impacting the decrease include the following:

- ❖ Personnel increase to account for the addition of a Professional Administrative Analyst position (\$99,200).
- ❖ Supplies & Other: The increase is due to the establishment of Operating Supplies and Office Supplies budgets to stand up the department in its separation from Facility Operations (\$43,500).
- ❖ Reduction of Contractual Services based on actual usage of contracts in FY 2021 (-\$143,500).

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 291,100	\$ 375,300	\$ 131,600	\$ 474,500	\$ 99,200	26.4%	\$ 476,800
4.2 Supplies & Other	519,700	555,000	264,700	598,500	43,500	7.8%	598,500
4.3 Contractual Services	204,600	1,365,600	393,500	1,222,100	(143,500)	-10.5%	1,222,100
Grand Total	\$ 1,015,400	\$ 2,295,900	\$ 789,800	\$ 2,295,100	\$ (800)	0.0%	\$ 2,297,400

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Fleet Operations	\$ 1,015,400	\$ 2,295,900	\$ 789,800	\$ 2,295,100	\$ (800)	0.0%	\$ 2,297,400
Grand Total	\$ 1,015,400	\$ 2,295,900	\$ 789,800	\$ 2,295,100	\$ (800)	0.0%	\$ 2,297,400

Personnel Budget

Fleet Operations personnel consists of 4 positions for FY 2023. The department is requesting a Professional Administrative Analyst position to assist with administrative and clerical duties

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Fleet Operations	0.00	3.00	4.00	4.00	4.00	4.00	4.00

Full-time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.



Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Fleet Operations	0.00	3.00	4.00	4.00	4.00	4.00	4.00

Personnel Budget - The table below presents the Fleet Operations personnel budget which consists of the following expense categories: Salaries & Wages and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above using current pay levels. Wage and benefit adjustments are based on merit increases and are included in the Unallocated Reserve line item for the Central Services Operating Area, which is shown in detail in the Operating Financial Plan Introduction section.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Fleet Operations	\$ 291,100	\$ 375,300	\$ 131,600	\$ 474,500	\$ 99,200	26.4%	\$ 476,800
Grand Total	\$ 291,100	\$ 375,300	\$ 131,600	\$ 474,500	\$ 99,200	26.4%	\$ 476,800

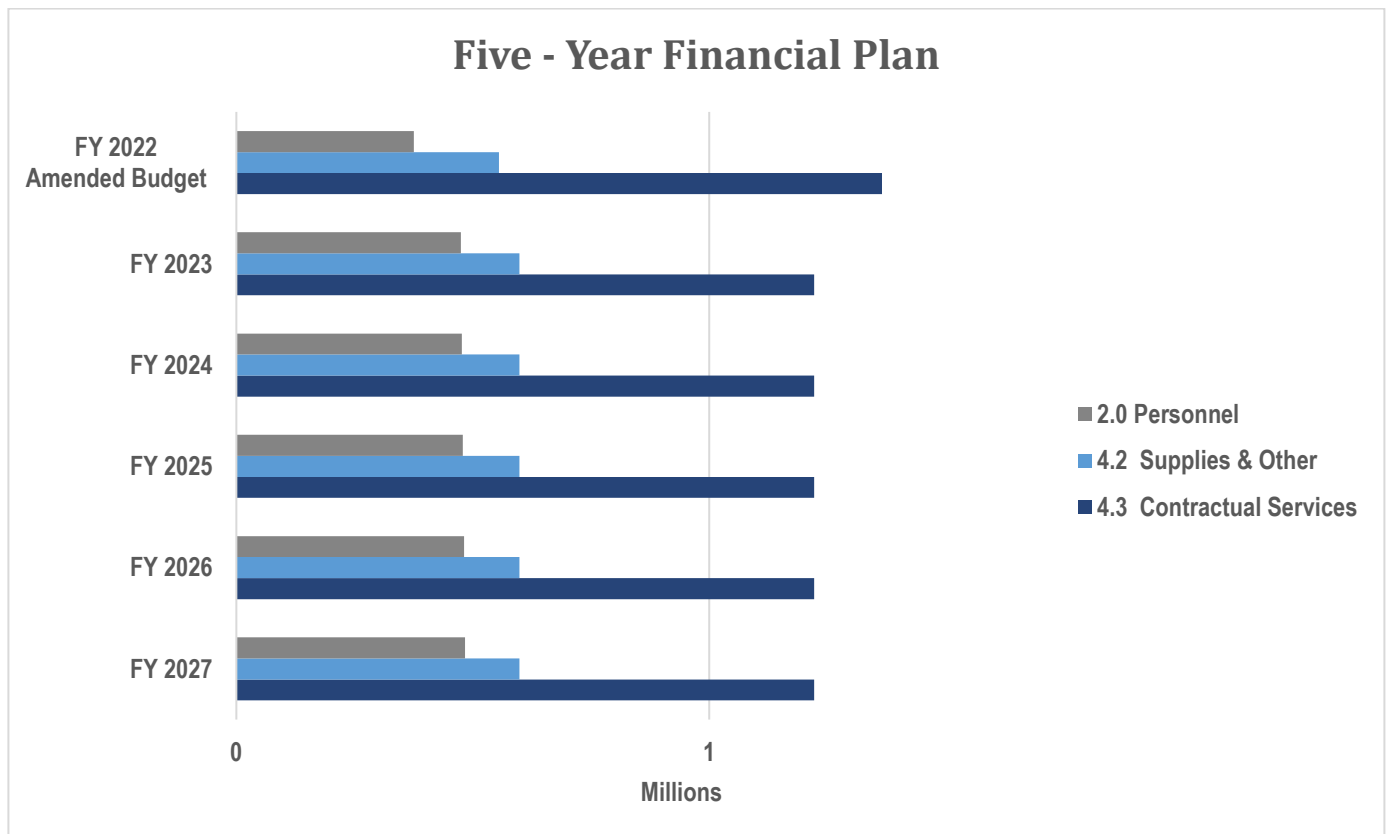
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Fleet Operations	\$ 375,300	\$ 474,500	\$ 476,800	\$ 479,100	\$ 481,400	\$ 483,700
Grand Total	\$ 375,300	\$ 474,500	\$ 476,800	\$ 479,100	\$ 481,400	\$ 483,700

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 375,300	\$ 131,600	\$ 474,500	\$ 99,200	26.4%	\$ 476,800	\$ 479,100	\$ 481,400	\$ 483,700
4.2 Supplies & Other	555,000	264,700	598,500	43,500	7.8%	598,500	598,500	598,500	598,500
4.3 Contractual Services	1,365,600	393,500	1,222,100	(143,500)	-10.5%	1,222,100	1,222,100	1,222,100	1,222,100
Grand Total	\$ 2,295,900	789,800	\$ 2,295,100	\$ (800)	0.0%	\$ 2,297,400	\$ 2,299,700	\$ 2,302,000	\$ 2,304,300

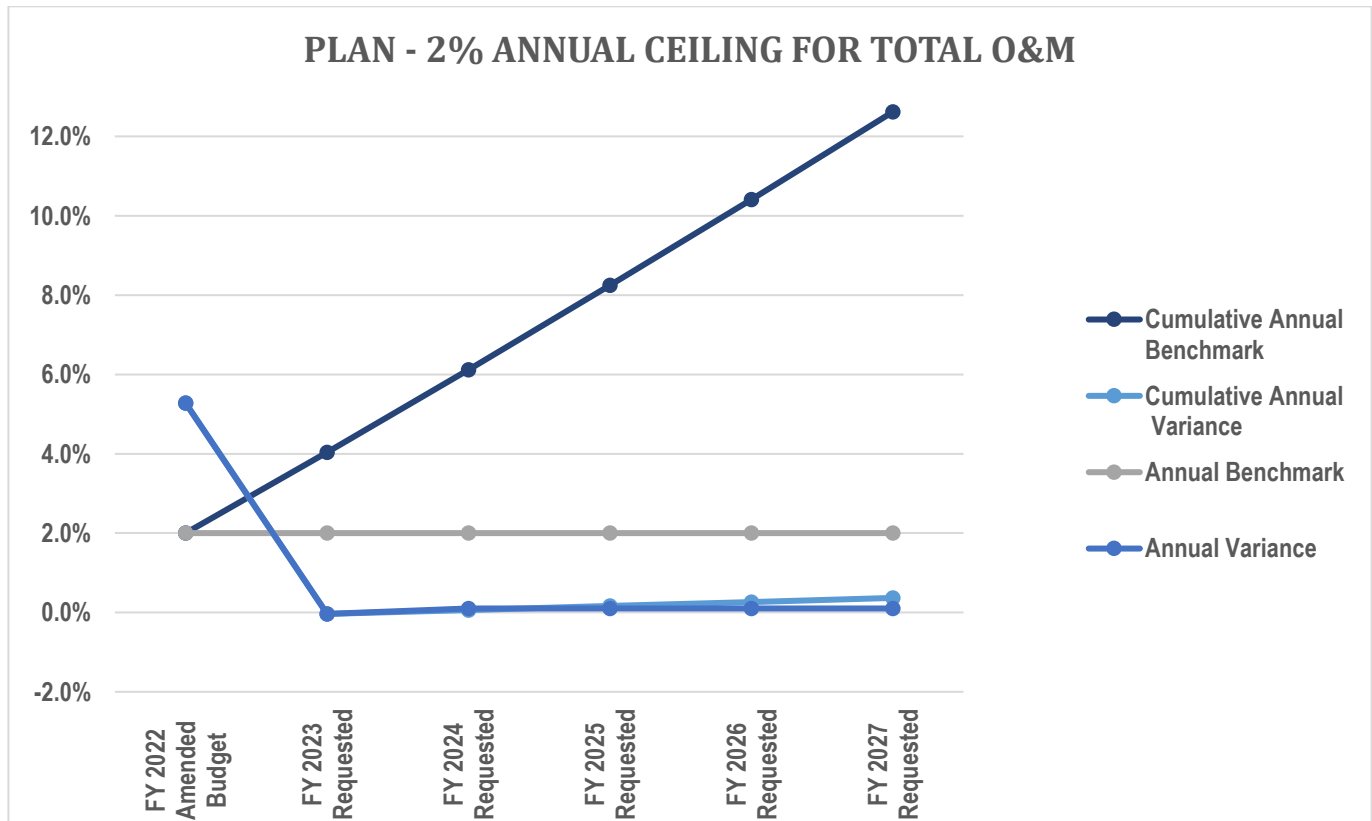


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Fleet Operations	\$ 2,295,900	\$ 789,800	\$ 2,295,100	\$ (800)	0.0%	\$ 2,297,400	\$ 2,299,700	\$ 2,302,000	\$ 2,304,300
Grand Total	\$ 2,295,900	789,800	\$ 2,295,100	\$ (800)	0.0%	\$ 2,297,400	\$ 2,299,700	\$ 2,302,000	\$ 2,304,300

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Fleet Operations Group's financial plan reflects a five-year overall increase of 0.4%, which is well within the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment).



Capital Outlay

Fleet Operations five-year capital outlay is funded by the Improvement & Extension (I&E) budget.

Five-Year Capital Outlay Plan by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 2,305,200	\$ 3,000,000	\$ 2,980,000	\$ 2,960,000	\$ 2,980,000	\$ 3,000,000
Machinery & Equipment	470,000	-	-	-	-	-
Heavy Equipment & Misc	470,000	-	-	-	-	-
Vehicles	1,835,200	3,000,000	2,980,000	2,960,000	2,980,000	3,000,000
Heavy Truck	-	650,000	740,000	1,070,000	1,450,000	1,350,000
Light Truck	50,000	790,000	620,000	690,000	690,000	450,000
Passenger	892,600	-	-	-	-	-
Utility Vehicle	892,600	360,000	420,000	480,000	360,000	720,000
Van	-	1,200,000	1,200,000	720,000	480,000	480,000
Grand Total	\$ 2,305,200	\$ 3,000,000	\$ 2,980,000	\$ 2,960,000	\$ 2,980,000	\$ 3,000,000

Five-Year Capital Outlay Plan by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 2,305,200	\$ 3,000,000	\$ 2,980,000	\$ 2,960,000	\$ 2,980,000	\$ 3,000,000
Grand Total	\$ 2,305,200	\$ 3,000,000	\$ 2,980,000	\$ 2,960,000	\$ 2,980,000	\$ 3,000,000

Five-Year Capital Outlay Plan by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Fleet Operations	\$ 2,305,200	\$ 3,000,000	\$ 2,980,000	\$ 2,960,000	\$ 2,980,000	\$ 3,000,000
Grand Total	\$ 2,305,200	\$ 3,000,000	\$ 2,980,000	\$ 2,960,000	\$ 2,980,000	\$ 3,000,000



Line-Item Budget and Financial Plan

The five-year plan by line-item expense is shown below. The expenses are listed for each cost center. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Adopted Budget	FY 2022 Activity as of 09.30.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882422 - Fleet Operations	1,015,500	2,295,900	596,700	2,295,100	2,297,400	2,299,700	2,302,000	2,304,300
2.1 Salaries & Wages	188,300	288,500	43,000	357,200	357,200	357,200	357,200	357,200
2.4 Employee Benefits	48,700	86,800	14,000	117,300	119,600	121,900	124,200	126,500
2.5 Transition Services	54,200	-	38,000	-	-	-	-	-
4.2 Supplies & Other	519,800	555,000	222,500	598,500	598,500	598,500	598,500	598,500
Capital Outlay less than \$5,000	3,800	-	-	-	-	-	-	-
Inspection and Permit Fees	600	1,000	100	1,000	1,000	1,000	1,000	1,000
Office Supplies	-	-	-	2,000	2,000	2,000	2,000	2,000
Operating Supplies	34,100	-	15,600	72,500	72,500	72,500	72,500	72,500
Operating Supplies – Fuel	472,700	500,000	207,200	500,000	500,000	500,000	500,000	500,000
Operating Supplies-Automotive	8,100	9,000	-	23,000	23,000	23,000	23,000	23,000
Repairs & Maintenance-Automotive	400	45,000	(400)	-	-	-	-	-
4.3 Contractual Services	204,500	1,365,600	279,300	1,222,100	1,222,100	1,222,100	1,222,100	1,222,100
Contractual Operating Services	(72,600)	1,270,600	253,800	1,077,100	1,077,100	1,077,100	1,077,100	1,077,100
Contractual Vehicle Services	277,200	95,000	25,400	145,000	145,000	145,000	145,000	145,000
Grand Total	\$ 1,015,500	\$ 2,295,900	\$ 596,700	\$ 2,295,100	\$ 2,297,400	\$ 2,299,700	\$ 2,302,000	\$ 2,304,300

Field Service Operations

The Field Service Operations Area is responsible for ensuring reliable transmission of water and collection of combined storm and wastewater. They maintain over 800 miles of transmission main, 19 booster pump stations, 180 miles of interceptor sewer, and seven sanitary lift stations, as well as all associated equipment, such as valves, gates, pumps, and siphons. In addition, Field Services Operations manages the MISS DIG utility location requirements for GLWA and clears all construction crossings of GLWA infrastructure.

The Field Service Operations Area strategic initiatives include the following.

❖ **Sewer & Valve Condition Assessment Program (Ongoing)**

Continue Sewer Condition Assessment Program for the conveyance system.

Continue Valve Assessment and replacement program to improve service reliability. KPI's are reported out monthly on number of valves exercised and functioning.

❖ **Transmission Main Assessment & Rehabilitation (Ongoing)**

Continue to develop and optimize assessment and decommissioning programs.

The table below shows how the field service operations area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Field Service Operations Strategic Initiatives	Sewer & Valve Condition Assesment Program			x	x	x	x	x	x			x
	Transmission Main Assesment & Rehabilitation			x	x	x	x	x	x	x		x

Field Service Operations Contracts

The Field Service Operations budget contains several contractual services to assess the current condition of water transmission mains, repair sewers, install, or maintain equipment and systems. In the chart below are the key contracts for these services. Budgeted amounts beyond contract date are estimates for future study updates or subsequent implementation of a program. These services would generally require a separate procurement process.

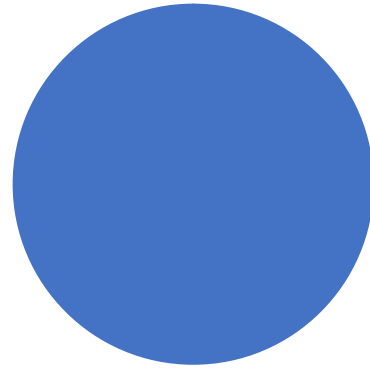
Project Description	Water Transmission Main Repair	Water Transmission Main Repair	Sewer Repair Contract	Gate Valve Inspection/ Exercising	Specialized Services (contract split w/ Systems Control)	As Needed Field Services	Total
Prime Consultant or Supplier	Ric-Man Construction Inc.	Lakeshore Global Corp	Inland Waters Pollution Control, Inc.	Hydromax USA LLC	Lakeshore Global Corp	OPS-003 Shared Service	
Contract #	1802745	2003730	CON-149	2000292	CON-158	N/A	
Contract Amount	\$ 15,000,000	\$ 15,000,000	\$ 67,000,000	\$ 5,601,663	\$ 25,827,805		
Contract End Date	08/26/22	10/08/26	12/30/22	08/10/23	07/17/22		
Cost Center Name	Field Service Operations	Field Service Operations	Field Service Operations	Field Service Operations	Field Service Operations	Field Service Operations	
Expense Category	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2021 Spend	\$ -	\$ 3,533,433	\$ 17,935,138	\$ -	\$ 5,529,140	\$ 190,547	\$ 27,188,258
FY 2021 Actual	1,128,967	889,399	5,191,507	1,177,738	2,006,928	102,000	10,496,539
FY 2022 Budget	1,250,000	1,250,000	4,918,400	1,866,667	3,200,000	104,000	12,589,067
FY 2023 Requested	1,150,000	1,150,000	4,918,400	1,350,000	3,000,000	106,100	11,674,500
FY 2024 Requested	1,250,000	1,250,000	4,918,400	1,500,000	3,200,000	108,200	12,226,600
FY 2025 Requested	1,250,000	1,250,000	4,918,400	1,500,000	3,200,000	110,400	12,228,800
FY 2026 Requested	1,250,000	1,250,000	4,918,400	1,500,000	3,200,000	112,600	12,231,000
FY 2027 Requested	1,250,000	1,250,000	4,918,400	1,500,000	3,200,000	114,900	12,233,300
Total	\$ 8,528,967	\$ 11,822,832	\$ 52,637,045	\$ 10,394,405	\$ 26,536,068	\$ 948,747	\$ 110,868,064

Organization

The Field Services Operations area has one team.

FY 2023 REQUEST BY TEAM

■ Field Service Operations



Expense Categories

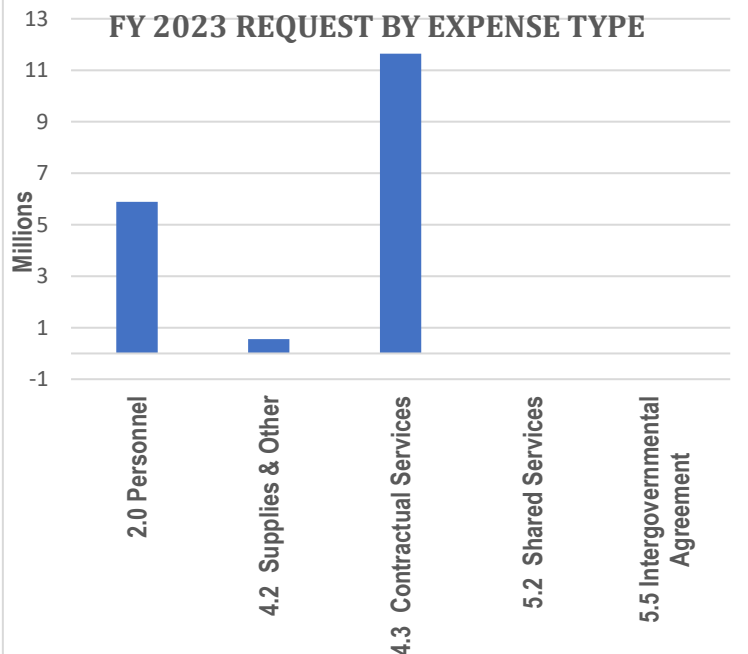
There are two major categories of Field Service Operations expenses in the Operations and Maintenance Budget as listed below.

- Contractual Services
- Personnel Costs

Contractual Services is the highest expense category for Field Service Operations. The level of contractual services supports the complex nature of the water transmission and wastewater collection system. The level also reflects the decision to contract for certain non-core services as well as the efficient management of peak workload activities.

Personnel costs are the second highest expense category.

FY 2023 REQUEST BY EXPENSE TYPE



Biennial Budget Request

The biennial budget reflects an overall increase of \$362,500, or 2.0%, for FY 2023. Key Factors impacting FY 2023 include the following:

- ❖ Personnel cost increase due to updated benefits calculations and increased overtime budget based on prior activity (\$313,300).
- ❖ Contractual Services reduced based on prior activity (\$49,600).
- ❖ Supplies & Other Explanations
 - Internal Meetings & Training (Supplies & Other) budget increased \$30,000 due to increased training initiatives.
 - Membership, Licenses & Subscription budget increased \$25,000 to put budget for MISS DIGG in line with actual cost.
 - Inspection & Permit Fees increased \$25,000 to account for City of Detroit Annual Utility Permit we began receiving in FY 2021.

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 5,638,100	\$ 5,575,900	\$ 2,083,000	\$ 5,889,200	\$ 313,300	5.6%	\$ 6,119,100
4.2 Supplies & Other	570,400	456,700	116,300	555,700	99,000	21.7%	555,700
4.3 Contractual Services	11,314,800	11,694,600	1,870,300	11,645,000	(49,600)	-0.4%	12,197,100
5.2 Shared Services	(17,000)	(17,400)	(5,800)	(17,700)	(300)	1.7%	(18,000)
5.5 Intergovernmental Agreement	(103,200)	-	-	-	-	n/a	-
Grand Total	\$ 17,403,100	\$ 17,709,700	\$ 4,063,800	\$ 18,072,200	\$ 362,500	2.0%	\$ 18,853,900

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Field Service Operations	\$ 17,403,100	\$ 17,709,700	\$ 4,063,800	\$ 18,072,200	\$ 362,500	2.0%	\$ 18,853,900
Grand Total	\$ 17,403,100	\$ 17,709,700	\$ 4,063,800	\$ 18,072,200	\$ 362,500	2.0%	\$ 18,853,900

Personnel Budget

Field Service Operations personnel consists of 71 positions for FY 2023. Field Service Operations is largely comprised of operations staffing that perform a variety of skilled field work relative to the operations and maintenance of water and wastewater systems. This staffing plan includes 6 apprentice positions and additional support for the appropriate evaluation of decommissioning transmission mains. The creation of these positions shows GLWA's commitment to developing its workforce and sustaining it for the future. The staffing level is in the tables below.

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Field Service Operations	65.00	71.00	71.00	71.00	71.00	71.00	71.00

Full-time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.

Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Field Service Operations	65.00	71.00	68.00	71.00	71.00	71.00	71.00

Personnel Budget - The table below presents the Field Service Operations personnel budget which consists of the following expense categories: Salaries & Wages, Salaries & Wages – Workforce Development, Overtime and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above using current pay levels. Wage and benefit adjustments are based on merit increases and are included in the Unallocated Reserve line item for the Central Services Operating Area which is shown in detail in the Operating Financial Plan Introduction section.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Field Service Operations	\$ 5,638,100	\$ 5,575,900	\$ 2,083,000	\$ 5,889,200	\$ 313,300	5.6%	\$ 6,119,100
Grand Total	\$ 5,638,100	\$ 5,575,900	\$ 2,083,000	\$ 5,889,200	\$ 313,300	5.6%	\$ 6,119,100

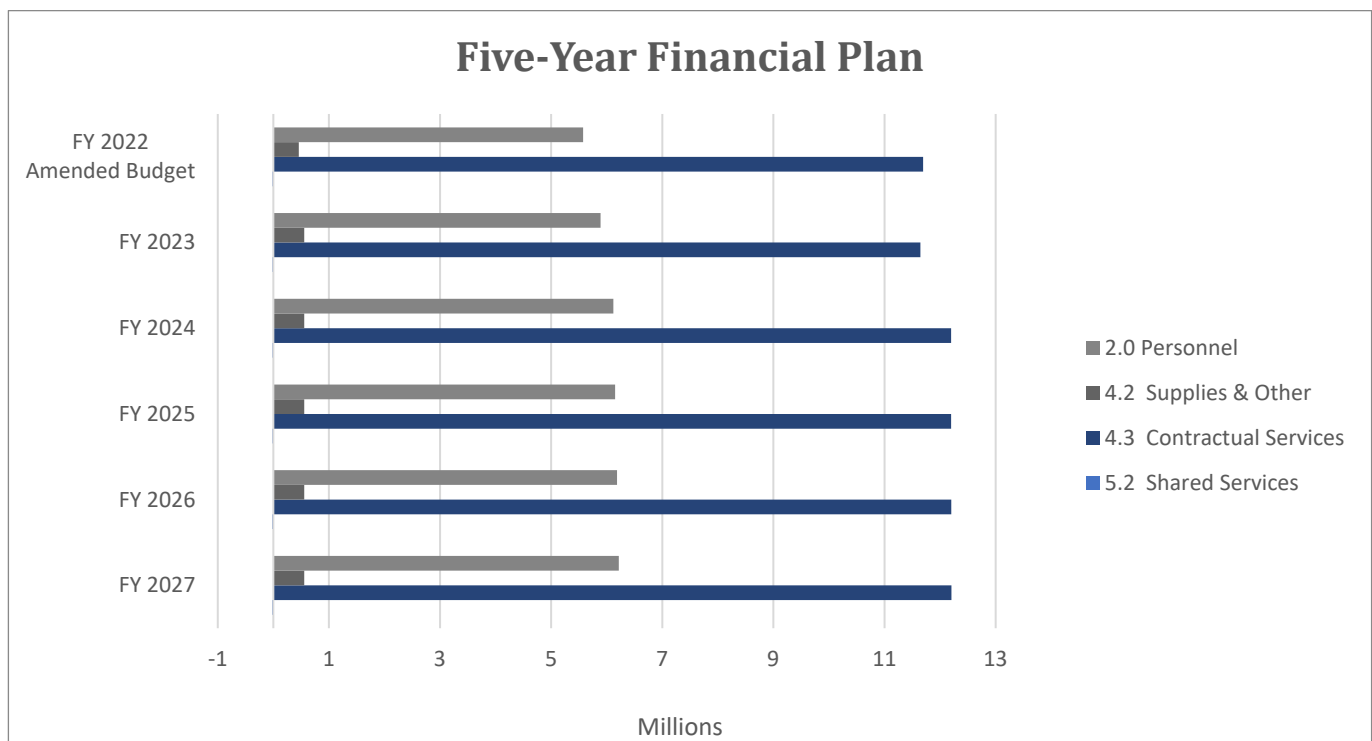
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Field Service Operations	\$ 5,575,900	\$ 5,889,200	\$ 6,119,100	\$ 6,152,100	\$ 6,185,200	\$ 6,218,200
Grand Total	\$ 5,575,900	\$ 5,889,200	\$ 6,119,100	\$ 6,152,100	\$ 6,185,200	\$ 6,218,200

Five Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 5,575,900	\$ 2,083,000	\$ 5,889,200	\$ 313,300	5.6%	\$ 6,119,100	\$ 6,152,100	\$ 6,185,200	\$ 6,218,200
4.2 Supplies & Other	456,700	116,300	555,700	99,000	21.7%	555,700	555,700	555,700	555,700
4.3 Contractual Services	11,694,600	1,870,300	11,645,000	(49,600)	-0.4%	12,197,100	12,199,300	12,201,500	12,203,800
5.2 Shared Services	(17,400)	(5,800)	(17,700)	(300)	1.7%	(18,000)	(18,300)	(18,800)	(19,100)
5.5 Intergovernmental Agreement	-	-	-	-	n/a	-	-	-	-
Grand Total	\$ 17,709,700	\$ 4,063,800	\$ 18,072,200	\$ 362,500	2.0%	\$ 18,853,900	\$ 18,888,800	\$ 18,923,600	\$ 18,958,600

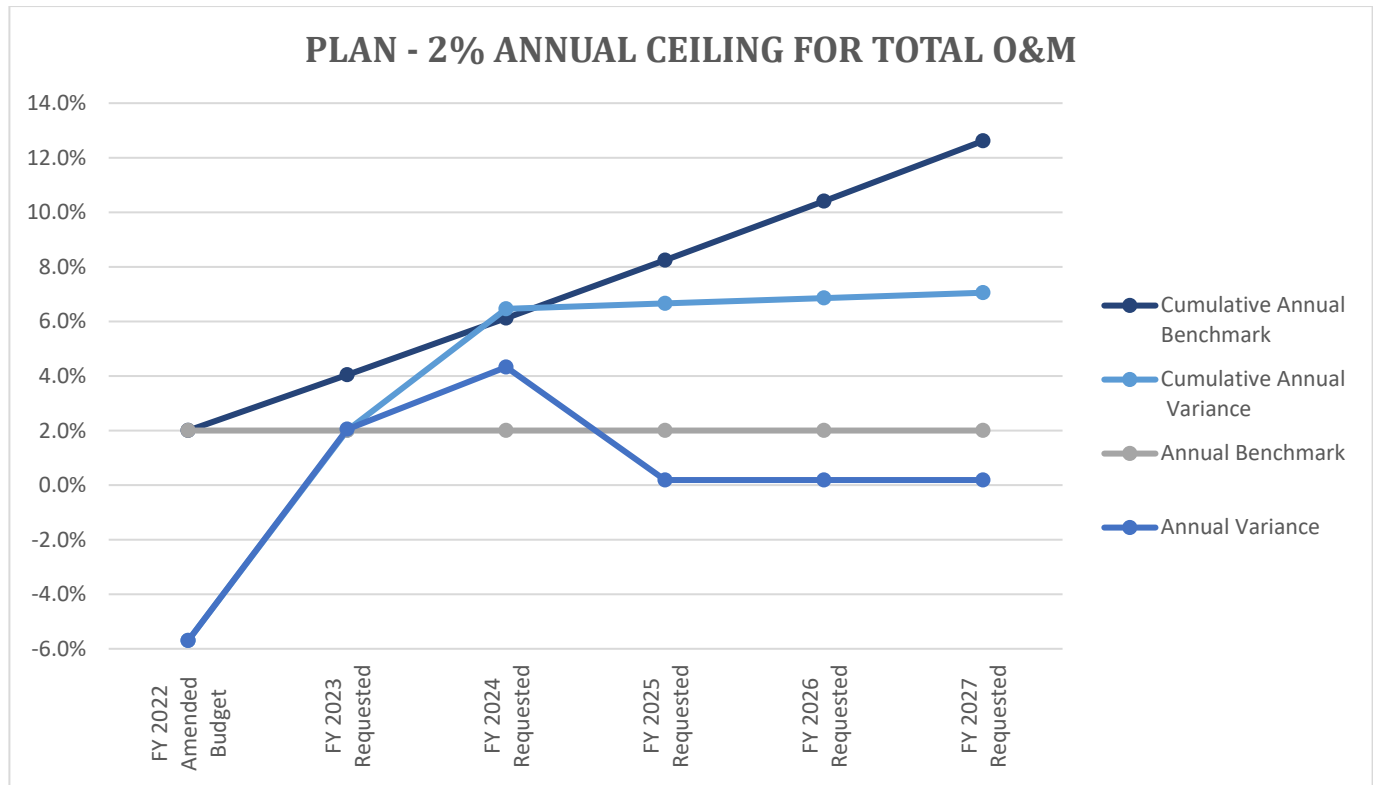


Five-Year Financial Plan by Team

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Field Service Operations	17,709,700	4,063,800	\$ 18,072,200	\$ 362,500	2.0%	18,853,900	18,888,800	18,923,600	18,958,600
Grand Total	\$ 17,709,700	\$ 4,063,800	\$ 18,072,200	\$ 362,500	2.0%	\$ 18,853,900	\$ 18,888,800	\$ 18,923,600	\$ 18,958,600

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Field Service Operations Group's financial plan reflects a five-year overall increase of 7.1% which is well within the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment).



Capital Outlay

Field Service Operations five-year capital outlay is funded by the Improvement & Extension (I&E) budget.

Five-Year Capital Outlay Plan by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000
Machinery & Equipment	50,000	50,000	50,000	50,000	50,000	50,000
Furniture & Fixtures	50,000	50,000	50,000	50,000	50,000	50,000
Projects & Programs	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Projects & Programs	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Grand Total	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000

Five-Year Capital Outlay Plan by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000
Grand Total	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000

Five-Year Capital Outlay Plan by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Field Service Operations	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000
Grand Total	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000	\$ 3,050,000

Line-Item Budget and Financial Plan

The five-year plan by line-item expense is shown below. The expenses are listed for each cost center. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882431 - Field Service Operations	17,403,100	17,709,700	4,063,800	18,072,200	18,853,900	18,888,800	18,923,600	18,958,600
2.1 Salaries & Wages	3,186,600	3,466,100	1,155,900	3,536,300	3,669,900	3,669,900	3,669,900	3,669,900
2.2 Workforce Development	304,800	290,800	100,500	332,200	332,200	332,200	332,200	332,200
2.3 Overtime	581,100	295,500	291,000	400,000	400,000	400,000	400,000	400,000
2.4 Employee Benefits	1,565,600	1,523,500	535,600	1,620,700	1,717,000	1,750,000	1,783,100	1,816,100
4.2 Supplies & Other	570,400	456,700	116,300	555,700	555,700	555,700	555,700	555,700
Capital Outlay less than \$5,000	85,900	50,000	32,300	65,000	65,000	65,000	65,000	65,000
Employee Uniform Expense	42,100	35,000	13,000	40,000	40,000	40,000	40,000	40,000
Inspection and Permit Fees	33,700	7,000	8,300	32,000	32,000	32,000	32,000	32,000
Memberships, Licenses & Subscriptions	74,900	30,100	-	54,100	54,100	54,100	54,100	54,100
Mileage and Parking	-	500	-	500	500	500	500	500
Office Supplies	17,800	17,000	4,000	17,000	17,000	17,000	17,000	17,000
Operating Supplies	249,900	273,500	55,200	273,500	273,500	273,500	273,500	273,500
Rentals-Buildings	4,800	5,100	1,600	5,100	5,100	5,100	5,100	5,100
Repairs & Maintenance-Equipment	(2,700)	2,000	-	2,000	2,000	2,000	2,000	2,000
Training and Internal Meetings	64,000	25,000	1,900	55,000	55,000	55,000	55,000	55,000
Travel	-	10,000	-	10,000	10,000	10,000	10,000	10,000
Tuition Refund	-	1,500	-	1,500	1,500	1,500	1,500	1,500
4.3 Contractual Services	11,314,800	11,694,600	1,870,300	11,645,000	12,197,100	12,199,300	12,201,500	12,203,800
Contractual Operating Services	1,331,800	9,894,600	768,700	2,726,600	2,978,700	2,980,900	2,983,100	2,985,400
Contractual Operating Services-All Sewer	6,074,900	-	110,400	4,918,400	4,918,400	4,918,400	4,918,400	4,918,400
Contractual Operating Services-All Water	1,950,100	-	145,400	2,300,000	2,500,000	2,500,000	2,500,000	2,500,000
Contractual Professional Services	1,958,000	1,800,000	845,800	1,700,000	1,800,000	1,800,000	1,800,000	1,800,000
5.2 Shared Services	(17,000)	(17,400)	(5,800)	(17,700)	(18,000)	(18,300)	(18,800)	(19,100)
Shared Services : Salaries & Wages Reimb	(10,800)	(11,000)	(3,700)	(11,200)	(11,400)	(11,600)	(11,900)	(12,100)
Shared Services Reimbursement	(1,800)	(1,900)	(600)	(1,900)	(1,900)	(2,000)	(2,000)	(2,000)
Shared Services: Employee Benefit Reimb	(4,400)	(4,500)	(1,500)	(4,600)	(4,700)	(4,700)	(4,900)	(5,000)
5.5 Intergovernmental Agreement	(103,200)	-	-	-	-	-	-	-
Grand Total	\$ 17,403,100	\$ 17,709,700	\$ 4,063,800	\$ 18,072,200	\$ 18,853,900	\$ 18,888,800	\$ 18,923,600	\$ 18,958,600

Energy, Research & Innovation

The mission of the Energy, Research, and Innovation (ERI) team is to help improve operations, optimize the value of our capital and operational investments, help identify and mitigate future risks, such as emerging contaminants, asset failure, and climate change.

The ERI team is involved with three different focus areas, energy, research, and innovation. Our energy-focused efforts address the technology and processes needed to assess, evaluate, and improve energy use and energy efficiency across our systems. Our research efforts involved small, but focused, projects helping to address thorny operational and engineering issues relevant to GLWA operations. Finally, our innovation related efforts address the assessment and piloting of new and emerging technologies, as well as improving the collaborative exchange of ideas between GLWA team members and between our team members and external utilities.

The Energy, Research & Innovation Area key strategic initiative includes the following.

- ❖ **Advance the Energy Management Program (Ongoing)**
- ❖ **Pursue Research of Treatment & Monitoring (Ongoing)**
 - Treatment techniques for emerging contaminants of concern
 - Innovative monitoring tools

The table below shows how the energy, research and innovation area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Energy, Research & Innovation	Advance Energy Management Program		x	x	x	x	x		x	x		
	Pursue Research of Treatment & Monitoring		x	x	x	x			x	x		x

Energy, Research & Innovation Contracts

The Energy, Research & Innovation budget contains several contractual services to assess the current innovation environment, create programs by tailoring them to the expectations, environment, and resources of GLWA and launching the programs by establishing urgency and funding resources. Budgeted amounts beyond contract date are estimates for future study updates or subsequent implementation of a program. These services would generally require a separate procurement process. The following charts show a limited number of contracts for these services.

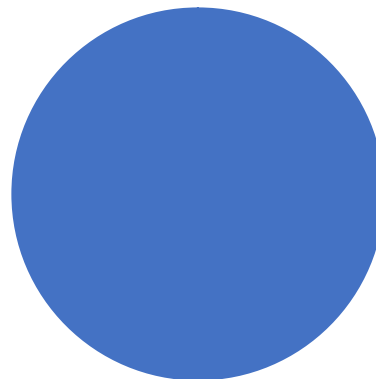
Project Description	PFAS Health & Ecological Impacts	Microplastics & Human Health	Evaluation of Real-Time Bacteria Monitoring Tools	COVID Study	Life Cycle Assessment	Transport & Fate of Nutrients in Biosolids	Smart Pipes	Biological Phosphorus Removal Pilot	Total
Prime Consultant or Supplier	Wayne State University	Wayne State University	OHM Advisors	Michigan State University	Regents of the University of Michigan	Michigan State University	Regents of the University of Michigan	Regents of the University of Michigan	
Contract #	1902151	1904710	2101423	2001402	2001595	1902059	1900902	1900169	
Contract Amount	\$ 192,153	\$ 195,000	\$ 159,000	\$ 267,458	\$ 23,680	\$ 227,498	\$ 356,591	\$ 250,000	
Contract End Date	06/15/22	11/29/22	11/09/22	08/15/22	10/31/22	06/30/23	12/08/21	10/02/21	
Cost Center Name	Energy, Research & Innovation	Energy, Research & Innovation	Energy, Research & Innovation	Energy, Research & Innovation	Energy, Research & Innovation	Energy, Research & Innovation	Energy, Research & Innovation	Energy, Research & Innovation	
Expense Category	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2021 Spend	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,759	\$ 159,867	\$ 84,690	\$ 385,316
FY 2021 Actual	79,450	20,599	-	111,397	-	83,586	154,661	38,077	487,769
FY 2022 Budget	96,000	100,000	-	84,000	25,000	114,000	150,000	-	569,000
FY 2023 Requested	-	100,000	100,000	42,000	150,000	50,000	-	125,000	567,000
FY 2024 Requested	-	-	-	-	50,000	-	-	-	50,000
FY 2025 Requested	-	-	-	-	-	-	-	-	-
FY 2026 Requested	-	-	-	-	-	-	-	-	-
FY 2027 Requested	-	-	-	-	-	-	-	-	-
Total	\$ 175,450	\$ 220,599	\$ 100,000	\$ 237,397	\$ 225,000	\$ 388,345	\$ 464,528	\$ 247,767	\$ 2,059,085

Organization

The Energy, Research & Innovation area has one team.

FY 2023 REQUEST BY TEAM

■ Energy, Research & Innovation



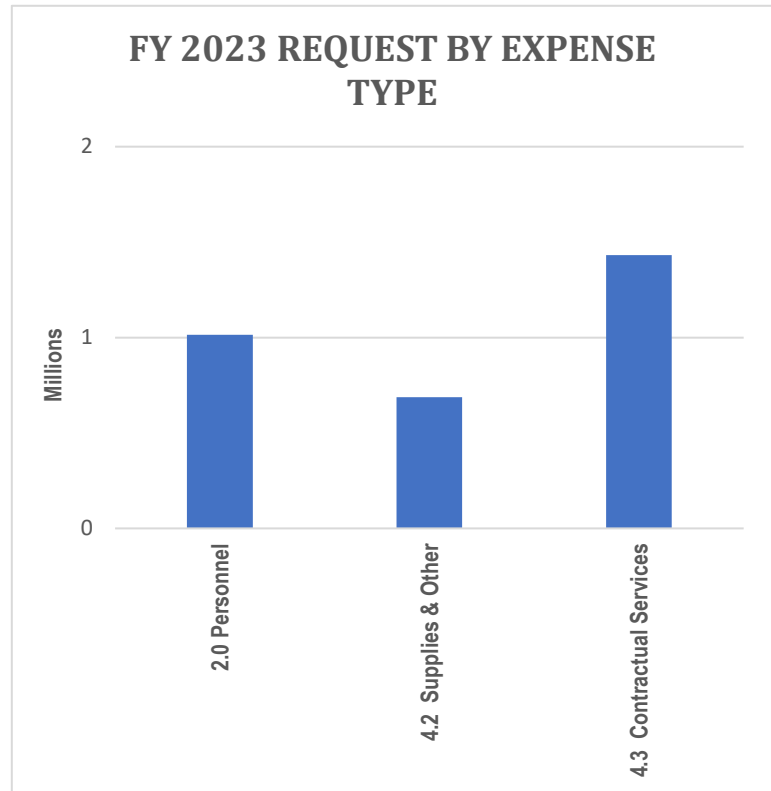
Expense Categories

There are two major categories of Energy, Research & Innovation and Maintenance Budget as listed below.

- ❖ Contractual Services
- ❖ Personnel Costs

Contractual Services are the highest expense category for Energy, Research & Innovation. The level of contractual services reflects the decision to contract for services that will help to accomplish the following:

- ❖ Implement conservation measures
- ❖ Monitor energy consumption
- ❖ Assess business decisions for sustainability
- ❖ Coordinate research efforts to provide cost savings
- ❖ Identify and implement the latest advancements in managing water quality



The Energy, Research & Innovation Area is reaching a steady state in staffing. As a result of progress in staff placement, there has been a restructuring of current positions in order to accommodate the higher level of expertise required, to support the day-to-day operational decision-making needs, and to reduce the utilization of contracts. Accordingly, personnel costs are the second highest expense category.

Biennial Budget Request

The biennial budget reflects an increase of \$137,100, or 4.6%, in Operations & Maintenance for FY 2023. This is a result of the key factors listed below.

- ❖ Addition of two Management Professionals – Power Quality positions and reduction of FTE count for Power Quality Manager position (\$81,100).
- ❖ Increase of \$150,000 in contractual services to allow for increased initiatives in energy management and research projects.
- ❖ Reduction of Capital Outlay less than \$5,000 (Supplies & Other) to bring in line with anticipated spending (\$120,000).
- ❖ Operating Supplies (Supplies & Other) budget increased in line with spend of ~\$45k last two years (\$25,000).

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 609,400	\$ 932,600	\$ 208,200	\$ 1,013,700	\$ 81,100	8.7%	\$ 1,126,300
4.2 Supplies & Other	469,300	782,200	149,700	688,200	(94,000)	-12.0%	704,200
4.3 Contractual Services	1,028,800	1,281,000	318,400	1,431,000	150,000	11.7%	1,472,000
Grand Total	\$ 2,107,500	\$ 2,995,800	\$ 676,300	\$ 3,132,900	\$ 137,100	4.6%	\$ 3,302,500

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Energy, Research & Innovation	\$ 2,107,500	\$ 2,995,800	\$ 676,300	\$ 3,132,900	\$ 137,100	4.6%	\$ 3,302,500
Grand Total	\$ 2,107,500	\$ 2,995,800	\$ 676,300	\$ 3,132,900	\$ 137,100	4.6%	\$ 3,302,500

Personnel Budget

Energy, Research & Innovation personnel consists of 9 positions for FY 2023 and is largely comprised of staffing that will provide ongoing monitoring of developments to allow new research priorities to be set and phase out topics that are no longer relevant. Research and innovation are essential pillars of a promising future strategy for shaping energy supplies of tomorrow. The staffing level is in the tables below. The increase in staffing includes the reassignment of the Power Quality Manager position from Water Engineering to Energy, Research, & Innovation. This move was performed since this position is directly related to energy management functions.

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Energy, Research & Innovation	6.00	7.00	9.00	9.00	9.00	9.00	9.00

Full-time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.

Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Energy, Research & Innovation	6.00	7.00	8.25	9.00	9.00	9.00	9.00



Personnel Budget - The table below presents the Water Operations personnel budget which consists of the following expense categories: Salaries & Wages and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above using current pay levels. Wage and benefit adjustments are based on merit increases and are included in the Unallocated Reserve line item for the Central Services Operating Area which is shown in detail in the Operating Financial Plan Introduction section.

Personnel Budget

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Energy, Research & Innovation	\$ 609,400	\$ 932,600	\$ 208,200	\$ 1,013,700	\$ 81,100	8.7%	\$ 1,126,300
Grand Total	\$ 609,400	\$ 932,600	\$ 208,200	\$ 1,013,700	\$ 81,100	8.7%	\$ 1,126,300

Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Energy, Research & Innovation	\$ 932,600	\$ 1,013,700	\$ 1,126,300	\$ 1,131,700	\$ 1,137,000	\$ 1,142,400
Grand Total	\$ 932,600	\$ 1,013,700	\$ 1,126,300	\$ 1,131,700	\$ 1,137,000	\$ 1,142,400

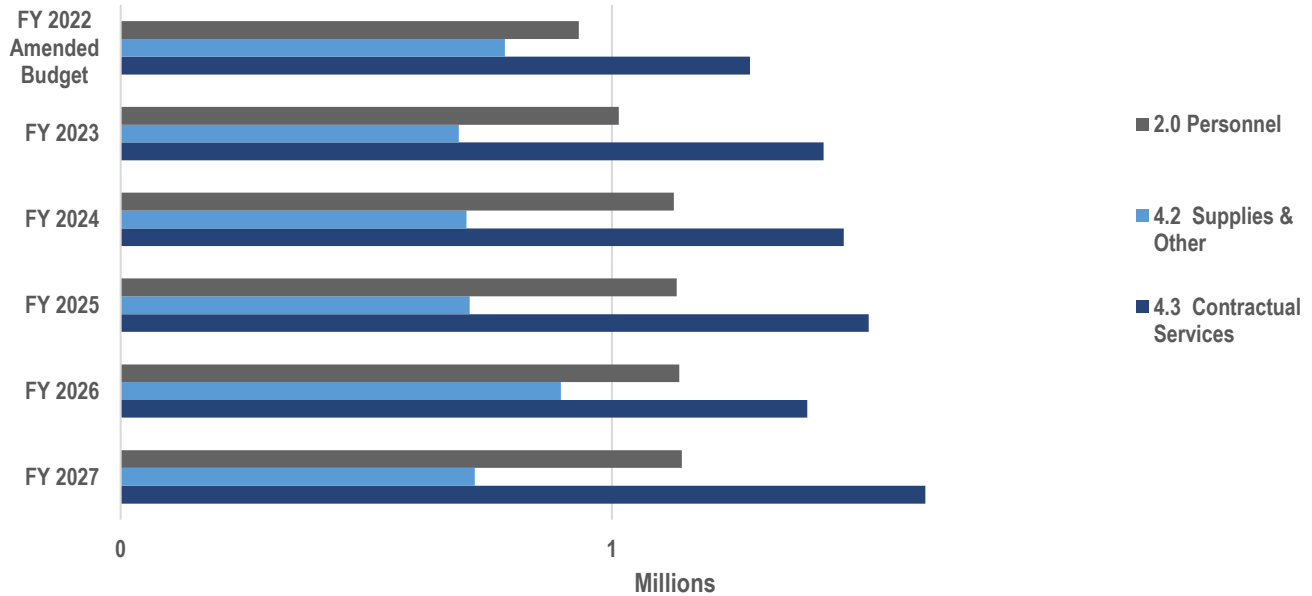
Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 932,600	\$ 208,200	\$ 1,013,700	\$ 81,100	8.7%	\$ 1,126,300	\$ 1,131,700	\$ 1,137,000	\$ 1,142,400
4.2 Supplies & Other	782,200	149,700	688,200	(94,000)	-12.0%	704,200	710,200	896,200	721,200
4.3 Contractual Services	1,281,000	318,400	1,431,000	150,000	11.7%	1,472,000	1,523,000	1,398,000	1,638,000
Grand Total	\$ 2,995,800	\$ 676,300	\$ 3,132,900	\$ 137,100	4.6%	\$ 3,302,500	\$ 3,364,900	\$ 3,431,200	\$ 3,501,600



Five-Year Financial Plan

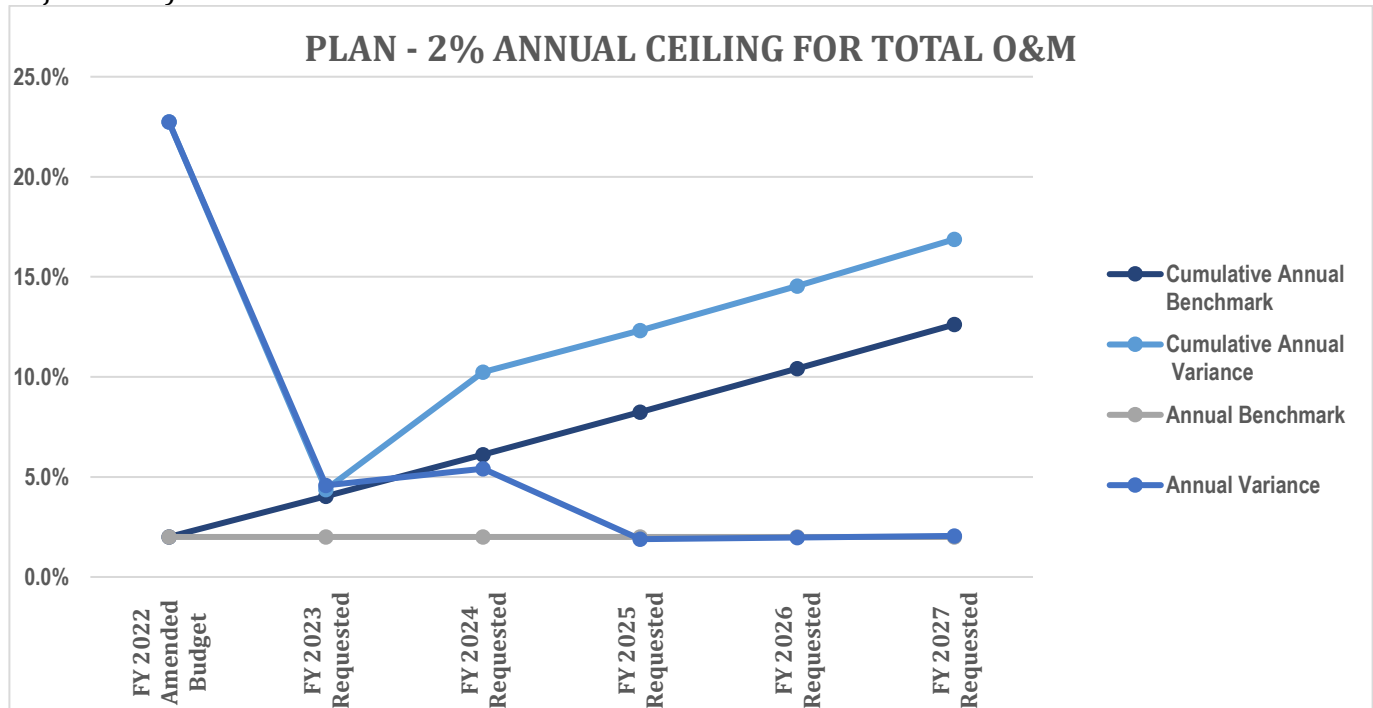


Five-Year Financial Plan by Team

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Energy, Research & Innovation	2,995,800	676,300	3,132,900	137,100	4.6%	3,302,500	3,364,900	3,431,200	3,501,600
Grand Total	\$ 2,995,800	\$ 676,300	\$ 3,132,900	\$ 137,100	4.6%	\$ 3,302,500	\$ 3,364,900	\$ 3,431,200	\$ 3,501,600

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Energy, Research & Innovation Group's financial plan reflects a five-year overall increase of 16.9%. This increase is a result of the ramp up of the contractual services and power quality staffing initiatives defined in the expense categories section which is above the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment).



Capital Outlay

Energy, Research & Innovations five-year capital outlay plan is funded by the Improvement & Extension (I&E) budget.

Five-Year Capital Outlay Plan by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 170,000	\$ 230,000	\$ 155,000	\$ 155,000	\$ 35,000	\$ 35,000
Building/Structures	-	75,000	-	-	-	-
Building/Structures Improvement	-	75,000	-	-	-	-
Machinery & Equipment	170,000	155,000	155,000	155,000	35,000	35,000
Controls & Communication	170,000	155,000	155,000	155,000	35,000	35,000
Grand Total	\$ 170,000	\$ 230,000	\$ 155,000	\$ 155,000	\$ 35,000	\$ 35,000



Five-Year Capital Outlay Plan by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 170,000	\$ 230,000	\$ 155,000	\$ 155,000	\$ 35,000	\$ 35,000
Grand Total	\$ 170,000	\$ 230,000	\$ 155,000	\$ 155,000	\$ 35,000	\$ 35,000

Five-Year Capital Outlay Plan by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Energy, Research, & Innovation	\$ 170,000	\$ 230,000	\$ 155,000	\$ 155,000	\$ 35,000	\$ 35,000
Grand Total	\$ 170,000	\$ 230,000	\$ 155,000	\$ 155,000	\$ 35,000	\$ 35,000

Line-Item Budget and Financial Plan

The five-year plan by line-item expense is shown below. The expenses are listed for each cost center. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882501 - Energy, Research & Innovation	2,107,500	2,995,800	676,300	3,132,900	3,302,500	3,364,900	3,431,200	3,501,600
2.1 Salaries & Wages	484,500	721,400	165,300	766,300	848,800	848,800	848,800	848,800
2.4 Employee Benefits	124,900	211,200	42,900	247,400	277,500	282,900	288,200	293,600
4.2 Supplies & Other	469,300	782,200	149,700	688,200	704,200	710,200	896,200	721,200
Capital Outlay less than \$5,000	29,200	290,000	1,000	170,000	180,000	180,000	360,000	180,000
Memberships, Licenses & Subscriptions	384,900	423,100	128,000	423,100	423,100	423,100	423,100	423,100
Mileage and Parking	400	2,000	-	2,000	2,000	2,000	2,000	2,000
Office Supplies	2,300	7,100	700	7,100	7,100	7,100	7,100	7,100
Operating Supplies	44,900	25,000	15,300	50,000	55,000	60,000	65,000	70,000
Postage	100	-	200	-	-	-	-	-
Training and Internal Meetings	7,100	20,000	4,500	20,000	20,000	20,000	20,000	20,000
Travel	-	15,000	-	16,000	17,000	18,000	19,000	19,000
Tuition Refund	400	-	-	-	-	-	-	-
4.3 Contractual Services	1,028,800	1,281,000	318,400	1,431,000	1,472,000	1,523,000	1,398,000	1,638,000
Grand Total	\$ 2,107,500	\$ 2,995,800	\$ 676,300	\$ 3,132,900	\$ 3,302,500	\$ 3,364,900	\$ 3,431,200	\$ 3,501,600

Transformation

The Transformation Team is a group of experts in Lean and Six Sigma methods and techniques. The Transformation Team partners with business leaders across GLWA to identify and execute process improvements and cost savings projects for safety, operations, management, planning and reporting functions.

- Lean – A systematic method for waste reduction or waste elimination within a system or process without sacrificing quality or productivity.
- Six Sigma – A disciplined, data driven methodology for identifying and eliminating variation and removing the causes of defects in any manufacturing or business process.

Mission: The mission of the Transformation Team is to develop a culture throughout the organization that cultivates the cycle of Continuous Improvement and Lean Six Sigma methodology by first respecting people, increasing understanding of our current state, providing meaningful training, and working to empower, engage, and inspire team members.

Vision: The vision of the Transformation Team is to create and maintain a safe working environment, be leaders who lead by example, and empower those we work alongside. Through internal partnerships within the organization, we will construct a framework that is built upon Lean Six Sigma structured tools that deliver financial and operational results, reduce risks, improve processes, and identify cost savings opportunities by reducing or eliminating waste.

The Transformation Team presently is leading GLWA in several strategic initiatives.

- ❖ **5S Workplace Organization & Audit for Compliance Initiative (Ongoing)** – The goal of the Transformation Team is to partner with all areas and groups of the organization to make GLWA's work areas function better by making it an easier and safer place to work. This occurs by making spaces make sense; tools and materials are placed in logical locations based on who needs them, how frequently they're needed, etc. Over time, cleaning and organization become habits and processes become more efficient. Each area that has completed a 5S project begins an audit for compliance process to sustain all the gains made during the project.
- ❖ **Process Improvement / Kaizen (Ongoing)** - Small increments of good change across the organization will reap huge benefits and returns. The objective of Kaizen is to improve productivity, reduce waste, eliminate unnecessary hard work and refine the workplace, while boosting team member morale.
- ❖ **Root Cause Analysis/Practical Methods & Techniques for Solving Problems (Ongoing)**
The Transformation Team have been working with various areas, groups, and teams to identify the root cause(s) of many problems team members face on a regular basis. Transformation helps teams systematically find permanent solutions so that the possibility of future reoccurrence is eliminated or greatly reduced. Teaching Root Cause Analysis (RCA) tools and techniques helps develop a logical approach to solving problems. RCA also helps GLWA to repeat successes learned through this analysis that can be shared across the organization creating a more effective and efficient work environment.

The table below shows how the Transformation Group's initiatives relate to the organizational strategic goals.

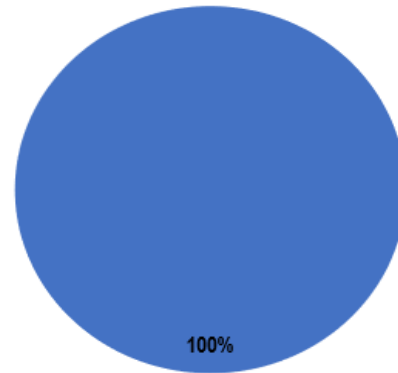
		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
General Counsel Strategic Initiatives	5S Workplace Organization & Audit for Compliance Initiative (Enterprise Wide Initiative)		x	x	x	x	x	x		x		
	Process Improvement / Kaizen (Small Increments Of Good Change)		x	x		x	x	x				
	Root Cause Analysis/Practical Methods & Techniques for Solving Problems		x	x	x	x	x	x				

Organization

The Transformation area has one team.

FY 2023 REQUEST BY TEAM

Transformation



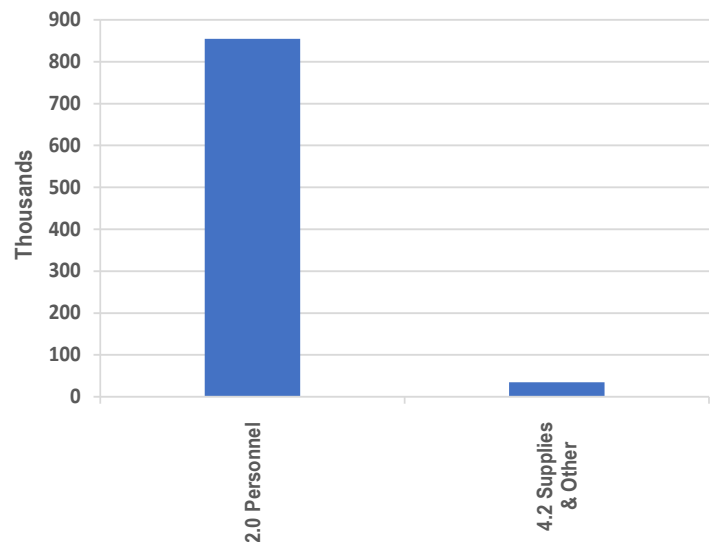
Expense Categories

The Transformation area consists of two major expense categories:

- ❖ Personnel
- ❖ Supplies & Other

Based upon the nature of this service area, the highest category of expense is salaries. The second highest, Supplies & Other, which provides for operating supplies and training.

FY 2023 REQUEST BY EXPENSE TYPE



Biennial Budget Request

The biennial budget reflects a decrease of \$221,100, or 19.9%, in FY 2023.

- ❖ **Personnel** – FY 2023 includes a reduction of 2 positions. During FY 2022 this group, which was originally reported in the Financial Services Area (Administrative Services), transitioned to the Energy, Research, and Innovation Area (Centralized Services) to align its budget with their operational driven initiatives. As a result of this transition, 2 positions were reallocated with the Financial Services Area reorganization to continue specific objectives related to technology improvements.
- ❖ **Supplies & Other** – The primary driver of the reduction in this line item is training due to the decrease in the number of positions for this group and evaluation of the training needs for the remaining team members.

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 650,300	\$ 1,067,800	\$ 149,300	\$ 854,400	\$ (213,400)	-20.0%	\$ 855,100
4.2 Supplies & Other	4,400	42,500	-	34,800	(7,700)	-18.1%	35,500
Grand Total	\$ 654,700	\$ 1,110,300	\$ 149,300	\$ 889,200	\$ (221,100)	-19.9%	\$ 890,600

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Transformation	\$ 654,700	\$ 1,110,300	\$ 149,300	\$ 889,200	\$ (221,100)	-19.9%	\$ 890,600
Grand Total	\$ 654,700	\$ 1,110,300	\$ 149,300	\$ 889,200	\$ (221,100)	-19.9%	\$ 890,600

Personnel Budget

The staffing plan provides for a reduction of 2 positions in FY 2023 and a steady state of 5 total positions beginning in FY 2023. The staffing level is shown in the tables below. The staffing and FTE counts for FY 2021 and FY 2022, as shown in the tables below and on the following page, were approved when the Transformation group resided in Financial Services. During FY 2022 this group transitioned to the Energy, Research and Innovation Area (Centralized Services). As a result of this transition, 2 positions remained with the Financial Services Area.

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan – The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.



Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Transformation	8.00	7.00	5.00	5.00	5.00	5.00	5.00

Full Time Equivalents – The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.

Full Time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Transformation	8.00	6.25	5.00	5.00	5.00	5.00	5.00

Personnel Budget - The table below presents Transformation’s personnel budget which consists of the following expense categories: Salaries & Wages, Employee Benefits, and Contractual Transition Services. The values for the personnel budget are based on the full-time equivalents table above using current pay levels. Wage and benefit adjustments are based on merit increases and are included in the Unallocated Reserve line item for the Administrative Services Operating Area which is shown in detail in the Operating Financial Plan Introduction section.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Transformation	\$ 650,300	\$ 1,067,800	\$ 149,300	\$ 854,400	\$ (213,400)	-20.0%	\$ 855,100
Grand Total	\$ 650,300	\$ 1,067,800	\$ 149,300	\$ 854,400	\$ (213,400)	-20.0%	\$ 855,100

Personnel Budget – Five-Year Financial Plan

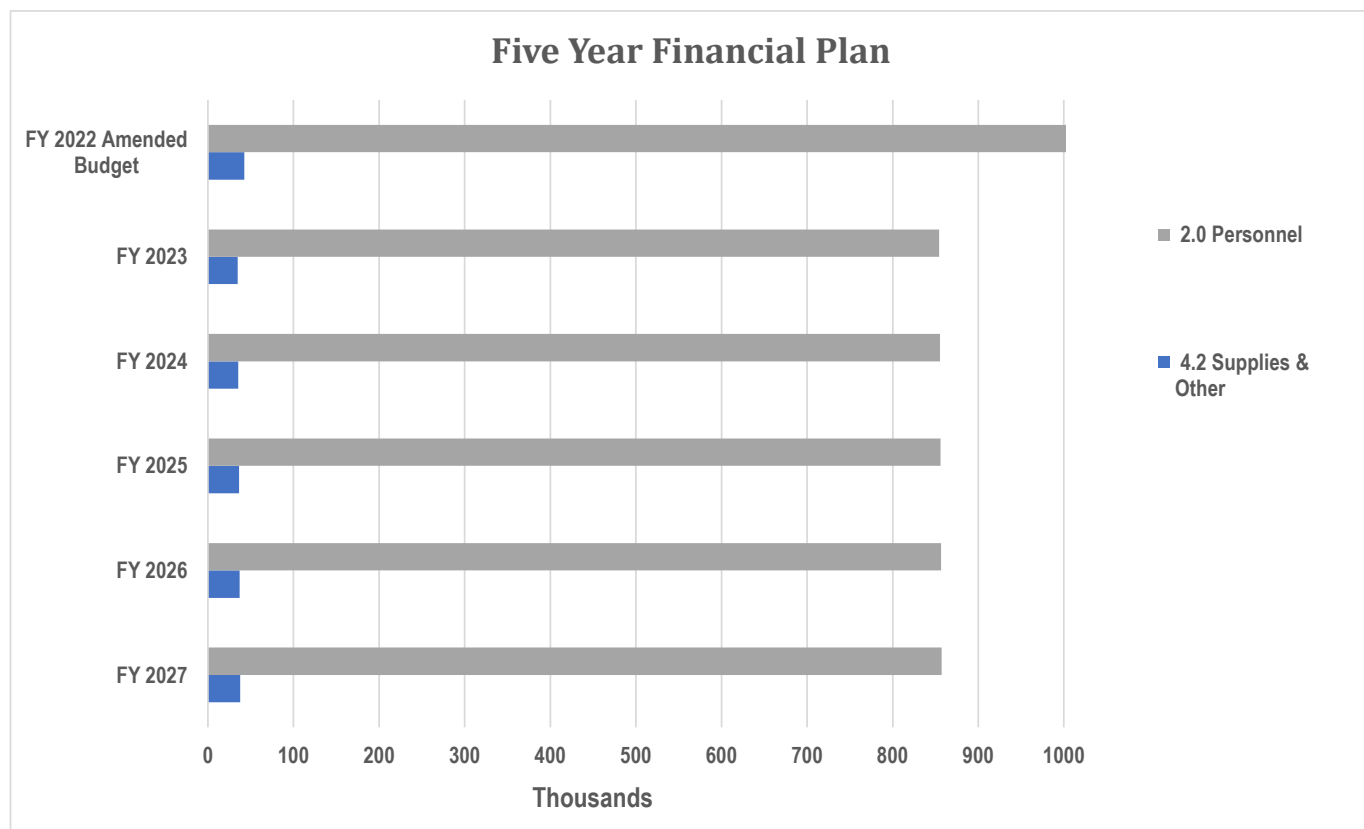
Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Transformation	\$ 1,067,800	\$ 854,400	\$ 855,100	\$ 855,800	\$ 856,600	\$ 857,300
Grand Total	\$ 1,067,800	\$ 854,400	\$ 855,100	\$ 855,800	\$ 856,600	\$ 857,300



Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 1,067,800	\$ 149,300	\$ 854,400	\$ (213,400)	-20.0%	\$ 855,100	\$ 855,800	\$ 856,600	\$ 857,300
4.2 Supplies & Other	42,500	-	34,800	(7,700)	-18.1%	35,500	36,300	36,900	37,800
Grand Total	\$ 1,110,300	\$ 149,300	\$ 889,200	\$ (221,100)	-19.9%	\$ 890,600	\$ 892,100	\$ 893,500	\$ 895,100

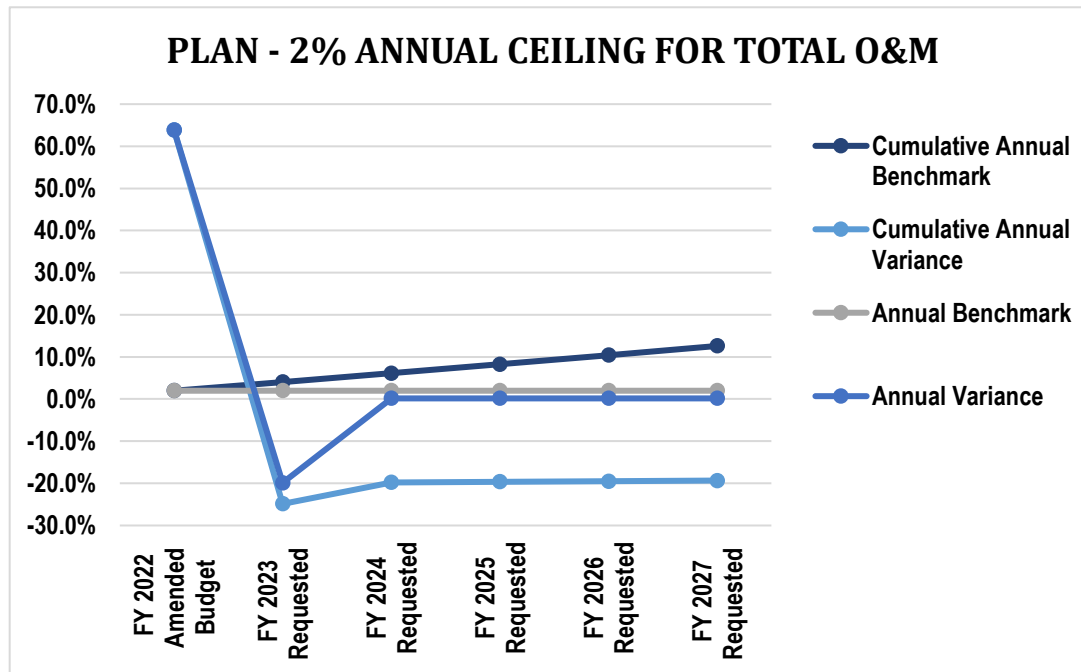


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Transformation	\$ 1,110,300	\$ 149,300	\$ 889,200	\$ (221,100)	-19.9%	\$ 890,600	\$ 892,100	\$ 893,500	\$ 895,100
Grand Total	\$ 1,110,300	\$ 149,300	\$ 889,200	\$ (221,100)	-19.9%	\$ 890,600	\$ 892,100	\$ 893,500	\$ 895,100

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Transformation Group's financial plan reflects a five-year overall decrease of 19.4% while the entity-wide goal is a cumulative 12.6% for planning purposes based upon an annual 2% adjustment.



Capital Outlay

Capital Outlay is not a component of the Transformation Area.



Line-Item Budget and Financial Plan

The five-year plan by line-item expense is listed below. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
882511 - Transformation	\$ 654,700	\$ 1,110,300	\$ 149,300	\$ 889,200	\$ 890,600	\$ 892,100	\$ 893,500	\$ 895,100
2.1 Salaries & Wages	143,000	129,500	48,900	132,100	132,100	132,100	132,100	132,100
Salaries & Wages	143,000	129,500	48,900	132,100	132,100	132,100	132,100	132,100
2.4 Employee Benefits	25,000	34,900	11,700	37,200	37,900	38,600	39,400	40,100
Employee Benefits	25,000	34,900	11,700	37,200	37,900	38,600	39,400	40,100
2.5 Transition Services	482,300	903,400	88,700	685,100	685,100	685,100	685,100	685,100
Contractual Transition Services	482,300	903,400	88,700	685,100	685,100	685,100	685,100	685,100
4.2 Supplies & Other	4,400	42,500	-	34,800	35,500	36,300	36,900	37,800
Memberships, Licenses & Subscriptions	400	2,000	-	2,000	2,100	2,100	2,200	2,200
Office Supplies	-	1,000	-	1,000	1,000	1,100	1,100	1,100
Operating Supplies	2,600	15,000	-	15,300	15,600	15,900	16,200	16,600
Mileage and Parking	-	500	-	500	500	500	500	600
Supplies & Other - Covid19	1,400	-	-	-	-	-	-	-
Training and Internal Meetings	-	17,000	-	9,000	9,200	9,400	9,500	9,700
Travel	-	7,000	-	7,000	7,100	7,300	7,400	7,600
Grand Total	\$ 654,700	\$ 1,110,300	\$ 149,300	\$ 889,200	\$ 890,600	\$ 892,100	\$ 893,500	\$ 895,100

Information Technology

A center of excellence that provides reliable, contemporary, and integrated technology to support and facilitate teaching, learning, research, and service for GLWA.

The Information Technology Group is leading GLWA in several strategic initiatives.

❖ **Enterprise Asset Management (EAM) (Completion by end of FY 2024)**

The current EAM system (WAM) is on extended vendor support and no longer meets the growing needs of our organization. In FY 2022, GLWA selected a new EAM (NEXGEN) and initiated the discovery and planning phases of the project. In FY 2023, project activities will continue to prepare for the planned go-live in FY 2024. Also, a new Project Management Information System (PMIS), will be launched to support management of the Capital Improvement Program (CIP) projects. New GIS applications will continue to be developed to support CIP, engineering, and operations, as well as complete the Utility Network implementation.

❖ **Enterprise Resource Planning (ERP) (Completion by end of FY 2024)**

As the organization matures, the current Human Resources (HR) and Finance systems (Ceridian & BS&A, respectively) that were implemented during the stand-up of GLWA no longer meet our growing needs. A new ERP (Workday) has been selected to replace these systems and fully integrate HR, Finance, Procurement, and reporting functions across the enterprise. Workday will leverage best practices to increase efficiency and effectiveness in reporting and operations and ensure that proper controls and procedures are followed. In FY 2022, a contract will be negotiated and presented to the Board of Directors for approval. In FY 2023, core HR modules (Human Capital Management, Payroll, and Time Tracking) will be configured for the planned go-live in FY 2024.

❖ **Data Center Modernization Program (Completion by end of FY 2024)**

A four-year roadmap has been created to mitigate risks and provide infrastructure resiliency by building a sustainable, secure, compliant, robust, and reliable IT infrastructure as the foundation to support GLWA's core enterprise technology needs. In FY 2021, the data center systems and hardware were upgraded to a new technology that positions us to transition to a hybrid cloud environment. In FY 2022, Back Up as a Service (BUaaS) and Disaster Recovery as a Service (DRaaS) will be in place to protect GLWA's network and applications from natural disasters or cyber-attacks. In FY 2023, the implementation of a hybrid cloud environment will move certain applications from the on-premises data center to a secure cloud environment. Some components of the Data Center Modernization Program will be capitalized through the Improvement & Extension Fund budget as they are related to implementation, physical hardware, and software items. The remaining components are subscription related and other cloud services which will be funded from through IT's Operations & Maintenance budget. Details are shown in the Capital Outlay section of this document.

❖ **Shared Services (Ongoing)**

The dollar amount of shared services reimbursement from DWSD will remain consistent in FY 2023. There are three of nine shared services that continued in a reduced capacity after

the original end date of June 2021. Also, four new shared services agreements were added to better reflect the IT services provided to DWSD.

The following table shows how the Information Technology Area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Information Technology Strategic Initiatives	Enterprise Asset Management (EAM)		x		x	x	x		x			x
	Enterprise Resource Planning (ERP)		x		x	x	x				x	
	Data Center Modernization				x	x	x					
	Shared Services				x	x	x	x		x		x

Information Technology Contracts

The Information Technology (IT) budget contains most IT-related costs used throughout GLWA. This includes software and hardware purchases, subscriptions for cloud-based solutions, hardware and software maintenance, and contracted services to support GLWA's IT platforms. The largest expense category is Telecom, Managed Security & Network Services, due to an annual contract with AT&T who operates, updates, and maintains the wide area network, local area network, phone services, internet, and managed network security. In the chart below are the key contracts for these services.

Project Description	Telecom, Managed Security & Networks 626700	Telecom, Managed Security & Networks 626700	Disaster Recovery Services 617900	Repairs & Maintenance - Software 62302	Professional Services 617400	Repairs & Maintenance - Software 62302	Professional Services 617400	Professional Services 617400	Total
Prime Consultant or Supplier	AT&T	Verizon	Disaster Recovery	ERP Subscription	Magnolia River GIS Strategic Services	EAM Subscription- NEXGEN	DXC - WAM	Ceridian Human Resources Information Systems (HRIS)	
Software Type	N/A	N/A	N/A	Subscription	N/A	Subscription	N/A	Subscription	
Contract #	CS-1689	1801674	TBD	TBD	1901592	1904219-2	CS-119	1803978	
Contract Amount	\$ 60,000,000	\$ 500,000	TBD	TBD	\$ 2,300,000	TBD	\$ 7,000,000	\$ 3,217,779	
Contract End Date	TBD	TBD	TBD	TBD	08/31/25	TBD	06/30/22	TBD	
Cost Center Name	Infrastructure	IT Service Delivery	Infrastructure	IT Business Applications	IT Enterprise Applications	IT Enterprise Applications	IT Business Applications	IT Business Applications	
Expense Category	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2021 Spend	\$ 22,272,962	\$ 923,800	\$ 400,000	\$ -	\$ 450,571	\$ -	\$ 4,316,258	\$ -	\$ 28,363,591
FY 2021 Spend	12,000,000	424,200	400,000	-	720,000	-	3,400,000	700,000	17,644,200
FY 2022 Budget	12,000,000	507,684	400,000	1,500,000	720,000	1,500,000	1,700,000	700,000	19,027,684
FY 2023 Requested	12,000,000	552,200	400,000	1,500,000	800,000	440,095	2,500,000	700,000	18,892,295
FY 2024 Requested	12,000,000	563,244	400,000	1,500,000	800,000	440,095	2,550,000	700,000	18,953,339
FY 2025 Requested	12,000,000	574,509	400,000	1,500,000	800,000	440,095	2,601,000	700,000	19,015,604
FY 2026 Requested	12,000,000	585,999	400,000	1,500,000	-	440,095	-	700,000	15,626,094
FY 2027 Requested	12,000,000	597,719	400,000	1,500,000	-	-	-	-	14,497,719
Total	\$ 106,272,962	\$ 4,729,355	\$ 3,200,000	\$ 9,000,000	\$ 4,290,571	\$ 3,260,380	\$ 17,067,258	\$ 4,200,000	\$ 152,020,526

Project Description	Telecom, Managed Security & Networks 626700	Telecom, Managed Security & Networks 626700	Disaster Recovery Services 617900	Repairs & Maintenance - Software 62302	Professional Services 617400	Repairs & Maintenance - Software 62302	Professional Services 617400	Professional Services 617400	Total
Prime Consultant or Supplier	AT&T	Verizon	Disaster Recovery	ERP Subscription	Magnolia River GIS Strategic Services	EAM Subscription- NEXGEN	DXC - WAM	Ceridian Human Resources Information Systems (HRIS)	
Software Type	N/A	N/A	N/A	Subscription	N/A	Subscription	N/A	Subscription	
Contract #	CS-1689	1801674	TBD	TBD	1901592	1904219-2	CS-119	1803978	
Contract Amount	\$ 60,000,000	\$ 500,000	TBD	TBD	\$ 2,300,000	TBD	\$ 7,000,000	\$ 3,217,779	
Contract End Date	TBD	TBD	TBD	TBD	08/31/25	TBD	06/30/22	TBD	
Cost Center Name	Infrastructure	IT Service Delivery	Infrastructure	IT Business Applications	IT Enterprise Applications	IT Enterprise Applications	IT Business Applications	IT Business Applications	
Expense Category	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	Contractual Services	
Pre-FY 2021 Spend	\$ 34,272,962	\$ 1,348,000	\$ 800,000	\$ -	\$ 1,170,571	\$ -	\$ 7,716,258	\$ 700,000	\$ 46,007,791
FY 2022 Budget	12,000,000	507,684	400,000	1,500,000	720,000	1,500,000	1,700,000	700,000	19,027,684
FY 2023 Requested	12,000,000	552,200	400,000	1,500,000	800,000	440,095	2,500,000	700,000	18,892,295
FY 2024 Requested	12,000,000	563,244	400,000	1,500,000	800,000	440,095	2,550,000	700,000	18,953,339
FY 2025 Requested	12,000,000	574,509	400,000	1,500,000	800,000	440,095	2,601,000	700,000	19,015,604
FY 2026 Requested	12,000,000	585,999	400,000	1,500,000	-	440,095	-	700,000	15,626,094
FY 2027 Requested	12,000,000	597,719	400,000	1,500,000	-	-	-	-	14,497,719
Total	\$ 106,272,962	\$ 4,729,355	\$ 3,200,000	\$ 9,000,000	\$ 4,290,571	\$ 3,260,380	\$ 17,067,258	\$ 4,200,000	\$ 152,020,526

Organization

The GLWA Information Technology (IT) Group consists of seven teams.

❖ Office of the Chief Information Officer

Provides strategic direction and administrative support for all IT functions.

❖ Project Management Office

Fosters collaboration, support and oversees the execution of technology initiatives.

❖ Security & Risk

Responsible for deploying security solutions and monitoring our network, systems, and users to secure GLWA's systems and data from cyber threats.

❖ Infrastructure

Manages the information technology (IT) components that provide the technology backbone for the organization including data center operations, data storage, systems administration, telecommunications, network administration, backups, and disaster recovery.

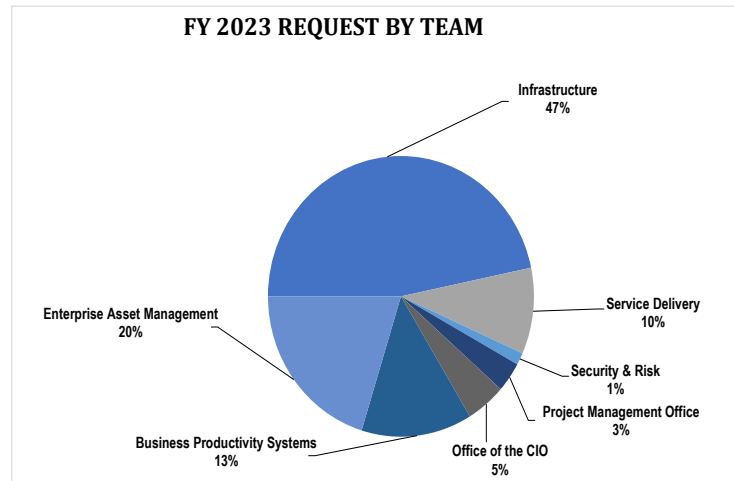
❖ Enterprise Asset Management Systems

Supports all asset management-related software which facilitates operations, maintenance, and capital planning of GLWA's assets. These services include Business Intelligence (BI), Geographic Information System (GIS), and Enterprise Asset Management (EAM).

❖ Business Productivity Systems

Leads the development and support of all customer-facing "back office" applications common to all team members including financial and human resource systems, websites/portals, office productivity systems, and electronic document management.

❖ Service Delivery – Provides frontline service and support to all team members and is responsible for deployment and support of all assigned computing and mobile devices and printers.

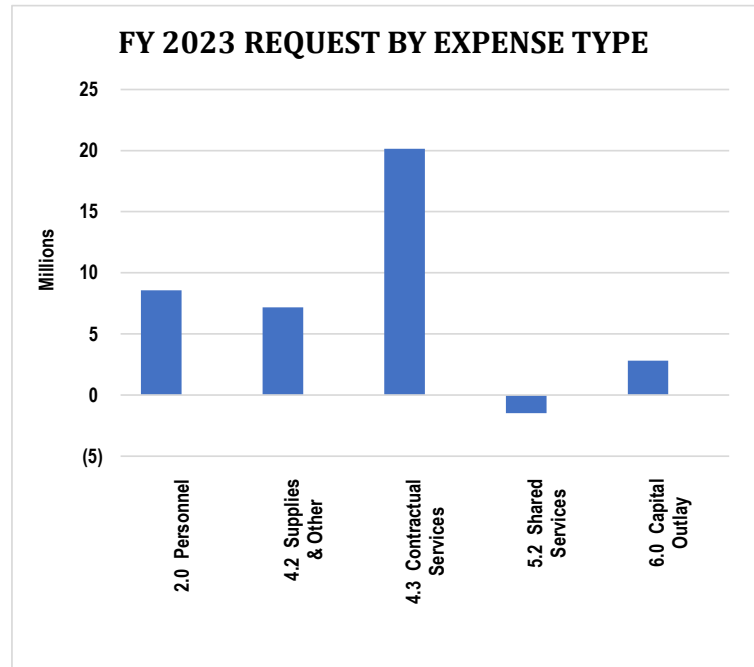


Expense Categories

There are five major categories of Information Technology expenses in the Operations and Maintenance Budget as listed below.

- ❖ Personnel
- ❖ Supplies & Other
- ❖ Contractual Services
- ❖ Shared Services
- ❖ Capital Outlay

Contractual Services is the highest expense category for FY 2023. Included in this account are the budgets for Telecom Managed Security & Network Services, Data Center Modernization, and GIS Strategic Services and Support.



Biennial Budget Request

The biennial budget reflects an overall increase of \$149,700, or 0.4%, in FY 2023.

- ❖ The personnel account is increasing by \$289,400 in FY 2023 due to adding two Directors and one Management Professional to the Office of the CIO in the fourth quarter of FY 2023.
- ❖ The supplies & other account is decreasing by \$740,500 in FY 2023 due to the negotiated reduction of subscription cost for our new EAM solution.
- ❖ The contractual services account is increasing by \$ 1,350,500 in FY 2023 for contractual support staff. The largest portion of the increase is \$800,000 related to the need to continue to support WAM until the GO-Live of the new EAM system. The other factors include contractual support for the EAM and ERP enterprise projects in the amount of \$365,000, and an increase of \$270,400 for telecom services which reflects the usual 2% increase.
- ❖ The capital outlay account is decreasing by \$720,400 in FY 2023 due to a reduction of Oracle and SQL license requirements for DWSD.

Exhibit 1
Biennial Budget Request by Expense Category (FY 2022 Board Amended Budget displayed)

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 7,236,700	\$ 8,278,000	\$ 2,513,100	\$ 8,567,400	\$ 289,400	3.5%	\$ 9,085,700
4.2 Supplies & Other	3,902,300	7,908,200	\$ 1,277,900	7,167,700	(740,500)	-9.4%	7,277,300
4.3 Contractual Services	18,143,800	18,791,300	\$ 6,307,400	20,141,800	1,350,500	7.2%	20,651,000
5.2 Shared Services	(1,218,100)	(1,460,000)	\$ (486,700)	(1,489,300)	(29,300)	2.0%	(1,519,100)
6.0 Capital Outlay	1,570,200	3,534,900	\$ 418,700	2,814,500	(720,400)	-20.4%	2,972,500
Grand Total	\$ 29,634,900	\$ 37,052,400	\$ 10,030,400	\$ 37,202,100	\$ 149,700	0.4%	\$ 38,467,400

Biennial Budget Request

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Enterprise Asset Management							
Systems	\$ 6,555,600	\$ 7,835,600	\$ 1,704,400	\$ 7,880,200	\$ 44,600	0.6%	\$ 8,136,900
Business Productivity Systems	2,714,500	4,722,800	791,000	4,746,500	23,700	0.5%	4,816,200
Infrastructure	15,195,700	17,797,500	5,798,200	17,729,900	(67,600)	-0.4%	18,014,900
Security & Risk	197,600	468,600	67,200	428,800	(39,800)	-8.5%	545,800
Service Delivery	2,944,700	3,716,100	911,100	3,779,100	63,000	1.7%	3,936,700
Project Management Office	1,224,400	1,328,200	444,100	1,344,400	16,200	1.2%	1,351,000
Office of the CIO	802,400	1,183,600	314,400	1,293,200	109,600	9.3%	1,665,900
Grand Total	\$ 29,634,900	\$ 37,052,400	\$ 10,030,400	\$ 37,202,100	\$ 149,700	0.4%	\$ 38,467,400

Personnel Budget

Information Technology personnel consists of 78 positions for FY 2023. The increase in positions is for two Directors and one Management Professional in the Office of the CIO. The addition of the two Directors and one Management Professional will enable IT to have the bandwidth necessary to drive the implementation and ongoing modernization anticipated with the upgrades and replacements of our data center and major business applications. The new positions will also enhance collaboration between IT and all areas of the business and facilitate strategic business process improvement.

The Information Technology Group is currently exploring an apprenticeship program that may add up to 3 FTEs depending on the identified need. Because of the preliminary nature of this opportunity, this additional headcount has not been reflected in the staffing plan counts below.

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Information Technology	71.00	75.00	78.00	78.00	78.00	78.00	78.00
Office of the CIO	4.00	4.00	7.00	7.00	7.00	7.00	7.00
Project Management Office	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Service Delivery	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Infrastructure	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Enterprise Asset Management Systems	16.00	17.00	17.00	17.00	17.00	17.00	17.00
Business Productivity Systems	10.00	13.00	13.00	13.00	13.00	13.00	13.00
Security & Risk	3.00	3.00	3.00	3.00	3.00	3.00	3.00

Full-time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. *Full-time Equivalents*

Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Information Technology	71.00	74.50	74.50	77.50	77.50	77.50	77.50
Office of the CIO	4.00	4.00	4.75	7.00	7.00	7.00	7.00
Project Management Office	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Service Delivery	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Infrastructure	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Enterprise Asset Management Systems	16.00	16.50	16.25	16.50	16.50	16.50	16.50
Business Productivity Systems	10.00	13.00	13.00	13.00	13.00	13.00	13.00
Security & Risk	3.00	3.00	2.50	3.00	3.00	3.00	3.00

Personnel Budget - The table below presents the Information Technology personnel budget which consists of the following expense categories: Salaries & Wages and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above.

Personnel Budget

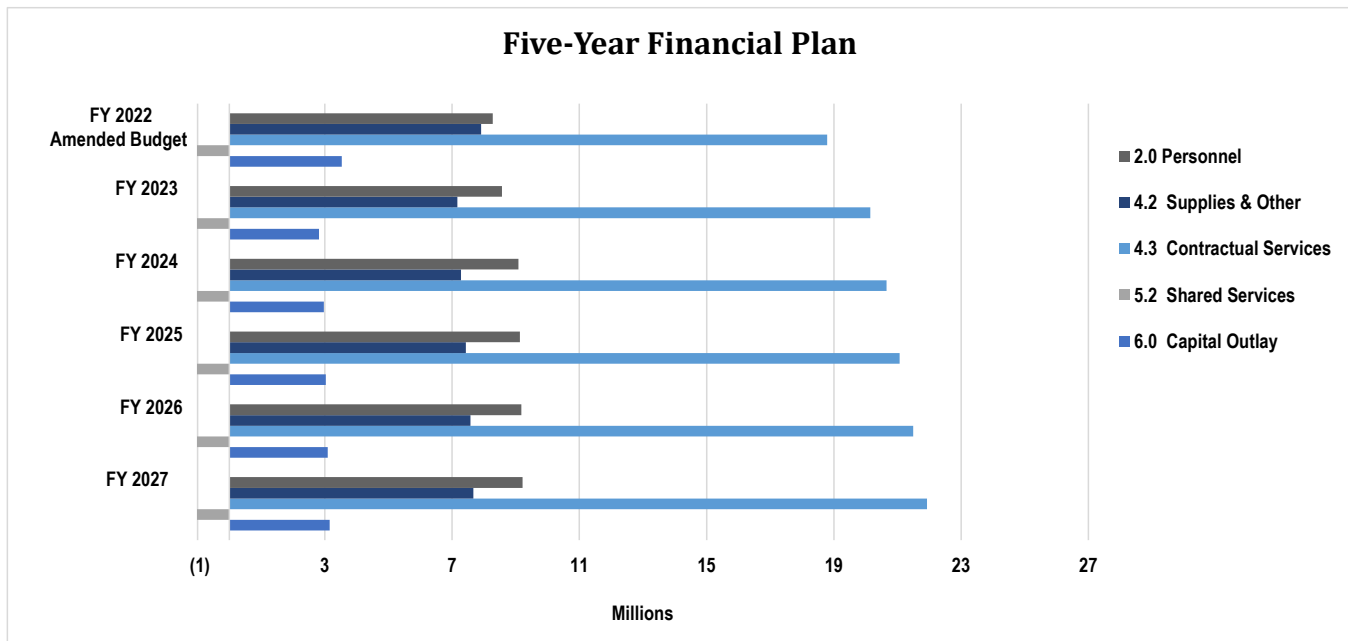
Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Office of the CIO	\$ 519,400	\$ 522,000	\$ 203,500	\$ 658,100	\$ 136,100	26.1%	\$ 1,013,600
Project Management Office	1,207,200	1,311,800	443,700	1,315,300	3,500	0.3%	1,321,400
Service Delivery	1,262,900	1,265,200	408,200	1,340,000	74,800	5.9%	1,347,300
Infrastructure	1,347,500	1,462,900	459,400	1,520,900	58,000	4.0%	1,528,300
Enterprise Asset Management Systems	1,648,700	1,774,400	596,600	1,775,500	1,100	0.1%	1,794,600
Business Productivity Systems	1,045,200	1,540,300	360,200	1,597,400	57,100	3.7%	1,604,500
Security & Risk	205,800	401,400	41,500	360,200	(41,200)	-10.3%	476,000
Grand Total	\$ 7,236,700	\$ 8,278,000	\$ 2,513,100	\$ 8,567,400	\$ 289,400	3.5%	\$ 9,085,700

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Office of the CIO	\$ 522,000	\$ 658,100	\$ 1,013,600	\$ 1,018,100	\$ 1,022,700	\$ 1,027,300
Project Management Office	1,311,800	1,315,300	1,321,400	1,327,500	1,333,700	1,339,800
Service Delivery	1,265,200	1,340,000	1,347,300	1,354,600	1,361,900	1,369,200
Infrastructure	1,462,900	1,520,900	1,528,300	1,535,800	1,543,200	1,550,600
Enterprise Asset Management Systems	1,774,400	1,775,500	1,794,600	1,803,300	1,812,100	1,820,800
Business Productivity Systems	1,540,300	1,597,400	1,604,500	1,611,700	1,618,900	1,626,000
Security & Risk	401,400	360,200	476,000	478,000	480,100	482,200
Grand Total	\$ 8,278,000	\$ 8,567,400	\$ 9,085,700	\$ 9,129,000	\$ 9,172,600	\$ 9,215,900

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 8,278,000	\$ 2,513,100	\$ 8,567,400	\$ 289,400	3.5%	\$ 9,085,700	\$ 9,129,000	\$ 9,172,600	\$ 9,215,900
4.2 Supplies & Other	7,908,200	1,277,900	7,167,700	(740,500)	-9.4%	7,277,300	7,429,400	7,576,400	7,671,000
4.3 Contractual Services	18,791,300	6,307,400	20,141,800	1,350,500	7.2%	20,651,000	21,068,600	21,494,800	21,929,900
5.2 Shared Services	(1,460,000)	(486,700)	(1,489,300)	(29,300)	2.0%	(1,519,100)	(1,549,400)	(1,580,300)	(1,611,800)
6.0 Capital Outlay	3,534,900	418,700	2,814,500	(720,400)	-20.4%	2,972,500	3,031,900	3,092,400	3,154,200
Grand Total	\$ 37,052,400	\$ 10,030,400	\$ 37,202,100	\$ 149,700	0.4%	\$ 38,467,400	\$ 39,109,500	\$ 39,755,900	\$ 40,359,200



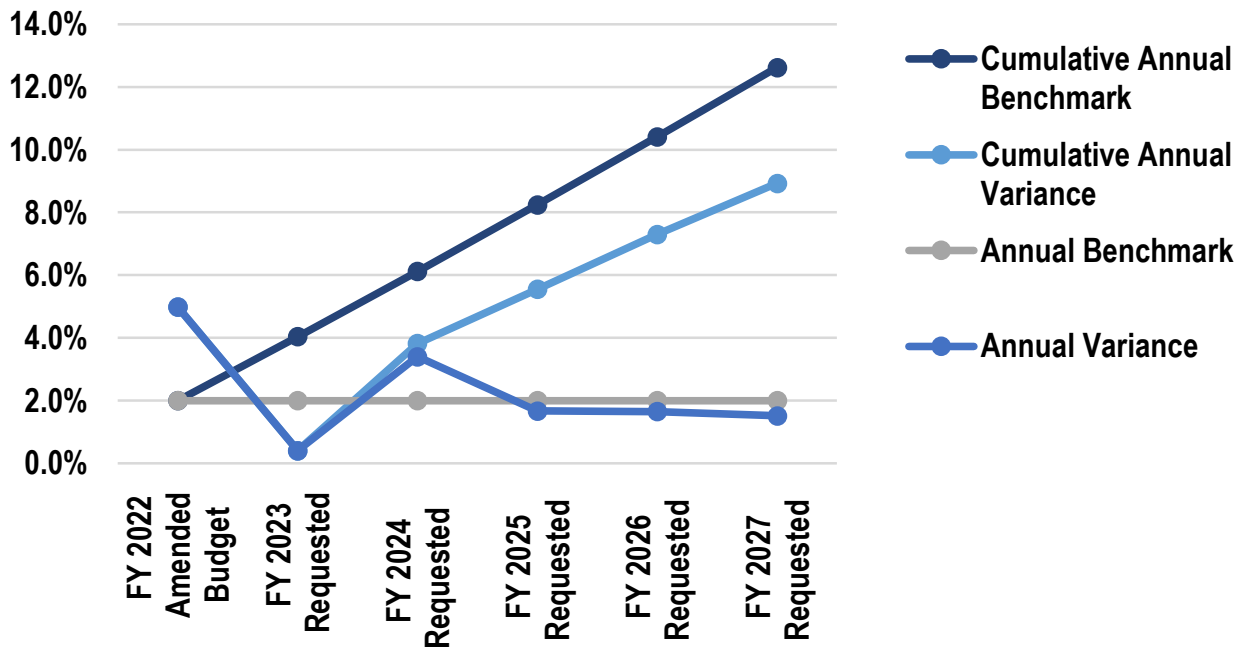
Five-Year Biennial Budget Request by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Enterprise Asset Management Systems	\$ 7,835,600	\$ 1,704,400	\$ 7,880,200	\$ 44,600	0.6%	\$ 8,136,900	\$ 8,240,400	\$ 8,371,400	\$ 8,500,300
Business Productivity Systems	4,722,800	791,000	4,746,500	23,700	0.5%	4,816,200	4,887,200	4,959,800	5,034,000
Infrastructure	17,797,500	5,798,200	17,729,900	(67,600)	-0.4%	18,014,900	18,352,100	18,740,900	19,046,200
Security & Risk	468,600	67,200	428,800	(39,800)	-8.5%	545,800	549,200	552,700	556,200
Service Delivery	3,716,100	911,100	3,779,100	63,000	1.7%	3,936,700	3,995,900	4,055,800	4,117,300
Project Management Office	1,328,200	444,100	1,344,400	16,200	1.2%	1,351,000	1,357,700	1,364,200	1,370,600
Office of the CIO	1,183,600	314,400	1,293,200	109,600	9.3%	1,665,900	1,727,000	1,711,100	1,734,600
Grand Total	\$ 37,052,400	\$ 10,030,400	\$ 37,202,100	\$ 149,700	0.4%	\$ 38,467,400	\$ 39,109,500	\$ 39,755,900	\$ 40,359,200

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The IT financial plan reflects a five-year overall increase of 8.9% while the entity-wide goal is a cumulative 12.6% for planning purposes based upon an annual 2% adjustment.

PLAN - 2% ANNUAL CEILING FOR TOTAL O&M



Capital Outlay

Information Technology five-year capital outlay plan is funded by both the Improvements & Extension budget and the Operations & Maintenance budget.

Five-Year Capital Outlay Plan by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Operations & Maintenance	\$ 3,534,944	\$ 3,314,500	\$ 3,482,500	\$ 3,552,100	\$ 3,623,000	\$ 3,695,400
Hardware	2,025,773	1,966,100	2,107,400	2,149,500	2,192,500	2,236,400
Software	1,509,171	1,348,400	1,375,100	1,402,600	1,430,500	1,459,000
Improvement & Extension	10,000,000	9,500,000	6,000,000	1,500,000	-	-
Leasehold Improvements, Computers & IT, Furniture & Fixtures	1,000,000	1,000,000	500,000	500,000	-	-
Software	9,000,000	8,500,000	5,500,000	1,000,000	-	-
Grand Total	\$ 13,534,944	\$ 12,814,500	\$ 9,482,500	\$ 5,052,100	\$ 3,623,000	\$ 3,695,400

Five-Year Capital Outlay Plan by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Operations & Maintenance	\$ 3,534,944	\$ 3,314,500	\$ 3,482,500	\$ 3,552,100	\$ 3,623,000	\$ 3,695,400
Improvement & Extension	10,000,000	9,500,000	6,000,000	1,500,000	-	-
Grand Total	\$ 13,534,944	\$ 12,814,500	\$ 9,482,500	\$ 5,052,100	\$ 3,623,000	\$ 3,695,400

Five-Year Capital Outlay Plan by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Service Delivery	\$ 1,583,344	\$ 1,259,800	\$ 1,387,000	\$ 1,414,700	\$ 1,443,000	\$ 1,471,900
Technology Infrastructure	2,191,900	2,218,900	2,243,100	2,268,000	1,293,300	1,319,100
Business Productivity Systems	4,000,000	4,000,000	4,000,000	500,000	-	-
Enterprise Asset Management						
Sytems	5,696,200	5,271,000	1,786,400	802,100	818,100	834,500
Security & Risks	63,500	64,800	66,000	67,300	68,600	69,900
Grand Total	\$ 13,534,944	\$ 12,814,500	\$ 9,482,500	\$ 5,052,100	\$ 3,623,000	\$ 3,695,400

As overall improvements and enhancements to the backbone of the IT infrastructure are completed under the Data Center Modernization Program, certain items will be capitalized through the Improvement & Extension budget as they are related to implementation, physical hardware, and software items. The remaining components are related subscription and other cloud services which will be funded from through IT's Operations & Maintenance budget.

The table below contains the budget details by fiscal year.

Project Description	FY 2021 Improvement & Extension Fund	FY 2021 Operations & Maintenance Fund	FY 2022 Improvement & Extension Fund	FY 2022 Operations & Maintenance Fund	FY 2023 Improvement & Extension Fund	FY 2023 Operations & Maintenance Fund	FY 2024 Improvement & Extension Fund	FY 2024 Operations & Maintenance Fund	Total Improvement & Extension Fund	Total Operations & Maintenance Fund
VSAN Integration	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ -
Hard Drives (VSAN Integration)	64,000	-	-	-	-	-	-	-	64,000	-
Veeam Licensing (Back Up)	260,876	-	-	-	-	-	260,876	-	521,752	-
BUaaS (Professional Services)	15,000	-	-	-	-	-	-	-	15,000	-
Endpoint Protection (Sentinel One)	-	90,000	-	90,000	-	90,000	-	90,000	-	360,000
Isilon Replacement including professional services and migration	-	-	500,000	-	-	-	-	-	500,000	-
DRaaS - Professional Services	-	-	78,540	-	-	-	-	-	78,540	-
(Access Interactive)	-	-	-	426,739	-	426,739	-	426,739	-	1,280,217
DRaaS Subscription Services	-	-	-	-	-	-	-	-	-	-
Amazon Web Services (Storage and Server Costs)	-	-	-	100,000	-	100,000	-	100,000	-	300,000
Forcepoint (Barracude Replacement)	-	-	-	-	300,000	-	-	-	300,000	-
Cybersecurity Monitoring Solution	-	-	-	-	-	225,000	-	225,000	-	450,000
Hybrid Cloud Migration/NSX-T	-	-	-	-	-	515,871	-	515,871	-	1,031,742
Hybrid Cloud Migration Professional Services	-	-	-	-	173,250	-	-	-	173,250	-
Network Cisco Switch Replacement/Upgrade	-	-	-	-	-	-	500,000	-	500,000	-
AD Migration	-	-	-	-	-	-	150,000	-	150,000	-
Total	\$ 839,876	\$ 90,000	\$ 578,540	\$ 616,739	\$ 473,250	\$ 1,357,610	\$ 910,876	\$ 1,357,610	\$ 2,802,542	\$ 3,421,959



Line-Item Budget and Plan

The Information Technology five-year plan by line-item expense begins on the next page. The expenses are for each cost center. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
883301 - Office of the CIO	\$ 802,400	\$ 1,183,600	\$ 314,400	\$ 1,293,200	\$ 1,665,900	\$ 1,727,000	\$ 1,711,100	\$ 1,734,600
2.1 Salaries & Wages	419,500	403,000	162,700	504,100	776,000	776,000	776,000	776,000
2.4 Employee Benefits	99,900	119,000	40,800	154,000	237,600	242,100	246,700	251,300
4.2 Supplies & Other	98,700	61,600	20,700	118,100	120,100	161,200	124,900	127,600
Memberships, Licenses & Subscriptions	64,100	27,400	16,100	83,200	84,700	125,100	88,100	89,900
Office Supplies	33,600	14,300	3,100	14,600	14,800	15,100	15,400	15,800
Operating Supplies	-	-	100	-	-	-	-	-
Training and Internal Meetings	1,000	9,000	1,100	9,200	9,300	9,500	9,700	9,900
Travel	-	10,900	300	11,100	11,300	11,500	11,700	12,000
4.3 Contractual Services	184,300	600,000	90,200	517,000	532,200	547,700	563,500	579,700
Contract Services-Information Technology	184,300	600,000	90,200	517,000	532,200	547,700	563,500	579,700
883311 Project Management Office	1,224,400	1,328,200	444,100	1,344,400	1,351,000	1,357,700	1,364,200	1,370,600
2.1 Salaries & Wages	972,400	1,013,300	343,900	1,002,000	1,002,000	1,002,000	1,002,000	1,002,000
2.4 Employee Benefits	234,800	298,500	99,800	313,300	319,400	325,500	331,700	337,800
4.2 Supplies & Other	16,800	16,400	400	29,100	29,600	30,200	30,500	30,800
Memberships, Licenses & Subscriptions	1,600	1,600	400	14,100	14,300	14,600	14,600	14,600
Training and Internal Meetings	13,800	14,000	-	14,100	14,400	14,700	15,000	15,300
Travel	-	800	-	900	900	900	900	900
Tuition Refund	1,400	-	-	-	-	-	-	-
4.3 Contractual Services	400	-	-	-	-	-	-	-
Contractual Operating Services	400	-	-	-	-	-	-	-
883321 - Service Delivery	2,944,700	3,716,100	911,100	3,779,100	3,936,700	3,995,900	4,055,800	4,117,300
2.1 Salaries & Wages	912,800	924,600	302,100	968,300	968,300	968,300	968,300	968,300
2.3 Overtime	300	-	-	-	-	-	-	-
2.4 Employee Benefits	349,800	340,600	106,100	371,700	379,000	386,300	393,600	400,900
4.2 Supplies & Other	894,500	759,900	255,200	780,100	795,300	811,300	827,400	844,100
Capital Outlay less than \$5,000	120,200	100,000	38,200	102,000	104,000	106,100	108,200	110,400
Office Supplies	600	-	1,700	-	-	-	-	-
Memberships, Licenses & Subscriptions	15,300	5,300	200	5,400	5,500	5,600	5,700	5,800
Printing	-	300,000	-	306,000	312,000	318,200	324,600	331,100
Repairs & Maintenance-Equipment	2,700	-	27,900	-	-	-	-	-
Repairs & Maintenance-Hardware	(100)	45,500	-	46,400	47,300	48,200	49,200	50,200
Repairs & Maintenance-Miscellaneous	-	26,400	-	26,900	27,400	27,900	28,500	29,100
Repairs & Maintenance-Software	752,800	203,300	187,200	212,400	216,600	221,100	225,400	229,900
Training and Internal Meetings	1,700	63,500	-	64,800	66,000	67,400	68,700	70,100
Travel	-	15,900	-	16,200	16,500	16,800	17,100	17,500
Tuition Refund	1,300	-	-	-	-	-	-	-
4.3 Contractual Services	751,600	507,700	122,900	552,200	563,200	574,500	585,900	597,700
Contract Services-Information Technology	159,600	-	-	-	-	-	-	-
Telecom, Managed Security & Network Svcs	592,000	507,700	122,900	552,200	563,200	574,500	585,900	597,700
5.2 Shared Services	(166,600)	(150,000)	(50,000)	(153,000)	(156,100)	(159,200)	(162,400)	(165,600)
Shared Services : Salaries & Wages	-	-	-	-	-	-	-	-
Reimbursement	(119,000)	(51,500)	(17,200)	(52,500)	(53,600)	(54,700)	(55,800)	(56,900)
Shared Services Reimbursement	-	(78,000)	(26,000)	(79,600)	(81,200)	(82,800)	(84,500)	(86,200)
Shared Services: Employee Benefit	-	-	-	-	-	-	-	-
Reimbursement	(47,600)	(20,500)	(6,800)	(20,900)	(21,300)	(21,700)	(22,100)	(22,500)
6.0 Capital Outlay	202,300	1,333,300	174,800	1,259,800	1,387,000	1,414,700	1,443,000	1,471,900
Capital Outlay over \$5k(O&M-Capitalized)	202,300	1,333,300	174,800	1,259,800	1,387,000	1,414,700	1,443,000	1,471,900



Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
883331 - Infrastructure	15,195,700	17,797,500	5,798,200	17,729,900	18,014,900	18,352,100	18,740,900	19,046,200
2.1 Salaries & Wages	1,047,700	1,111,800	348,300	1,143,000	1,143,000	1,143,000	1,143,000	1,143,000
2.4 Employee Benefits	299,800	351,100	111,100	377,900	385,300	392,800	400,200	407,600
4.2 Supplies & Other	1,117,700	1,800,000	434,100	1,880,600	1,872,000	1,909,400	1,992,600	1,986,400
Capital Outlay less than \$5,000	246,800	-	61,800	-	-	-	-	-
Repairs & Maintenance-Equipment	-	-	200	-	-	-	-	-
Repairs & Maintenance-Hardware	693,500	1,664,900	236,200	1,698,100	1,731,800	1,766,400	1,801,700	1,837,700
Repairs & Maintenance-Software	166,600	93,900	134,300	140,600	97,500	99,500	146,500	103,500
Memberships, Licenses & Subscriptions	7,100	-	1,600	-	-	-	-	-
Training and Internal Meetings	3,700	21,200	-	21,600	22,000	22,400	22,900	23,300
Travel	-	20,000	-	20,300	20,700	21,100	21,500	21,900
4.3 Contractual Services	13,868,300	14,167,700	5,083,500	14,451,000	14,739,800	15,034,500	15,335,300	15,642,000
Contract Services-Information Technology	8,100	92,500	8,800	94,300	96,100	98,000	100,000	102,000
Contractual Operating Services	156,000	556,100	52,000	567,200	578,500	590,000	601,800	613,900
Telecom, Managed Security & Network Svcs	13,697,800	13,519,100	5,022,700	13,789,500	14,065,200	14,346,500	14,633,500	14,926,100
Telecommunications-Data Com Equip	6,400	-	-	-	-	-	-	-
5.2 Shared Services	(1,736,600)	(825,000)	(275,000)	(841,500)	(858,300)	(875,400)	(892,900)	(910,700)
Shared Services : Salaries & Wages								
Reimbursement	(92,200)	(150,000)	(50,000)	(153,000)	(156,100)	(159,200)	(162,400)	(165,600)
Shared Services Reimbursement	(1,607,600)	(615,000)	(205,000)	(627,300)	(639,800)	(652,600)	(665,600)	(678,900)
Shared Services: Employee Benefit								
Reimbursement	(36,800)	(60,000)	(20,000)	(61,200)	(62,400)	(63,600)	(64,900)	(66,200)
6.0 Capital Outlay	598,800	1,191,900	96,200	718,900	733,100	747,800	762,700	777,900
Capital Outlay over \$5k(O&M-Capitalized)	598,800	1,191,900	96,200	718,900	733,100	747,800	762,700	777,900
883341 - Business Productivity Systems	2,714,500	4,722,800	791,000	4,746,500	4,816,200	4,887,200	4,959,800	5,034,000
2.1 Salaries & Wages	828,700	1,110,900	276,500	1,142,300	1,142,300	1,142,300	1,142,300	1,142,300
2.4 Employee Benefits	216,500	339,300	83,700	364,900	372,000	379,200	386,400	393,500
2.5 Transition Services	-	90,100	-	90,200	90,200	90,200	90,200	90,200
4.2 Supplies & Other	936,000	2,557,400	282,000	2,511,500	2,561,500	2,612,400	2,664,500	2,717,900
Memberships, Licenses & Subscriptions	800	-	5,700	-	-	-	-	-
Repairs & Maintenance-Software	931,700	2,499,200	272,900	2,452,200	2,501,100	2,550,800	2,601,700	2,653,800
Training and Internal Meetings	3,500	36,100	3,400	36,800	37,500	38,200	39,000	39,800
Travel	-	22,100	-	22,500	22,900	23,400	23,800	24,300
4.3 Contractual Services	733,300	625,100	148,800	637,600	650,200	663,100	676,400	690,100
Contract Services-Information Technology	576,700	469,000	96,800	478,400	487,800	497,500	507,500	517,800
Contractual Operating Services	156,600	156,100	52,000	159,200	162,400	165,600	168,900	172,300
883351 - Enterprise Asset Management								
Systems	6,555,600	7,835,600	1,704,400	7,880,200	8,136,900	8,240,400	8,371,400	8,500,300
2.1 Salaries & Wages	1,299,300	1,286,900	456,300	1,333,500	1,339,500	1,339,500	1,339,500	1,339,500
2.4 Employee Benefits	349,400	417,500	140,300	442,000	455,100	463,800	472,600	481,300
2.5 Transition Services	-	70,000	-	-	-	-	-	-
4.2 Supplies & Other	816,800	2,709,200	285,500	1,844,500	1,895,000	1,901,000	1,932,500	1,960,100
Memberships, Licenses & Subscriptions	300	500	-	500	500	500	500	500
Capital Outlay less than \$5,000	59,100	-	-	-	-	-	-	-
Repairs & Maintenance-Software	757,900	2,670,000	284,600	1,804,400	1,854,200	1,859,400	1,890,100	1,916,900
Training and Internal Meetings	2,200	20,000	100	20,400	20,800	21,200	21,600	22,000
Mileage and Parking	-	700	-	800	800	800	800	800
Travel	(2,700)	18,000	800	18,400	18,700	19,100	19,500	19,900
4.3 Contractual Services	2,605,900	2,890,800	862,000	3,984,000	4,165,600	4,248,800	4,333,700	4,420,400
Contract Services-Information Technology	2,226,600	2,845,000	795,900	3,937,300	4,118,000	4,200,200	4,284,100	4,369,800
Contractual Operating Services	379,300	45,800	66,100	46,700	47,600	48,600	49,600	50,600
5.2 Shared Services	721,500	(485,000)	(161,700)	(494,800)	(504,700)	(514,800)	(525,000)	(535,500)
Shared Services : Salaries & Wages								
Reimbursement	20,500	(41,600)	(13,900)	(42,500)	(43,400)	(44,300)	(45,200)	(46,100)
Shared Services Reimbursement	692,500	(428,700)	(142,900)	(437,300)	(446,000)	(454,900)	(463,900)	(473,200)
Shared Services: Employee Benefit								
Reimbursement	8,500	(14,700)	(4,900)	(15,000)	(15,300)	(15,600)	(15,900)	(16,200)
6.0 Capital Outlay	762,700	946,200	122,000	771,000	786,400	802,100	818,100	834,500
Capital Outlay over \$5k(O&M-Capitalized)	762,700	946,200	122,000	771,000	786,400	802,100	818,100	834,500



Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
883361 - Security & Risk	197,600	468,600	67,200	428,800	545,800	549,200	552,700	556,200
2.1 Salaries & Wages	155,800	310,600	32,000	277,000	367,600	367,600	367,600	367,600
2.4 Employee Benefits	50,000	90,800	9,500	83,200	108,400	110,400	112,500	114,600
4.2 Supplies & Other	21,800	3,700	-	3,800	3,800	3,900	4,000	4,100
Capital Outlay less than \$5,000	21,800	-	-	-	-	-	-	-
Memberships, Licenses & Subscriptions	-	3,700	-	3,800	3,800	3,900	4,000	4,100
5.2 Shared Services	(36,400)	-	-	-	-	-	-	-
Shared Services : Salaries & Wages	-	-	-	-	-	-	-	-
Reimbursement	(26,000)	-	-	-	-	-	-	-
Shared Services: Employee Benefit	-	-	-	-	-	-	-	-
Reimbursement	(10,400)	-	-	-	-	-	-	-
6.0 Capital Outlay	6,400	63,500	25,700	64,800	66,000	67,300	68,600	69,900
Capital Outlay over \$5k(O&M-Capitalized)	6,400	63,500	25,700	64,800	66,000	67,300	68,600	69,900
Grand Total	\$ 29,634,900	\$ 37,052,400	\$ 10,030,400	\$ 37,202,100	\$ 38,467,400	\$ 39,109,500	\$ 39,755,900	\$ 40,359,200

Security & Integrity

Provide high quality, professional security operations and technical intelligence for the organization and its valued customers throughout Michigan.

The Security and Integrity Area presently is leading GLWA in several strategic initiatives.

❖ **Water Act 2018 Threat and Vulnerability Assessments (Ongoing)**

Re-assess all GLWA facilities for threats and vulnerabilities to meet the five-year requirements of the Water Act of 2018. The progress will be tracked by the Chief of Security and Integrity who will confirm each threat is addressed and vulnerabilities are eliminated.

❖ **Report Management System (Completion in FY 2023)**

Transition to a modernized record and reporting system. This system will be maintained by the Information Technology Team.

❖ **Online Training Program (Ongoing)**

Expand annual training and re-training of certification courses for the Security and Integrity Area team members. The online training program will begin in FY 2022 and be tracked by the completion of certifications of each Security and Integrity Area team member.

❖ **Plan, design & implement a joint “Disaster Response Unit” (Completion in FY 2024)**

The Security and Integrity Group will be working on a concept to Plan, Design, and Implement a Disaster Response Unit. This concept consists of several distinct phases:

- **Phase One** – Identify scope of response and type of equipment necessary to support and sustain responders to include vehicles. This phase was started in FY 2020 with the initial purchase of a truck and a trailer and was completed in FY 2021.
- **Phase Two** - Coordinate with State of Michigan and Federal Emergency Management Agency (FEMA) to research requirements and certify GLWA as a Disaster Response team. This phase will start in FY 2021 with the research of requirements and will be completed in FY 2022.
- **Phase Three** – Identify training requirements and train members to standards. This phase will be completed in FY 2022.
- **Phase Four** – Identify team makeup to include total numbers on team and minimum number to be deployed. This phase will be completed in FY 2022.
- **Phase Five** - Identify policies and standard operating guidelines. This phase will be completed in FY 2023 and will require a review with General Counsel.
- **Phase Six** - Recurring training to ensure competencies and maintain disciplines. This phase will be completed in FY 2024.

❖ **Secondary Fusion Center at Water Works Park (Completion in FY 2023)**

The Security and Integrity Group will be working on a concept to plan, design, and build a secondary Fusion Center at Water Works Park.

The following table shows how the Security & Integrity Area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Security & Integrity Strategic Initiatives	Water Act 2018 Threat and Vulnerability Assessments			x	x	x	x		x			
	Report Management System			x		x						
	Online Training Program										x	
	Plan, design & implement a joint "Disaster Response Unit"				x	x	x	x	x	x	x	x
	Secondary Fusion Center at Water Works Park			x	x	x	x		x			

Organization

The Security and Integrity Area consists of two teams.

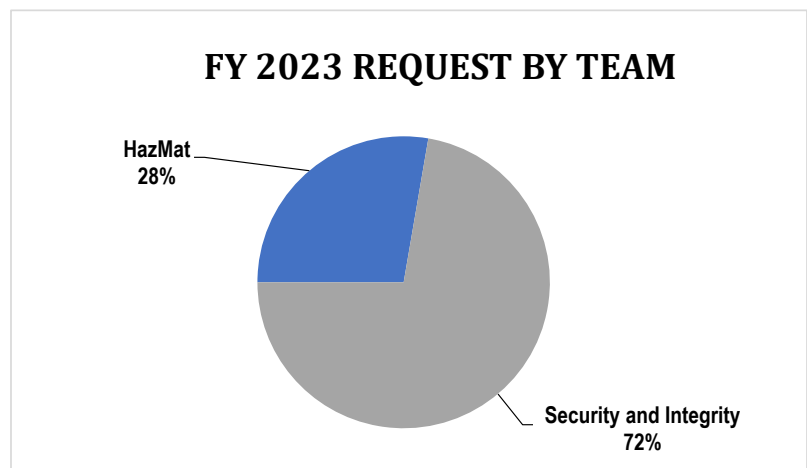
❖ Security and Integrity

Provide high quality, professional security operations and technical intelligence for the organization and its valued customers throughout Michigan.

❖ HazMat

An in-house delivery service within the Security & Integrity Group who perform immediate response to all Level (1) Hazmat calls on the property of Water

Resource Recovery Facility (WRRF). This team provides three main services: immediate response to all HazMat discharges at the WRRF, professional security operations for the Detroit Marine Terminal and confined space rescue standby for GLWA employees at WRRF.

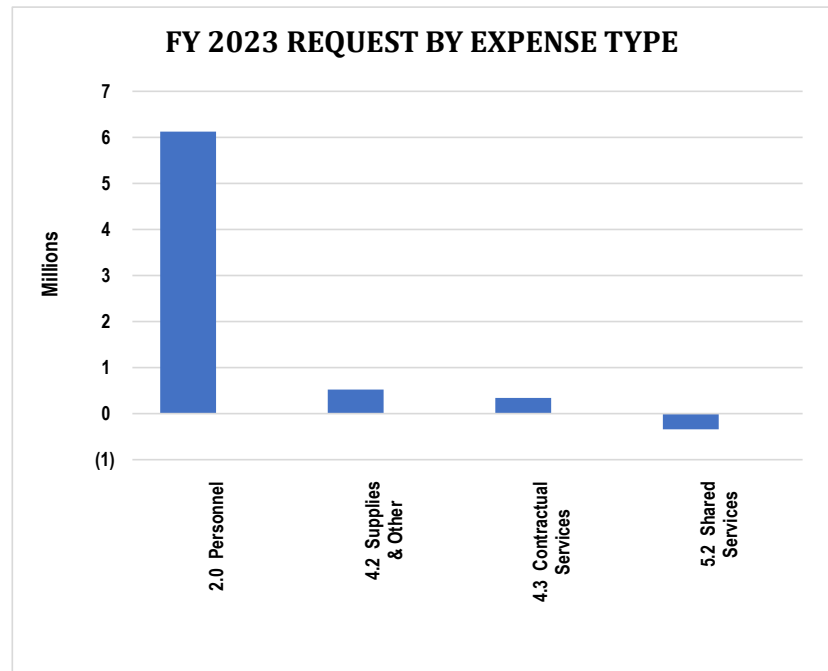


Expense Categories

There are four major categories of Security and Integrity expenses in the Operations and Maintenance Budget as listed below.

- ❖ Personnel Costs
- ❖ Supplies & Other
- ❖ Contractual Services
- ❖ Shared Services

Personnel is the highest expense category for the Security and Integrity Area. In FY 2023, three security officers will be added in first quarter for expanded coverage.



Biennial Budget Request

The biennial budget reflects an overall \$437,600 increase, or 7.1%, in FY 2023.

- ❖ The personnel account is increasing by \$468,400 due to adding three security officers in the first quarter of FY 2023 for expanded coverage.
- ❖ The \$17,600 increase in supplies & other is for new employee bullet proof vests, tasers with holders and uniforms.
- ❖ The contractual services account is decreasing by \$41,700 due to the Report Management System being transferred to the Information Technology budget because it is software that will need to be maintained on GLWA's main server.

Biennial Budget Request by Expense Category

Expense Categories	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 5,922,200	\$ 5,652,400	\$ 1,931,400	\$ 6,120,800	\$ 468,400	8.3%	\$ 6,334,000
4.2 Supplies & Other	227,900	503,600	56,400	521,200	17,600	3.5%	531,200
4.3 Contractual Services	215,600	380,600	36,400	338,900	(41,700)	-11.0%	345,600
5.1 Capital Program Allocation	(8,500)	-	-	-	-	0.0%	-
5.2 Shared Services	(323,500)	(338,100)	(112,600)	(344,800)	(6,700)	2.0%	(351,800)
5.5 Intergovernmental Agreement	(300)	-	(300)	-	-	0.0%	-
Grand Total	\$ 6,033,400	\$ 6,198,500	\$ 1,911,300	\$ 6,636,100	\$ 437,600	7.1%	\$ 6,859,000



Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
HazMat	1,512,500	1,717,200	\$ 506,100	1,740,200	23,000	1.3%	1,929,300
Security and Integrity	4,520,900	4,481,300	\$ 1,405,200	4,895,900	414,600	9.3%	4,929,700
Grand Total	\$ 6,033,400	\$ 6,198,500	\$ 1,911,300	\$ 6,636,100	\$ 437,600	7.1%	\$ 6,859,000

Personnel Budget

The Security and Integrity Area consists of 82 positions in FY 2023. Three security officers will be added in the first quarter of FY 2023 for expanded coverage. The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Security and Integrity Area	79.00	79.00	82.00	84.00	85.00	86.00	86.00
Security and Integrity	60.00	60.00	63.00	63.00	64.00	65.00	65.00
HazMat	19.00	19.00	19.00	21.00	21.00	21.00	21.00

Full-time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.

Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Security and Integrity Area	79.00	79.00	82.00	84.00	85.00	86.00	86.00
Security and Integrity	60.00	60.00	63.00	63.00	64.00	65.00	65.00
HazMat	19.00	19.00	19.00	21.00	21.00	21.00	21.00

Personnel Budget – The following table presents the Security & Integrity personnel budget which consists of the following expense categories: Salaries & Wages, Overtime and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above.



Personnel Budget

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Security and Integrity	\$ 4,126,800	\$ 1,439,300	\$ 4,526,600	\$ 399,800	9.7%	\$ 4,553,500
HazMat	1,525,600	492,100	1,594,200	68,600	4.5%	1,780,500
Grand Total	\$ 5,652,400	\$ 1,931,400	\$ 6,120,800	\$ 468,400	8.3%	\$ 6,334,000

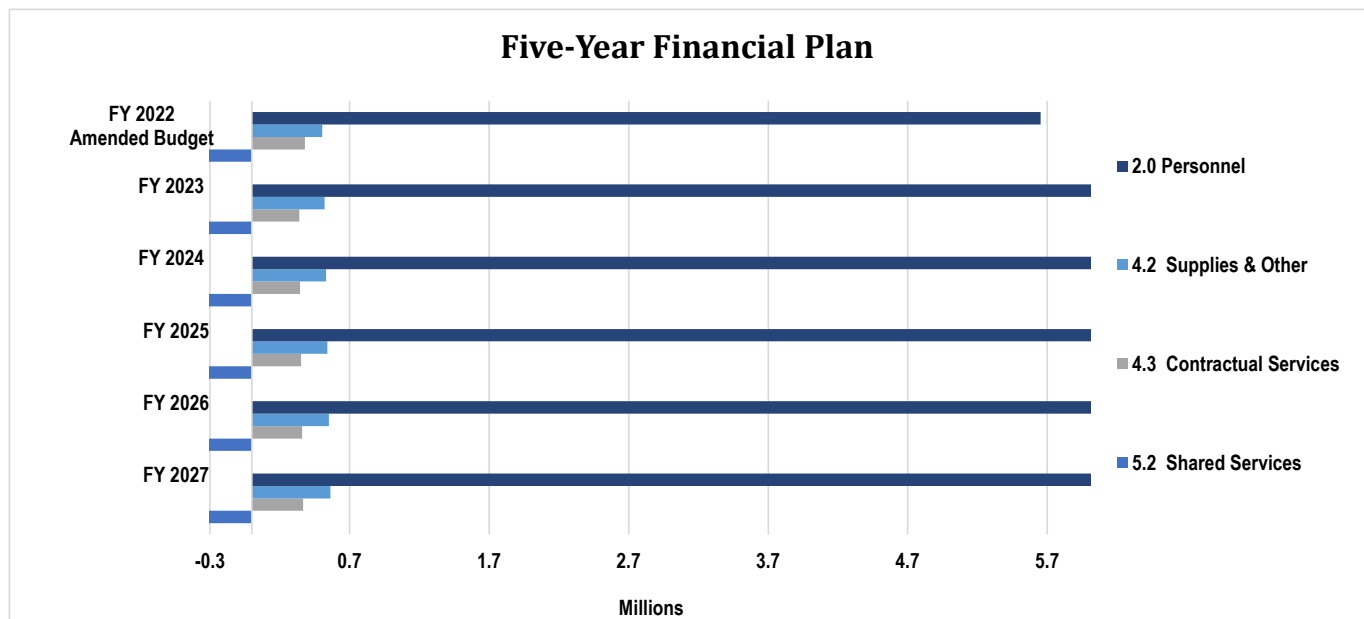
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Security and Integrity	\$ 4,126,800	\$ 4,526,600	\$ 4,553,500	\$ 4,642,300	\$ 4,732,000	\$ 4,759,700
HazMat	1,525,600	1,594,200	1,780,500	1,790,200	1,799,900	1,809,600
Grand Total	\$ 5,652,400	\$ 6,120,800	\$ 6,334,000	\$ 6,432,500	\$ 6,531,900	\$ 6,569,300

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 5,652,400	\$ 1,931,400	\$ 6,120,800	\$ 468,400	8.3%	\$ 6,334,000	\$ 6,432,500	\$ 6,531,900	\$ 6,569,300
4.2 Supplies & Other	503,600	56,400	521,200	17,600	3.5%	531,200	541,200	551,800	562,500
4.3 Contractual Services	380,600	36,400	338,900	(41,700)	-11.0%	345,600	352,500	359,500	366,700
5.2 Shared Services	(338,100)	(112,600)	(344,800)	(6,700)	2.0%	(351,800)	(358,900)	(366,000)	(373,300)
5.5 Intergovernmental Agreement	-	(300)	-	-	0.0%	-	-	-	-
Grand Total	\$ 6,198,500	\$ 1,911,300	\$ 6,636,100	\$ 437,600	7.1%	\$ 6,859,000	\$ 6,967,300	\$ 7,077,200	\$ 7,125,200

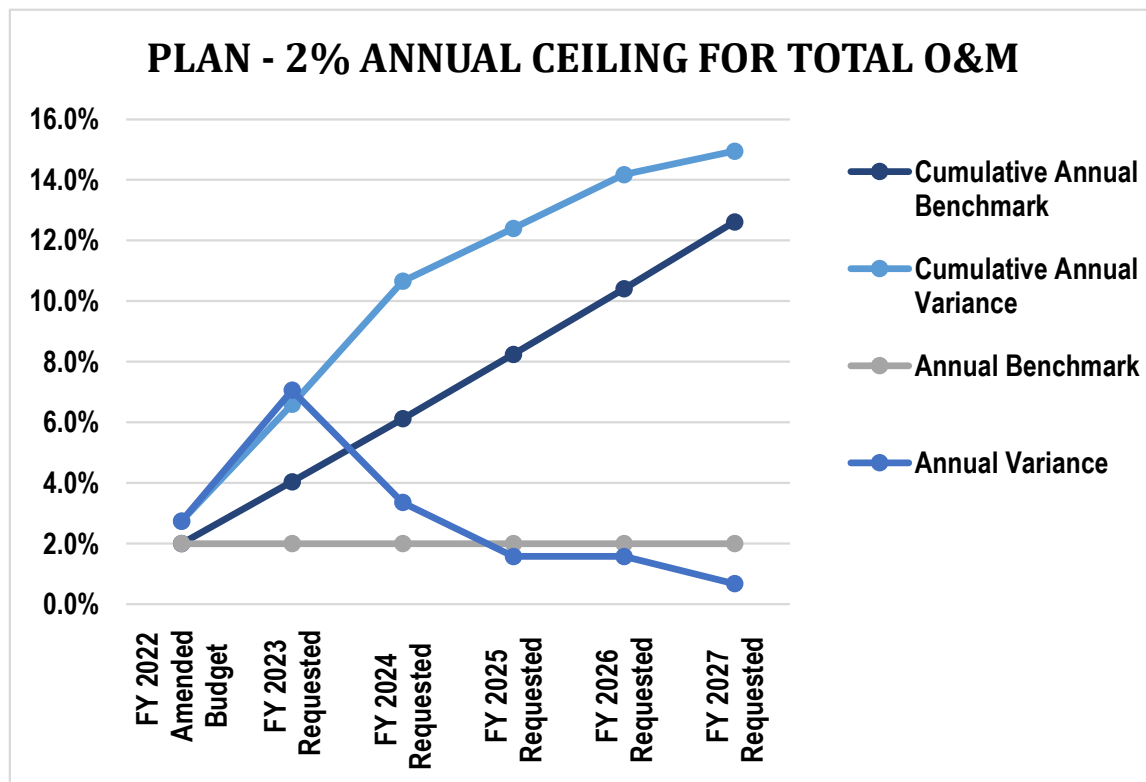


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
HazMat	\$ 1,717,200	\$ 506,100	\$ 1,740,200	\$ 23,000	1.3%	\$ 1,929,300	\$ 1,941,400	\$ 1,954,100	\$ 1,967,200
Security and Integrity	4,481,300	1,405,200	4,895,900	414,600	9.3%	4,929,700	5,025,900	5,123,100	5,158,000
Grand Total	\$ 6,198,500	\$ 1,911,300	\$ 6,636,100	437,600	7.1%	\$ 6,859,000	\$ 6,967,300	\$ 7,077,200	\$ 7,125,200

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Security and Integrity Area financial plan reflects a five-year overall increase of 15.3%, which is higher than the entity-wide goal of a cumulative ceiling of no more than 12.6% for planning purposes (based upon an annual 2% adjustment). The main reason for the increase is due to the addition of three security officers for expanded coverage.



Capital Outlay

The Security and Integrity Area capital outlay is funded by the Improvement & Extension (I&E) budget.

Five-Year Capital Outlay by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 80,000	\$ 192,600	\$ 83,200	\$ 84,800	\$ 86,400	\$ 88,200
Access Control, Surveillance	80,000	192,600	83,200	84,800	86,400	88,200
Grand Total	\$ 80,000	\$ 192,600	\$ 83,200	\$ 84,800	\$ 86,400	\$ 88,200

Five-Year Capital Outlay by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 80,000	\$ 192,600	\$ 83,200	\$ 84,800	\$ 86,400	\$ 88,200
Grand Total	\$ 80,000	\$ 192,600	\$ 83,200	\$ 84,800	\$ 86,400	\$ 88,200

Five-Year Capital Outlay by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Security and Integrity	80,000	131,600	83,200	84,800	86,400	88,200
HazMat	-	61,000	-	-	-	-
Grand Total	\$ 80,000	\$ 192,600	\$ 83,200	\$ 84,800	\$ 86,400	\$ 88,200

Line-Item Budget and Financial Plan

The five-year plan by line-item expense is below. The expenses are listed for each cost center. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.



Security & Integrity
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
881201 - Security and Integrity	\$ 4,520,900	\$ 4,481,300	\$ 1,405,200	\$ 4,895,900	\$ 4,929,700	\$ 5,025,900	\$ 5,123,100	\$ 5,158,000
2.1 Salaries & Wages	2,757,600	2,753,000	913,900	2,974,900	2,974,900	3,013,000	3,051,100	3,051,100
2.3 Overtime	275,800	168,500	114,300	177,100	177,100	179,900	182,800	182,800
2.4 Employee Benefits	1,415,900	1,205,300	411,100	1,374,600	1,401,500	1,449,400	1,498,100	1,525,800
4.2 Supplies & Other	181,900	312,000	42,400	375,200	382,400	390,000	397,600	404,900
Memberships, Licenses & Subscriptions	24,800	32,000	6,200	34,500	35,200	35,900	36,500	37,300
Mileage and Parking	-	200	-	200	200	200	200	200
Office Supplies	10,200	15,000	4,700	15,300	15,600	15,900	16,200	16,500
Supplies & Other - Covid19	100	-	-	-	-	-	-	-
Operating Supplies	94,200	114,100	11,000	130,800	133,200	135,800	138,400	141,200
Training and Internal Meetings	7,700	71,000	1,800	103,300	105,400	107,500	109,700	111,200
Travel	-	16,100	-	16,400	16,700	17,000	17,400	17,700
Tuition Refund	2,500	10,000	900	10,000	10,200	10,400	10,600	10,800
Uniforms, Laundry, Cleaning	-	-	10,800	10,000	10,200	10,400	10,600	10,800
Employee Uniform Expense	42,400	53,600	7,000	54,700	55,700	56,900	58,000	59,200
4.3 Contractual Services	215,600	380,600	36,400	338,900	345,600	352,500	359,500	366,700
Contractual Operating Services	215,600	370,000	36,400	328,100	334,600	341,300	348,100	355,100
Contractual Security Services	-	10,600	-	10,800	11,000	11,200	11,400	11,600
5.1 Capital Program Allocation	(2,100)	-	-	-	-	-	-	-
Capital Program: Salaries & Wages-Direct	(1,500)	-	-	-	-	-	-	-
Capital Program: Employee Benefits	(600)	-	-	-	-	-	-	-
5.2 Shared Services	(323,500)	(338,100)	(112,600)	(344,800)	(351,800)	(358,900)	(366,000)	(373,300)
Shared Services : Salaries & Wages	-	-	-	-	-	-	-	-
Reimbursement	(195,700)	(204,400)	(68,100)	(208,500)	(212,700)	(217,000)	(221,300)	(225,700)
Shared Services Reimbursement	(49,600)	(52,000)	(17,300)	(53,000)	(54,100)	(55,200)	(56,300)	(57,400)
Shared Services: Employee Benefit	-	-	-	-	-	-	-	-
Reimbursement	(78,200)	(81,700)	(27,200)	(83,300)	(85,000)	(86,700)	(88,400)	(90,200)
5.5 Intergovernmental Agreement	(300)	-	(300)	-	-	-	-	-
Intergovernmental Agreement	(300)	-	(300)	-	-	-	-	-
881202 - HazMat	1,512,500	1,717,200	506,100	1,740,200	1,929,300	1,941,400	1,954,100	1,967,200
2.1 Salaries & Wages	935,300	1,016,700	318,200	1,050,400	1,167,900	1,167,900	1,167,900	1,167,900
2.3 Overtime	80,600	97,700	36,900	97,700	108,500	108,500	108,500	108,500
2.4 Employee Benefits	457,000	411,200	137,000	446,100	504,100	513,800	523,500	533,200
4.2 Supplies & Other	46,000	191,600	14,000	146,000	148,800	151,200	154,200	157,600
Memberships, Licenses & Subscriptions	1,100	1,600	-	1,500	1,500	1,500	1,500	1,500
Office Supplies	1,800	18,500	-	18,800	19,100	19,500	19,900	20,300
Supplies & Other - Covid19	400	-	-	-	-	-	-	-
Operating Supplies	33,800	35,000	10,700	35,700	36,400	37,100	37,800	38,600
Repairs & Maintenance-Equipment	1,500	15,500	1,900	17,200	17,500	17,800	18,100	18,400
Training and Internal Meetings	2,900	20,500	-	20,600	21,200	21,300	21,900	22,500
Travel	-	4,000	-	4,000	4,000	4,000	4,000	4,200
Tuition Refund	-	-	600	-	-	-	-	-
Capital Outlay less than \$5,000	-	79,800	-	31,300	31,900	32,600	33,200	33,900
Uniforms, Laundry, Cleaning	-	7,200	-	7,300	7,400	7,500	7,700	7,900
Employee Uniform Expense	4,500	9,500	800	9,600	9,800	9,900	10,100	10,300
5.1 Capital Program Allocation	(6,400)	-	-	-	-	-	-	-
Capital Program: Salaries & Wages-Direct	(4,600)	-	-	-	-	-	-	-
Capital Program: Employee Benefits	(1,800)	-	-	-	-	-	-	-
Grand Total	\$ 6,033,400	\$ 6,198,500	\$ 1,911,300	\$ 6,636,100	\$ 6,859,000	\$ 6,967,300	\$ 7,077,200	\$ 7,125,200

Board of Directors

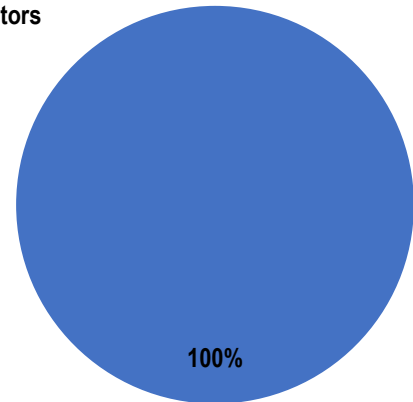
A governing body that brings together representatives from the surrounding counties to set policies that help GLWA execute its mission and vision in the long-term to ensure GLWA is a provider of choice for water and wastewater services in Southeast Michigan.

Organization

The Board of Directors is composed of six voting members. Two members are residents of the City of Detroit and are appointed by the Mayor of the city. The counties of Wayne, Oakland, and Macomb each appoint one member who is a resident of the county from which appointed. The Governor of the State of Michigan appoints one member who is a resident of an area served by GLWA that is outside of the three counties.

FY 2023 REQUEST BY TEAM

■ Board of Directors



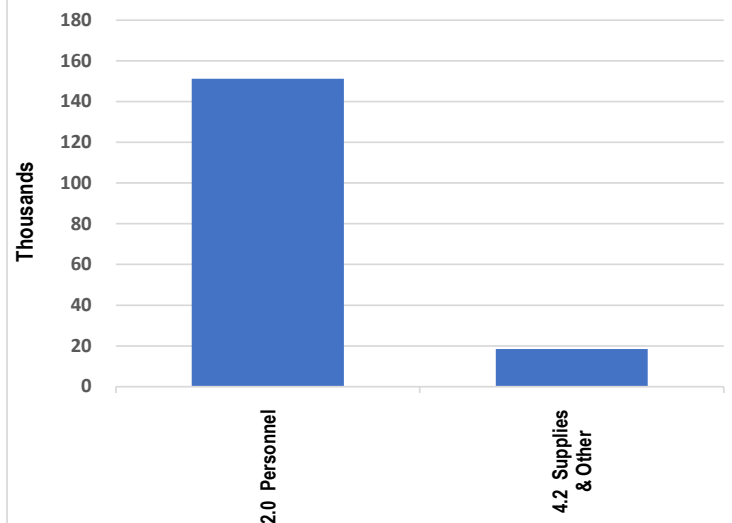
Expense Categories

The primary cost driver in the Board of Directors' area is Salaries, Wages and Benefits. This is the category in which the Board's stipends are recorded. A budget to actual variance is recognized when a Board member opts out of receiving the monthly stipend.

Supplies & Other is the other expenditure category which includes the following expenses:

- ❖ Memberships, Licenses & Subscriptions
- ❖ Travel
- ❖ Training & Internal Meetings

FY 2023 REQUEST BY EXPENSE TYPE





Biennial Budget Request

The biennial budget reflects a decrease of \$650,000, or 79.3%, in FY 2023. There is no change in the Personnel and Supplies & Other categories.

- ❖ Personnel - FY 2023 assumes 100% participation in the stipend for Board members. The budget is amended during the current year if Board members opt out of receiving the monthly stipend.
- ❖ Contractual Services – The FY 2022 Amended Budget includes three contracts for the independent investigation into the June 25th-26th, 2021, and July 16th, 2021, rain events. These contracts should conclude prior to the end of FY 2022.

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 157,500	\$ 151,200	\$ 50,400	\$ 151,200	\$ -	0.0%	\$ 151,200
4.2 Supplies & Other	-	18,400	2,400	18,400	-	0.0%	18,400
4.3 Contractual Services	-	650,000	97,700	-	(650,000)	-100.0%	-
Grand Total	\$ 157,500	\$ 819,600	\$ 150,500	\$ 169,600	\$ (650,000)	-79.3%	\$ 169,600

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Board of Directors	\$ 157,500	\$ 819,600	\$ 150,500	\$ 169,600	\$ (650,000)	-79.3%	\$ 169,600
Grand Total	\$ 157,500	\$ 819,600	\$ 150,500	\$ 169,600	\$ (650,000)	-79.3%	\$ 169,600

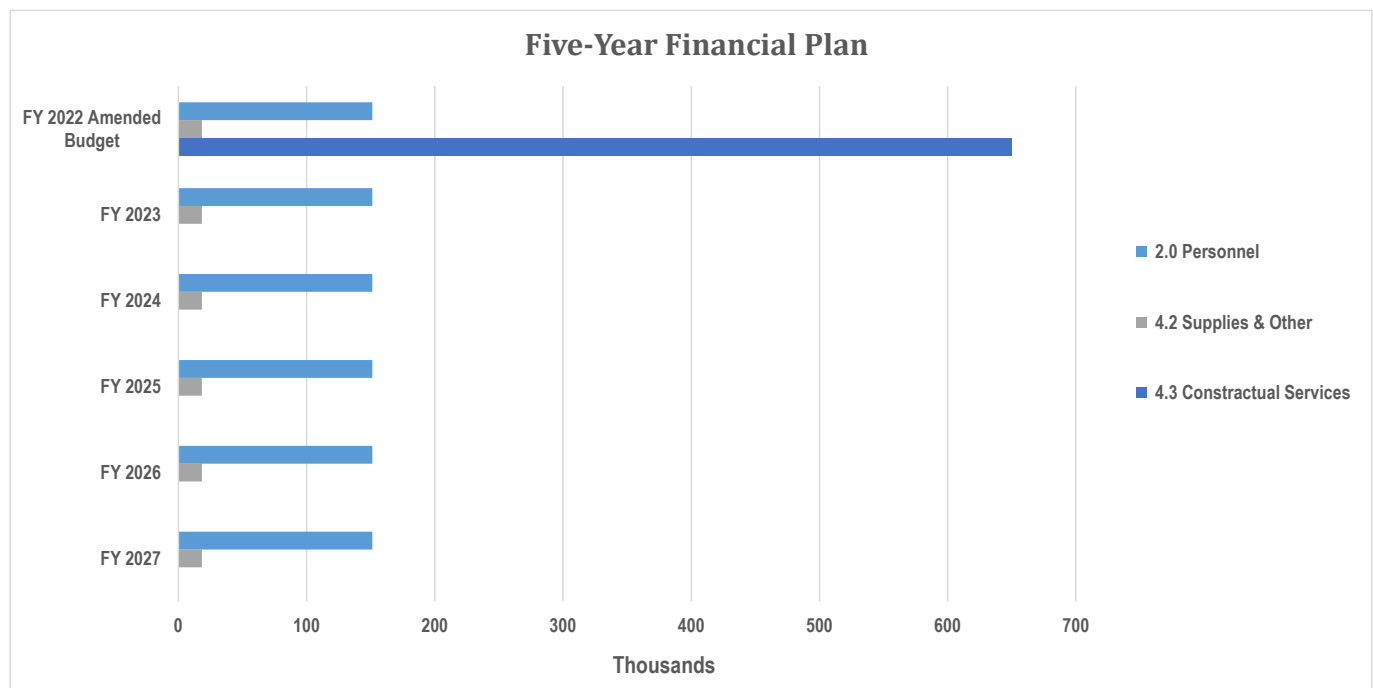
Personnel Budget

The Board of Directors' Area is not reported in the GLWA Staffing Plan and Full-time Equivalents tables.

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 151,200	\$ 50,400	\$ 151,200	\$ -	0.0%	\$ 151,200	\$ 151,200	\$ 151,200	\$ 151,200
4.2 Supplies & Other	18,400	2,400	18,400	-	0.0%	18,400	18,400	18,400	18,400
4.3 Contractual Services	650,000	97,700	-	(650,000)	-100.0%	-	-	-	-
Grand Total	\$ 819,600	\$ 150,500	\$ 169,600	\$ (650,000)	-79.3%	\$ 169,600	\$ 169,600	\$ 169,600	\$ 169,600

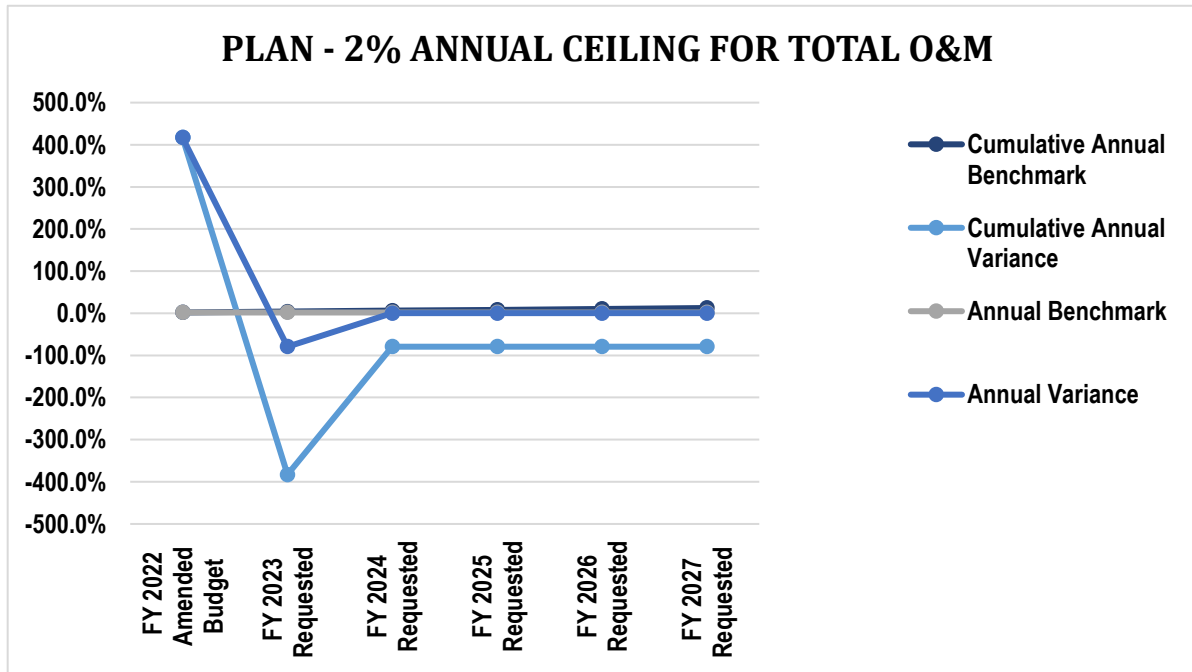


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Board of Directors	\$ 819,600	\$ 150,500	\$ 169,600	\$ (650,000)	-79.3%	\$ 169,600	\$ 169,600	\$ 169,600	\$ 169,600
Grand Total	\$ 819,600	\$ 150,500	\$ 169,600	\$ (650,000)	-79.3%	\$ 169,600	\$ 169,600	\$ 169,600	\$ 169,600

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Board of Directors' financial plan reflects a five-year overall increase of -79.3% while the entity-wide goal is a cumulative 12.6% for planning purposes based upon an annual 2% adjustment. The five-year overall increase without the FY 2022 independent investigation contracts is 0.0%.



Capital Outlay

Capital Outlay is not a component of the Board of Directors' Area.

Line-Item Budget and Financial Plan

The Board of Directors five-year plan by line-item expense is listed below. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
881151 - Board of Directors	\$ 157,500	\$ 819,600	\$ 150,500	\$ 169,600	\$ 169,600	\$ 169,600	\$ 169,600	\$ 169,600
2.1 Salaries & Wages	157,500	151,200	50,400	151,200	151,200	151,200	151,200	151,200
4.2 Supplies & Other	-	18,400	2,400	18,400	18,400	18,400	18,400	18,400
Memberships, Licenses & Subscriptions	-	5,300	-	5,300	5,300	5,300	5,300	5,300
Office Supplies	-	2,600	-	2,600	2,600	2,600	2,600	2,600
Training and Internal Meetings	-	5,300	2,400	5,300	5,300	5,300	5,300	5,300
Travel	-	5,200	-	5,200	5,200	5,200	5,200	5,200
4.3 Contractual Services	-	650,000	97,700	-	-	-	-	-
Contractual Svcs-Flood Events -All Sewer	-	650,000	97,700	-	-	-	-	-
Grand Total	\$ 157,500	\$ 819,600	\$ 150,500	\$ 169,600	\$ 169,600	\$ 169,600	\$ 169,600	\$ 169,600



Chief Executive Officer

The Chief Executive Officer is responsible for the day-to-day supervision and management of the affairs of the utility, including establishing and delineating organizational goals and objectives which further GLWA's mission and vision.

Highlights

In conjunction with the GLWA Board, the Chief Executive Officer's initiatives are established and span multiple years. These initiatives speak to the values that are foundational to the establishment of GLWA.

- ❖ Environmental Regulatory Compliance (Ongoing)
- ❖ Financial Resiliency and Charge Equity and Stability (Ongoing)
- ❖ Capital and Operational Utility Optimization (Ongoing)
- ❖ Member Partner Engagement and Satisfaction (Ongoing)
- ❖ GLWA Team Member Support and Retention (Ongoing)
- ❖ GLWA 4% Promise to contain revenue requirement (Ongoing)
- ❖ Commitment to Affordability, Equity, and Inclusion (Ongoing)
- ❖ Application of principles of Effective Utility Management (EUM) (Ongoing)

The table below shows how the Chief Executive Officer's initiatives relate to the organizational strategic goals.

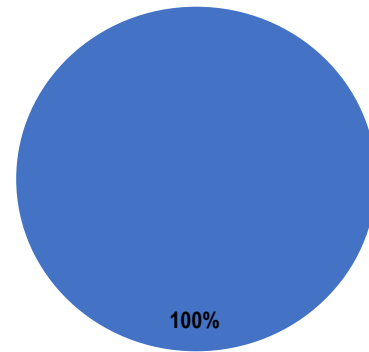
		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Chief Executive Officer Strategic Initiatives	Environmental Regulatory Compliance	x	x	x				x	x			x
	Financial Resiliency and Charge Equity and Stability	x	x					x	x	x		x
	Capital and Operational Utility Optimization	x	x	x	x	x	x	x	x			x
	Member Partner Engagement and Satisfaction						x	x	x	x		x
	GLWA Team Member Support and Retention		x	x	x	x	x	x	x	x	x	x
	GLWA 4% Promise to contain revenue requirement							x		x		
	Commitment to Affordability, Equity, and Inclusion	x	x				x	x	x			x
	Application of principles of Effective Utility Management (EUM)	x	x	x	x	x	x	x	x	x	x	x

Organization

The Chief Executive Officer's area has one team.

FY 2023 REQUEST BY TEAM

■ Chief Executive Officer



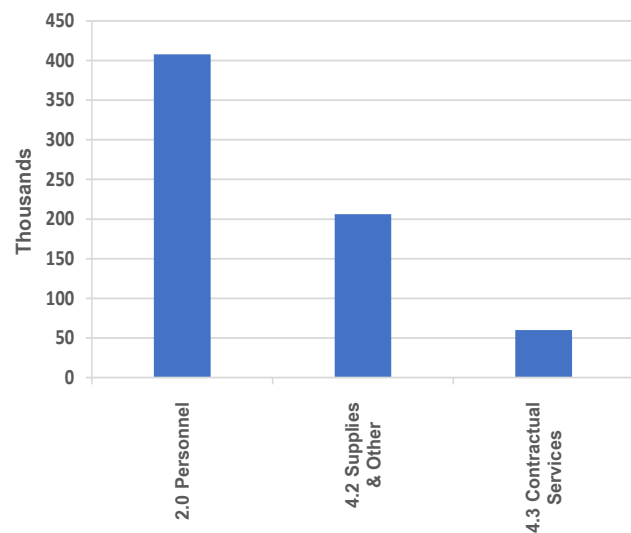
Expense Categories

The Chief Executive Officer's area consists of three major expense categories:

- ❖ Personnel
- ❖ Supplies & Other
- ❖ Contractual Services

Based upon the nature of this service area, the highest category of expense is salaries. The second highest, Supplies & Other, provides for training, organizational memberships, and includes the contract with Park Rite for parking spaces.

FY 2023 REQUEST BY EXPENSE TYPE





Biennial Budget Request

The biennial budget reflects a decrease of \$86,300, or 11.3%, in FY 2023.

- ❖ Personnel – FY 2022 amended budget includes the transition of the CEO, who retired in July 2021, to the Interim CEO as a national search is being conducted for the authority's new CEO.
- ❖ Contractual Services – The FY 2022 amended budget has been increased to cover the additional costs anticipated for the transition of the new CEO.

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 403,100	\$ 451,100	\$ 253,900	\$ 407,900	\$ (43,200)	-9.6%	\$ 409,600
4.2 Supplies & Other	166,700	205,400	28,600	206,300	900	0.4%	210,300
4.3 Contractual Services	-	104,000	22,000	60,000	(44,000)	0.0%	61,200
Grand Total	\$ 569,800	\$ 760,500	\$ 304,500	\$ 674,200	\$ (86,300)	-11.3%	\$ 681,100

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Chief Executive Officer	\$ 569,800	\$ 760,500	\$ 304,500	\$ 674,200	\$ (86,300)	-11.3%	\$ 681,100
Grand Total	\$ 569,800	\$ 760,500	\$ 304,500	\$ 674,200	\$ (86,300)	-11.3%	\$ 681,100

Personnel Budget

The staffing plan provides for the Chief Executive Officer and administrative support. This is consistent with the staffing plans of prior years.

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan – The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Chief Executive Officer	2.00	2.00	2.00	2.00	2.00	2.00	2.00

Full Time Equivalents – The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.



Full Time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Chief Executive Officer	2.00	2.00	2.00	2.00	2.00	2.00	2.00

Personnel Budget - The table below presents the Chief Executive Officer's personnel budget which consists of the following expense categories: Salaries & Wages and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above using current pay levels. Wage and benefit adjustments are based on merit increases and are accounted for in the Unallocated Reserve line item for the Administrative Services Operating Area which is shown in detail in the Operating Financial Plan Introduction section.

The FY 2022 amended budget shows an increase due to the overlap of the CEO and the Interim CEO who assumed the role prior to the CEO's retirement in September 2021.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Chief Executive Officer	\$ 403,100	\$ 451,100	\$ 253,900	\$ 407,900	\$ (43,200)	-9.6%	\$ 409,600
Grand Total	\$ 403,100	\$ 451,100	\$ 253,900	\$ 407,900	\$ (43,200)	-9.6%	\$ 409,600

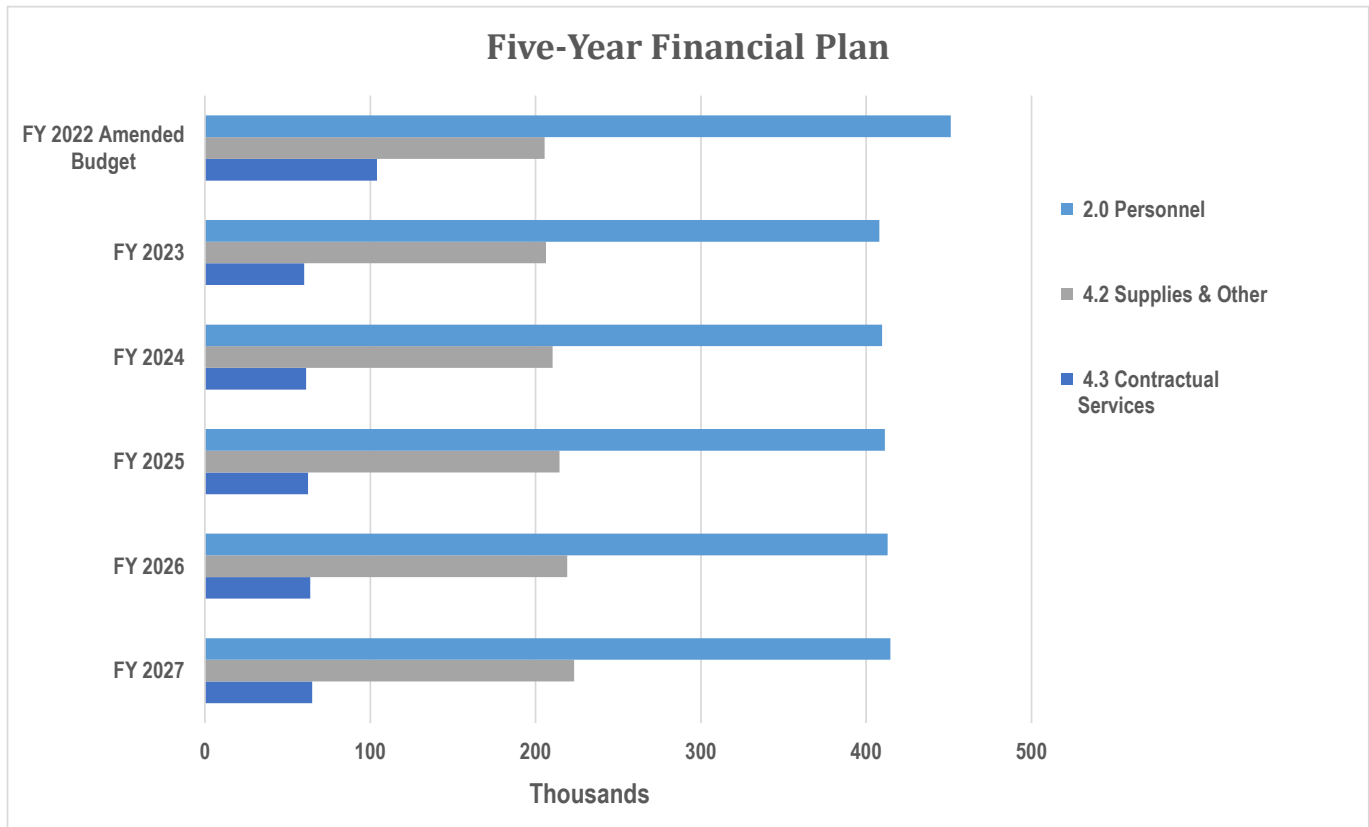
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Chief Executive Officer	\$ 451,100	\$ 407,900	\$ 409,600	\$ 411,300	\$ 412,900	\$ 414,600
Grand Total	\$ 451,100	\$ 407,900	\$ 409,600	\$ 411,300	\$ 412,900	\$ 414,600

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 451,100	\$ 253,900	\$ 407,900	\$ (43,200)	-9.6%	\$ 409,600	\$ 411,300	\$ 412,900	\$ 414,600
4.2 Supplies & Other	205,400	50,600	206,300	900	0.4%	210,300	214,500	219,100	223,300
4.3 Contractual Services	104,000	-	60,000	(44,000)	0.0%	61,200	62,400	63,700	64,900
Grand Total	\$ 760,500	\$ 304,500	\$ 674,200	\$ (86,300)	-11.3%	\$ 681,100	\$ 688,200	\$ 695,700	\$ 702,800



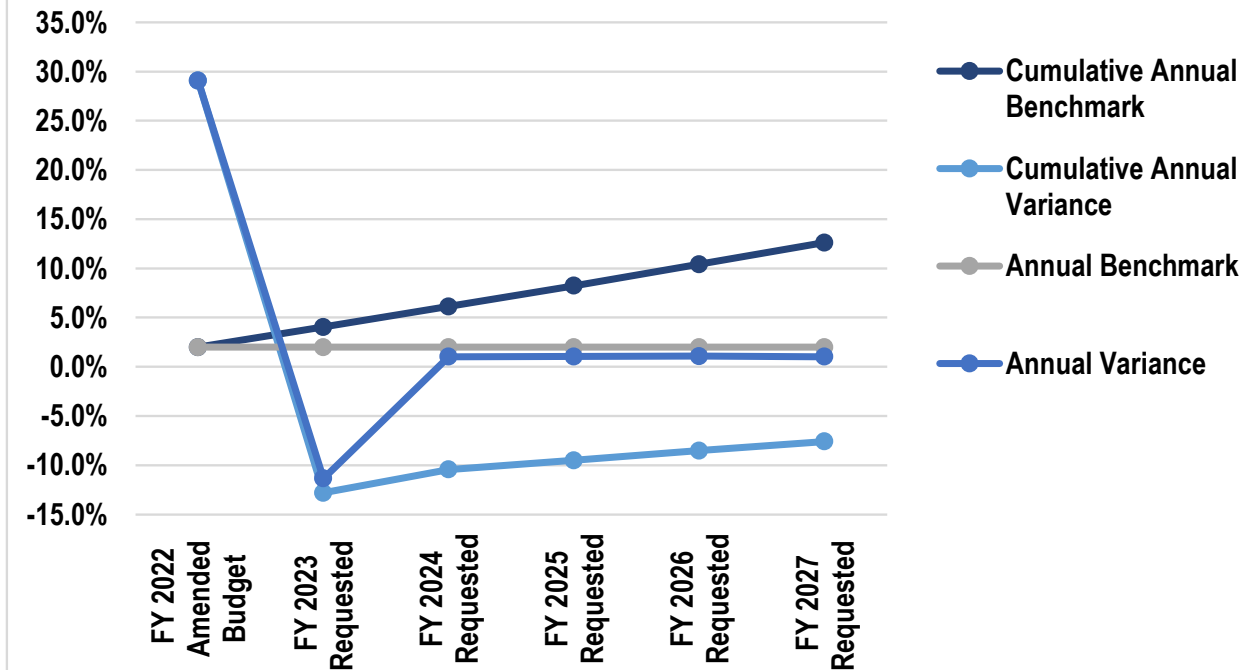
Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Chief Executive Officer	\$ 760,500	\$ 304,500	\$ 674,200	\$ (86,300)	-11.3%	\$ 681,100	\$ 688,200	\$ 695,700	\$ 702,800
Grand Total	\$ 760,500	\$ 304,500	\$ 674,200	\$ (86,300)	-11.3%	\$ 681,100	\$ 688,200	\$ 695,700	\$ 702,800

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Chief Executive Officer's financial plan reflects a five-year overall decrease of 7.6% while the entity-wide goal is a cumulative 12.6% ceiling for planning purposes based upon an annual 2% adjustment.

PLAN - 2% ANNUAL CEILING FOR TOTAL O&M



Capital Outlay

Capital Outlay is not a component of the Chief Executive Officer Area.

Line-Item Budget and Financial Plan

The five-year plan by line-item expense is listed below. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
881001 - Chief Executive Officer	\$ 569,800	\$ 760,500	\$ 304,500	\$ 674,200	\$ 681,100	\$ 688,200	\$ 695,700	\$ 702,800
2.1 Salaries & Wages	353,100	370,200	213,200	322,800	322,800	322,800	322,800	322,800
Salaries & Wages	353,100	370,200	213,200	322,800	322,800	322,800	322,800	322,800
2.4 Employee Benefits	50,000	80,900	40,700	85,100	86,800	88,500	90,100	91,800
Employee Benefits	50,000	80,900	40,700	85,100	86,800	88,500	90,100	91,800
4.2 Supplies & Other	166,700	205,400	50,600	206,300	210,300	214,500	219,100	223,300
Memberships, Licenses & Subscriptions	103,400	107,300	27,900	107,300	109,400	111,600	113,900	116,100
Office Supplies	800	10,700	700	10,600	10,800	11,000	11,300	11,500
Postage	-	-	-	100	100	100	100	100
Mileage and Parking	62,400	69,000	22,000	69,900	71,300	72,700	74,200	75,700
Training and Internal Meetings	100	7,400	-	7,400	7,500	7,700	7,900	8,000
Travel	-	11,000	-	11,000	11,200	11,400	11,700	11,900
4.3 Contractual Services	-	104,000	-	60,000	61,200	62,400	63,700	64,900
Contractual Professional Services	-	104,000	-	60,000	61,200	62,400	63,700	64,900
Legal	-	-	-	-	-	-	-	-
Grand Total	\$ 569,800	\$ 760,500	\$ 304,500	\$ 674,200	\$ 681,100	\$ 688,200	\$ 695,700	\$ 702,800

Chief Administrative and Compliance Officer

The Chief Administrative and Compliance Officer Area support the ongoing labor negotiations throughout GLWA.

The Chief Administrative and Compliance Officer Area presently is leading GLWA in several strategic initiatives.

- ❖ **Support GLWA's Cooperative Labor-Management Relationship (Ongoing)**
Focus on expansion of safety teams; identify and acknowledge safe work performance. This strategic initiative is measured by the success of negotiation and implementation of the Collective Bargaining Agreement along with quick resolution of any unfair labor practices complaints.
- ❖ **Continue Build Out of Legislative Relations team (Ongoing)**
Establish annual legislative agenda for the utility.
- ❖ **Support multi-area change management throughout the utility (Ongoing)**
Provide leadership support for large multi-area initiatives.

The following table shows how the Chief Administrative and Compliance Officer Area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Chief Administrative Officer Strategic Initiatives	Support GLWA's Cooperative Labor-Management Relationship						x					
	Continue Build Out of Legislative Relations team						x		x	x		x
	Support multi-area change management throughout the utility				x			x	x		x	x

Organization

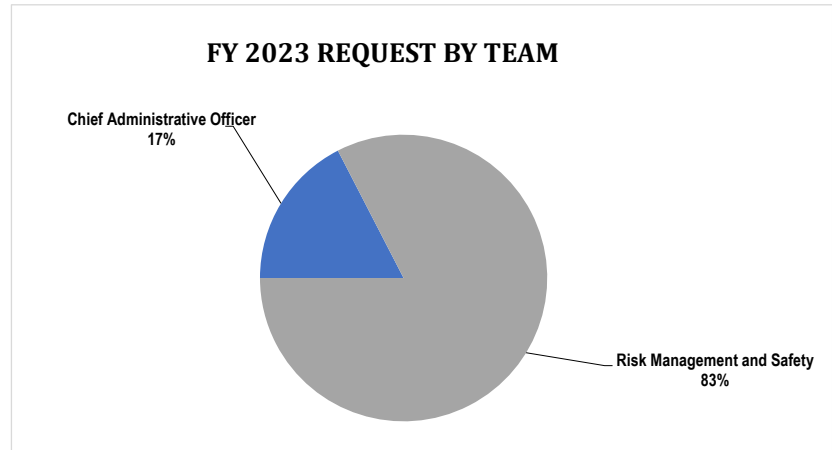
The Chief Administrative and Compliance Officer (CACO) Area consists of two teams.

❖ Chief Administrative Officer

Provides support to the Board of Directors and the Chief Executive Officer. The Office provides coordinative services and administrative support to Enterprise Risk Management, Organizational Development, General Counsel, and Information Technology.

❖ Risk Management and Safety

Responsible for a process, effected by GLWA's board of directors and management, which is designed to identify potential events that may affect the Authority, and to manage risk within its risk appetite to provide reasonable assurance regarding the achievement of GLWA's objectives.

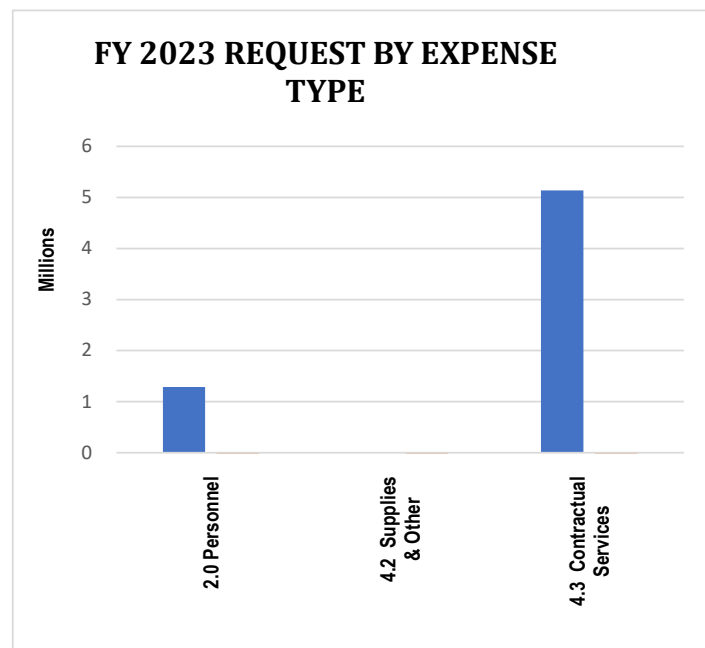


Expense Categories

There are three major categories of Chief Administrative and Compliance Officer area expenses in the Operations and Maintenance Budget as listed below.

- ❖ Personnel
- ❖ Supplies & Other
- ❖ Contractual Services

Contractual Services is the highest expense category and for FY 2023 the contractual services account encompasses two major contracts; Government Relation Services and NTH Engineering contract (#2002946) which replaces an earlier NTH Engineering contract (CS-213) for environmental health and safety compliance services



Biennial Budget Request

The biennial budget reflects an overall increase of \$82,600, or 1.3% in FY 2023.

- ❖ The personnel account is decreasing by \$117,500 due to the decision to delay filling the four vacant positions until fourth quarter of FY 2023. There is one vacant position in the Chief Administrator Officer personnel budget and three vacant positions in Risk Management and Safety personnel budget.
- ❖ The supplies and other account is increasing by \$2,900 to invest in employee training and development.
- ❖ The contractual services account is increasing by \$197,200 to reflect the estimated annual premium rate increase within the Enterprise Risk Management Fund associated with the placement of insurance policies.

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 1,138,200	\$ 1,421,400	\$ 417,000	\$ 1,303,900	\$ (117,500)	-8.3%	\$ 1,638,800
4.2 Supplies & Other	13,900	28,900	2,400	31,800	2,900	10.0%	32,300
4.3 Contractual Services	3,905,000	4,963,600	1,286,900	5,160,800	197,200	4.0%	5,263,900
Grand Total	\$ 5,057,100	\$ 6,413,900	\$ 1,706,300	\$ 6,496,500	\$ 82,600	1.3%	\$ 6,935,000

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Chief Administrative Officer	\$ 719,100	\$ 1,174,100	\$ 291,900	\$ 1,118,400	\$ (55,700)	-4.7%	\$ 1,219,300
Risk Management and Safety	4,338,000	5,239,800	1,414,400	5,378,100	138,300	2.6%	5,715,700
Grand Total	\$ 5,057,100	\$ 6,413,900	\$ 1,706,300	\$ 6,496,500	\$ 82,600	1.3%	\$ 6,935,000

Personnel Budget

The Chief Administrative and Compliance Officer Area consists of 13 positions for FY 2023, which is staying consistent with the FY 2022 staffing level.

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Chief Administrative and Compliance Officer Area	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Chief Administrative Officer	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Risk Management and Safety	8.00	8.00	8.00	8.00	8.00	8.00	8.00

Full-time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year.

Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Chief Administrative and Compliance Officer Area	13.00	11.50	10.00	13.00	13.00	13.00	13.00
Chief Administrative Officer	5.00	5.00	4.25	5.00	5.00	5.00	5.00
Risk Management and Safety	8.00	6.50	5.75	8.00	8.00	8.00	8.00

Personnel Budget - The table below presents the Chief Administrative and Compliance Officer Area personnel budget which consists of the following expense categories: Salaries & Wages and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Chief Administrative Officer	\$ 590,200	\$ 707,600	\$ 219,000	\$ 640,200	\$ (67,400)	-9.5%	\$ 731,700
Risk Management and Safety	548,000	713,800	198,000	663,700	(50,100)	-7.0%	907,100
Grand Total	\$ 1,138,200	\$ 1,421,400	\$ 417,000	\$ 1,303,900	\$ (117,500)	-8.3%	\$ 1,638,800



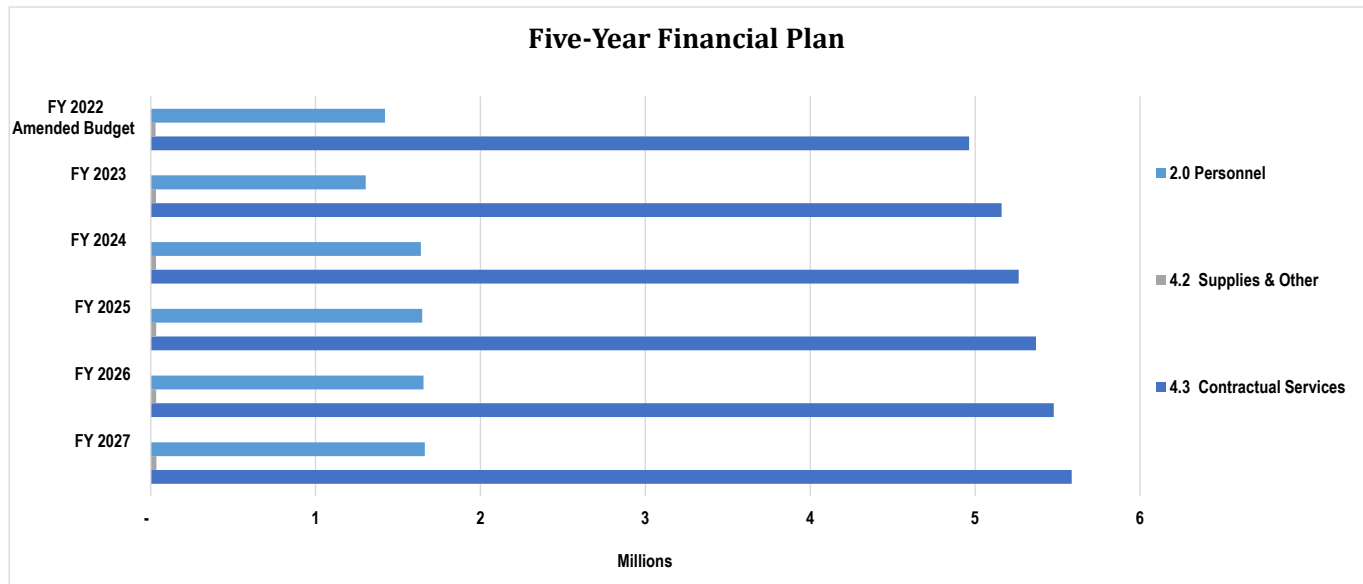
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Chief Administrative Officer	\$ 707,600	\$ 640,200	\$ 731,700	\$ 735,000	\$ 738,300	\$ 741,600
Risk Management and Safety	713,800	663,700	907,100	911,500	916,000	920,400
Grand Total	\$ 1,421,400	\$ 1,303,900	\$ 1,638,800	\$ 1,646,500	\$ 1,654,300	\$ 1,662,000

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 1,421,400	\$ 417,000	\$ 1,303,900	\$ (117,500)	-8.3%	\$ 1,638,800	\$ 1,646,500	\$ 1,654,300	\$ 1,662,000
4.2 Supplies & Other	28,900	2,400	31,800	2,900	10.0%	32,300	32,800	33,500	34,000
4.3 Contractual Services	4,963,600	1,286,900	5,160,800	197,200	4.0%	5,263,900	5,369,200	5,476,500	5,586,000
Grand Total	\$ 6,413,900	\$ 1,706,300	\$ 6,496,500	\$ 82,600	1.3%	\$ 6,935,000	\$ 7,048,500	\$ 7,164,300	\$ 7,282,000

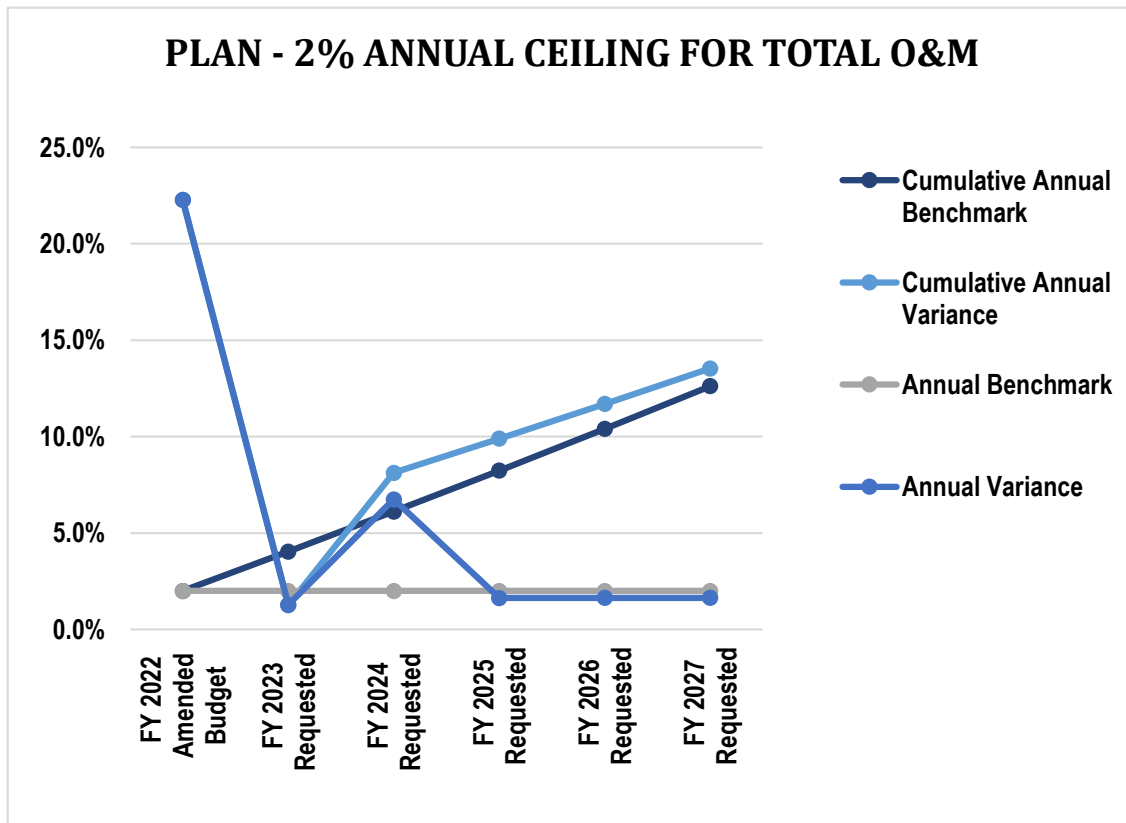


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Chief Administrative Officer	\$ 1,174,100	\$ 291,900	\$ 1,118,400	\$ (55,700)	-4.7%	\$ 1,219,300	\$ 1,232,300	\$ 1,245,500	\$ 1,258,900
Risk Management and Safety	5,239,800	1,414,400	5,378,100	138,300	2.6%	5,715,700	5,816,200	5,918,800	6,023,100
Grand Total	\$ 6,413,900	\$ 1,706,300	\$ 6,496,500	\$ 82,600	1.3%	\$ 6,935,000	\$ 7,048,500	\$ 7,164,300	\$ 7,282,000

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Chief Administrative and Compliance Officer Area financial plan reflects a five-year overall increase of 13.5% while the entity-wide goal is a cumulative 12.6% for planning purposes (based upon an annual 2% adjustment).



Capital Outlay

Capital Outlay is not a component of the Chief Administrative and Compliance Officer Area.



Line-Item Budget and Financial Plan

The Chief Administrative and Compliance Officer area five-year plan by line-item expense is listed below. The expenses are listed for each cost center. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
883001 - Chief Administrative Officer	\$ 719,100	\$ 1,174,100	\$ 291,900	\$ 1,118,400	\$ 1,219,300	\$ 1,232,300	\$ 1,245,500	\$ 1,258,900
2.1 Salaries & Wages	490,300	550,400	175,000	494,500	560,800	560,800	560,800	560,800
2.4 Employee Benefits	99,900	157,200	44,000	145,700	170,900	174,200	177,500	180,800
4.2 Supplies & Other	8,900	6,900	900	9,400	9,500	9,600	9,800	9,900
Memberships, Licenses & Subscriptions	3,600	700	-	900	900	900	900	900
Office Supplies	400	-	600	-	-	-	-	-
Supplies & Other - Covid19	500	-	-	-	-	-	-	-
Training and Internal Meetings	4,400	2,100	300	3,300	3,300	3,300	3,400	3,400
Travel	-	4,100	-	5,200	5,300	5,400	5,500	5,600
4.3 Contractual Services	120,000	459,600	72,000	468,800	478,100	487,700	497,400	507,400
883401 - Risk Management and Safety	4,338,000	5,239,800	1,414,400	5,378,100	5,715,700	5,816,200	5,918,800	6,023,100
2.1 Salaries & Wages	425,200	540,900	151,600	497,900	675,200	675,200	675,200	675,200
2.4 Employee Benefits	122,800	172,900	46,400	165,800	231,900	236,300	240,800	245,200
4.2 Supplies & Other	5,000	22,000	1,500	22,400	22,800	23,200	23,700	24,100
Operating Supplies	4,400	7,000	1,500	7,100	7,200	7,300	7,500	7,600
Training and Internal Meetings	600	15,000	-	15,300	15,600	15,900	16,200	16,500
4.3 Contractual Services	3,785,000	4,504,000	1,214,900	4,692,000	4,785,800	4,881,500	4,979,100	5,078,600
Grand Total	\$ 5,057,100	\$ 6,413,900	\$ 1,706,300	\$ 6,496,500	\$ 6,935,000	\$ 7,048,500	\$ 7,164,300	\$ 7,282,000

General Counsel

Provides legal representation, strategic guidance, counseling, advice, and support to the Great Lakes Water Authority so that it will make sound decisions and use appropriate legal processes to better provide its customers with quality compliant water.

The General Counsel Area presently is leading GLWA in several strategic initiatives.

❖ **Work collaboratively with GLWA water member partners to reopen their water usage demands (Ongoing)**

Ensure that all member partners with direct water service contracts have an opportunity to determine whether they want to adjust their water usage demands. The Board becomes aware of those contracts reopened as all member partner contract amendments are approved by the Board.

❖ **Create a Best Practices Manual (Ongoing)**

Ensure consistent representation of the Authority in contractual, real estate, employment, and litigation matters.

❖ **Incorporate a bill review software for Contractual Services (Completion in FY 2023)**

Use a third-party service to review legal bills budgeted in Contractual Services, which should garner savings in contractual services costs.

❖ **Defend litigation related to the summer 2021 rain events.**

Manage multiple class action lawsuits.

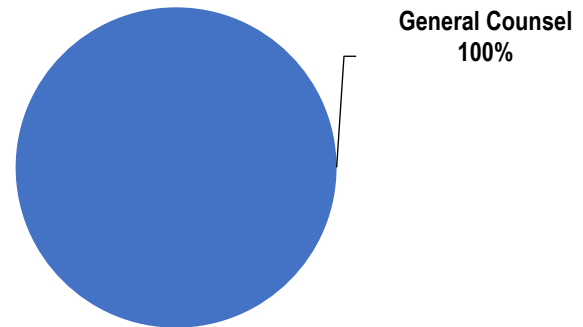
The following table shows how the General Counsel Area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
General Counsel Strategic Initiatives	Work collaboratively with GLWA water member partners to reopen their water usage demands						X	X		X		X
	Create a Best Practices Manual				X	X	X	X		X	X	
	Incorporate a bill review software for Contractual Services				X	X	X	X				
	Defend litigation related to the summer 2021 rain events						X					

Organization

The General Counsel area has one team.

FY 2023 REQUEST BY TEAM



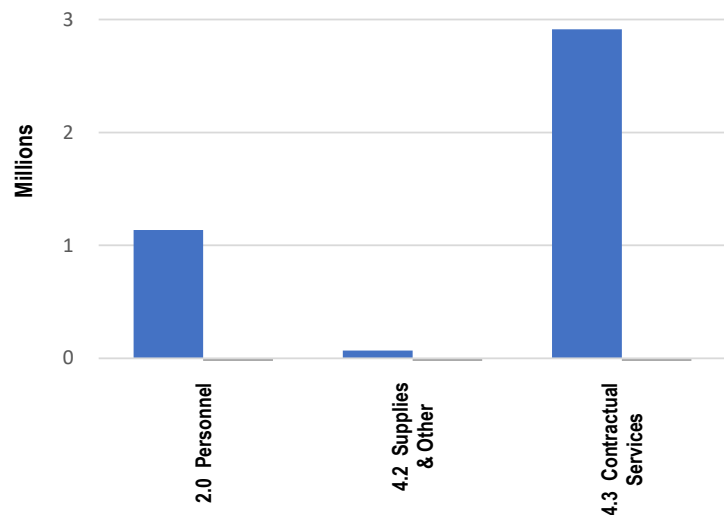
Expense Categories

There are three major categories of General Counsel expenses in the Operations and Maintenance Budget as listed below.

- ❖ Personnel Costs
- ❖ Supplies & Other
- ❖ Contractual Services

Contractual Services is the highest expense category and for FY 2023 it is increasing by \$500,000 for anticipated rain event legal fees. This account contains the outside counsel for a wide range of matters, including expert witnesses, environmental, labor, contract review, land matters, non-transactional bond counsel and other matters.

FY 2023 REQUEST BY EXPENSE TYPE



Biennial Budget Request

The biennial budget reflects an overall increase of \$564,200 or 17.6% in FY 2023.

- ❖ The personnel account is decreasing by \$105,500 due to the decision to delay filling the vacant Director of Strategic Workplace Relations until fourth quarter of FY2023.
- ❖ The supplies and other account are increasing by \$47,700 to invest in employee training and development budgeted at \$35,900. The remaining \$11,800 is due to the incremental increase for supplies.
- ❖ The contractual services account is increasing by \$622,000, due to a \$500,000 placeholder for anticipated rain event legal fees and \$122,000 for incremental in legal fees.

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 958,500	\$ 1,147,400	\$ 376,800	\$ 1,041,900	\$ (105,500)	-9.2%	\$ 1,178,700
4.2 Supplies & Other	9,000	35,600	2,300	83,300	47,700	134.0%	84,800
4.3 Contractual Services	1,031,800	2,020,500	978,800	2,642,500	622,000	30.8%	2,685,300
Grand Total	\$ 1,999,300	\$ 3,203,500	\$ 1,357,900	\$ 3,767,700	\$ 564,200	17.6%	\$ 3,948,800

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
General Counsel	\$ 1,999,300	\$ 3,203,500	\$ 1,357,900	\$ 3,767,700	\$ 564,200	17.6%	\$ 3,948,800
Grand Total	\$ 1,999,300	\$ 3,203,500	\$ 1,357,900	\$ 3,767,700	\$ 564,200	17.6%	\$ 3,948,800

Personnel Budget

General Counsel consists of 8 positions for FY 2023, which is staying consistent with the FY 2022 staffing level. The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
General Counsel	7.00	8.00	8.00	8.00	8.00	8.00	8.00



Full-time Equivalents - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.

Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
General Counsel	7.00	8.00	7.25	8.00	8.00	8.00	8.00

Personnel Budget - The table below presents the General Counsel personnel budget which consists of the following expense categories: Salaries & Wages and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2022 Dollar Variance	FY 2022 Percent Variance	FY 2024 Department Requested
General Counsel	\$ 958,500	\$ 1,147,400	\$ 376,800	\$ 1,041,900	\$ (105,500)	-9.2%	\$ 1,178,700
Grand Total	\$ 958,500	\$ 1,147,400	\$ 376,800	\$ 1,041,900	\$ (105,500)	-9.2%	\$ 1,178,700

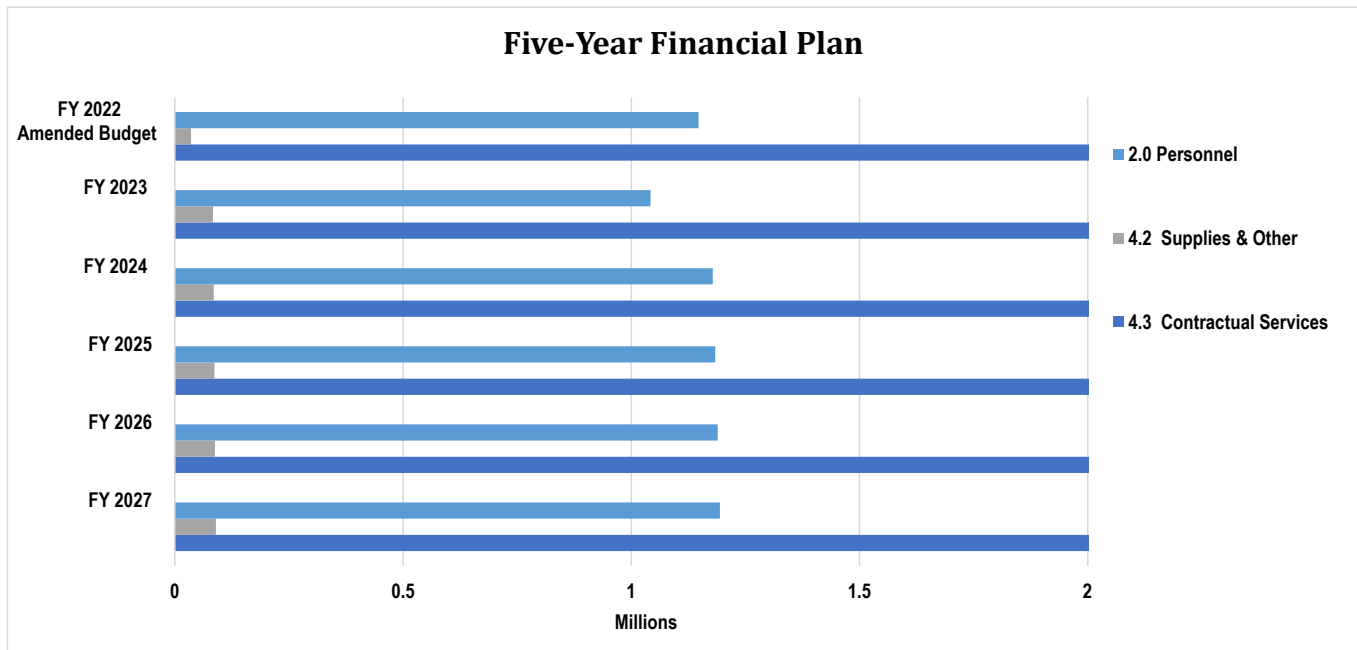
Personnel Budget – Five Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
General Counsel	\$ 1,147,400	\$ 1,041,900	\$ 1,178,700	\$ 1,184,000	\$ 1,189,300	\$ 1,194,500
Grand Total	\$ 1,147,400	\$ 1,041,900	\$ 1,178,700	\$ 1,184,000	\$ 1,189,300	\$ 1,194,500

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 1,147,400	\$ 376,800	\$ 1,041,900	\$ (105,500)	-9.2%	\$ 1,178,700	\$ 1,184,000	\$ 1,189,300	\$ 1,194,500
4.2 Supplies & Other	35,600	2,300	83,300	47,700	134.0%	84,800	86,400	88,000	89,700
4.3 Contractual Services	2,020,500	978,800	2,642,500	622,000	30.8%	2,685,300	2,729,000	2,773,600	2,819,100
Grand Total	\$ 3,203,500	\$ 1,357,900	\$ 3,767,700	\$ 564,200	17.6%	\$ 3,948,800	\$ 3,999,400	\$ 4,050,900	\$ 4,103,300

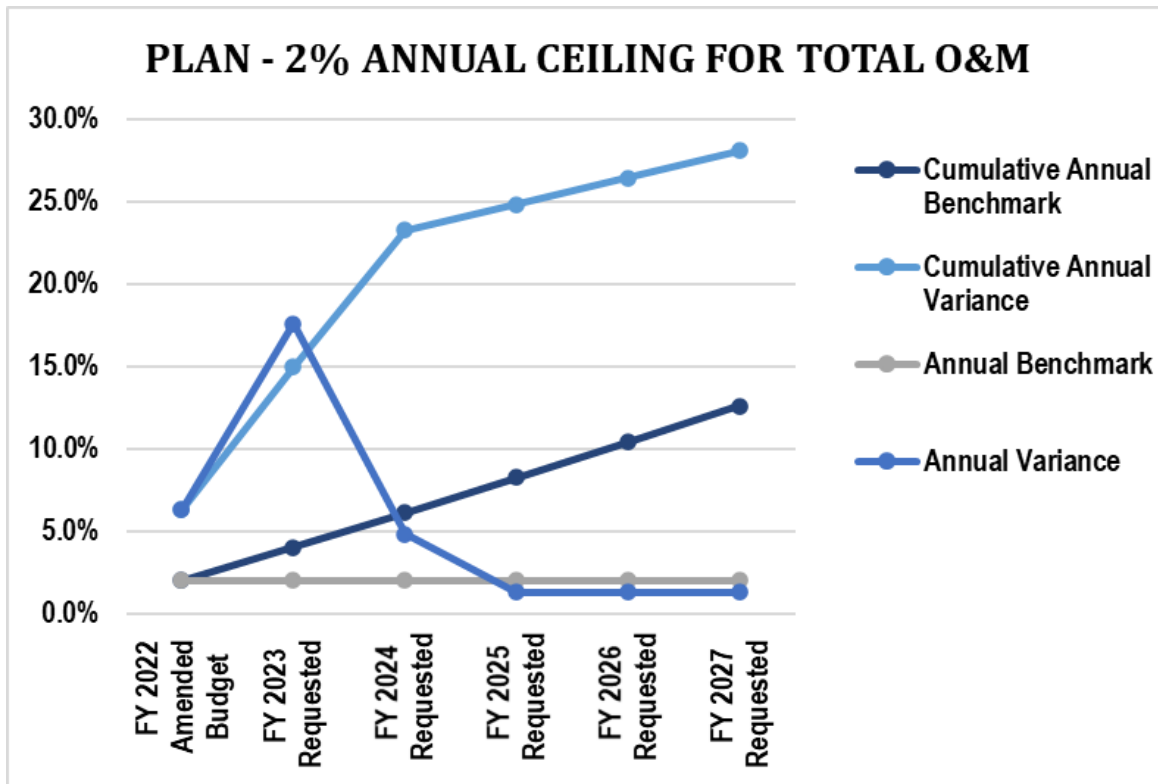


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
General Counsel	\$ 3,203,500	\$ 1,357,900	\$ 3,767,700	\$ 564,200	17.6%	\$ 3,948,800	\$ 3,999,400	\$ 4,050,900	\$ 4,103,300
Grand Total	\$ 3,203,500	\$ 1,357,900	\$ 3,767,700	\$ 564,200	17.6%	\$ 3,948,800	\$ 3,999,400	\$ 4,050,900	\$ 4,103,300

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The General Counsel Area financial plan reflects a five-year overall increase of 28.1% while the entity-wide goal is a cumulative 12.6% for planning purposes based upon an annual 2% adjustment. The main reason for the increase is due to the \$500,000 placeholder in legal fees account for anticipated rain event legal fees.



Capital Outlay

Capital Outlay is not a component of the General Counsel Area.

Line-Item Budget and Financial Plan

The General Counsel five-year plan by line-item expense is listed below. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
883101 - General Counsel	\$ 1,999,300	\$ 3,203,500	\$ 1,357,900	\$ 3,767,700	\$ 3,948,800	\$ 3,999,400	\$ 4,050,900	\$ 4,103,300
2.1 Salaries & Wages	787,200	893,600	303,200	801,100	904,000	904,000	904,000	904,000
2.4 Employee Benefits	171,300	253,800	73,600	240,800	274,700	280,000	285,300	290,500
4.2 Supplies & Other	9,000	35,600	2,300	83,300	84,800	86,400	88,000	89,700
Memberships, Licenses & Subscriptions	6,500	9,500	2,100	13,000	13,200	13,400	13,600	13,900
Office Supplies	1,200	5,300	200	5,400	5,500	5,600	5,700	5,800
Postage	100	-	-	2,900	2,900	3,000	3,000	3,000
Mileage and Parking	-	-	-	-	-	-	-	-
Training and Internal Meetings	1,200	10,800	-	46,700	47,600	48,500	49,500	50,500
Travel	-	10,000	-	15,300	15,600	15,900	16,200	16,500
4.3 Contractual Services	1,031,800	2,020,500	978,800	2,642,500	2,685,300	2,729,000	2,773,600	2,819,100
Contractual Operating Services	100	-	-	-	-	-	-	-
Contractual Professional Services	-	-	153,000	-	-	-	-	-
Legal	1,031,700	2,020,500	825,800	2,642,500	2,685,300	2,729,000	2,773,600	2,819,100
Grand Total	\$ 1,999,300	\$ 3,203,500	\$ 1,357,900	\$ 3,767,700	\$ 3,948,800	\$ 3,999,400	\$ 4,050,900	\$ 4,103,300

Public Affairs

The Public Affairs Group is responsible for building knowledge of the Authority's mission, vision, and values, as well as sharing its accomplishments with stakeholders – both internal and external.

The Public Affairs Area is presently leading GLWA in several strategic initiatives.

❖ **Build/Rebuild Public Trust in GLWA (Ongoing)**

Implement a comprehensive, proactive, and transparent communications campaign to heighten knowledge of GLWA system operations and efforts to improve overall system resiliency. This initiative is tracked through a message pull through in the monthly KPI report under the stakeholder understanding category.

❖ **Provide a Communications Resource to GLWA Member Partners (Ongoing)**

Leverage the resources and capacity of the Public Affairs Team to produce relevant, informative materials/campaigns for use by GLWA and its member partner communities in educating their elected officials, residents, and other stakeholders about important water/wastewater-related issues.

❖ **Refine GLWA's Internal Communications Outreach (Ongoing)**

Continue to refine and implement an internal communications strategy that engages GLWA team members and helps to grow overall team member morale and satisfaction. This initiative will be measured through an internal communication survey to be conducted annually in the first quarter of each calendar year, to help identify what information team members want and how to improve the ways we communicate that information.

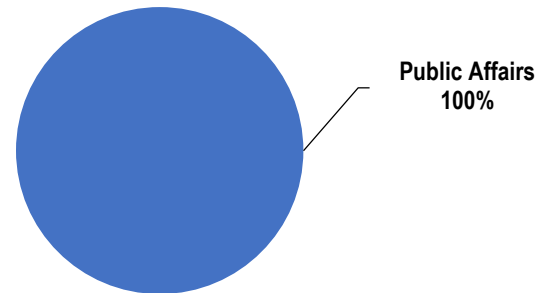
The following table shows how the Public Affairs Area strategic initiatives relate to the organizational strategic goals.

		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Public Affairs Strategic Initiatives	Build/Rebuild Public Trust in GLWA	x					x	x		x	x	x
	Provide a Communications Resource to GLWA Member Partners						x	x		x		x
	Refine GLWA's Internal Communications Outreach						x	x		x	x	x

Organization

The Public Affairs area has one team.

FY 2023 REQUEST BY TEAM



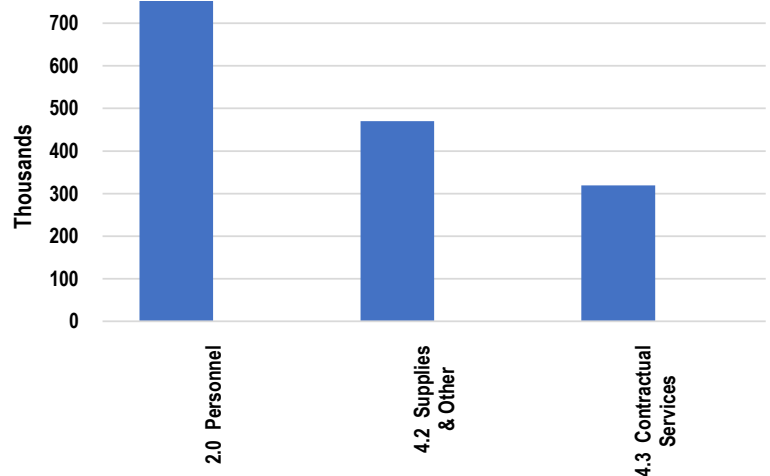
Expense Categories

There are three major categories of Public Affairs expenses in the Operations and Maintenance Budget as listed below.

- ❖ Personnel
- ❖ Supplies & Other
- ❖ Contractual Services

Personnel is the highest expense category for Public Affairs. In FY 2023, two Public Affairs Specialists will be added to expand the capacity to create a broad base of public education materials and campaigns for GLWA and its member partners and begin to bring external Public Relations (PR) and Marketing services in-house.

FY 2023 REQUEST BY EXPENSE TYPE



Biennial Budget Request

The biennial budget reflects an overall \$101,800 increase, or 6.6% in FY 2023.

- ❖ The personnel account is increasing by \$86,900 due to adding two Public Affairs Specialists. One will be added in first quarter of FY 2023 and the second will be added in the fourth quarter of FY 2023.
- ❖ The supplies & other account is increasing by \$8,700 due to the incremental increase in supplies.

- ❖ The contractual services account is increasing by \$6,200 due to incremental increases in several marketing/communications services.

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 635,500	\$ 770,300	\$ 238,000	\$ 857,200	\$ 86,900	11.3%	\$ 1,037,500
4.2 Supplies & Other	102,600	461,200	48,300	469,900	8,700	1.9%	479,100
4.3 Contractual Services	267,800	312,900	105,500	319,100	6,200	2.0%	325,400
Grand Total	\$ 1,005,900	\$ 1,544,400	\$ 391,800	\$ 1,646,200	\$ 101,800	6.6%	\$ 1,842,000

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Public Affairs	\$ 1,005,900	\$ 1,544,400	\$ 391,800	\$ 1,646,200	\$ 101,800	6.6%	\$ 1,842,000
Grand Total	\$ 1,005,900	\$ 1,544,400	\$ 391,800	\$ 1,646,200	\$ 101,800	6.6%	\$ 1,842,000

Personnel Budget

Public Affairs personnel consists of 9 positions for FY 2023, which is an increase of two staffing position from FY 2022. Two Public Affairs Specialists will be added in FY 2023, one in the first quarter and the second in the fourth quarter of FY 2023. The position scheduled to be hired in fourth quarter of FY 2023 will provide sufficient in-house support and capacity to negotiate a lower contract amount when the marketing & communication contract is rebid.

Staffing Plan - The table below presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Public Affairs	8.00	7.00	9.00	9.00	9.00	9.00	9.00

Full-time Equivalents – The following table presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.

Full-time Equivalents

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 205 FTEs	FY 2026 FTEs	FY 2027 FTEs
Public Affairs	7.25	7.00	7.50	9.00	9.00	9.00	9.00

Personnel Budget - The table below presents the Public Affairs personnel budget which consists of the following expense categories: Salaries & Wages and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Public Affairs	\$ 635,500	\$ 770,300	\$ 238,000	\$ 857,200	\$ 86,900	11.3%	\$ 1,037,500
Grand Total	\$ 635,500	\$ 770,300	\$ 238,000	\$ 857,200	\$ 86,900	11.3%	\$ 1,037,500

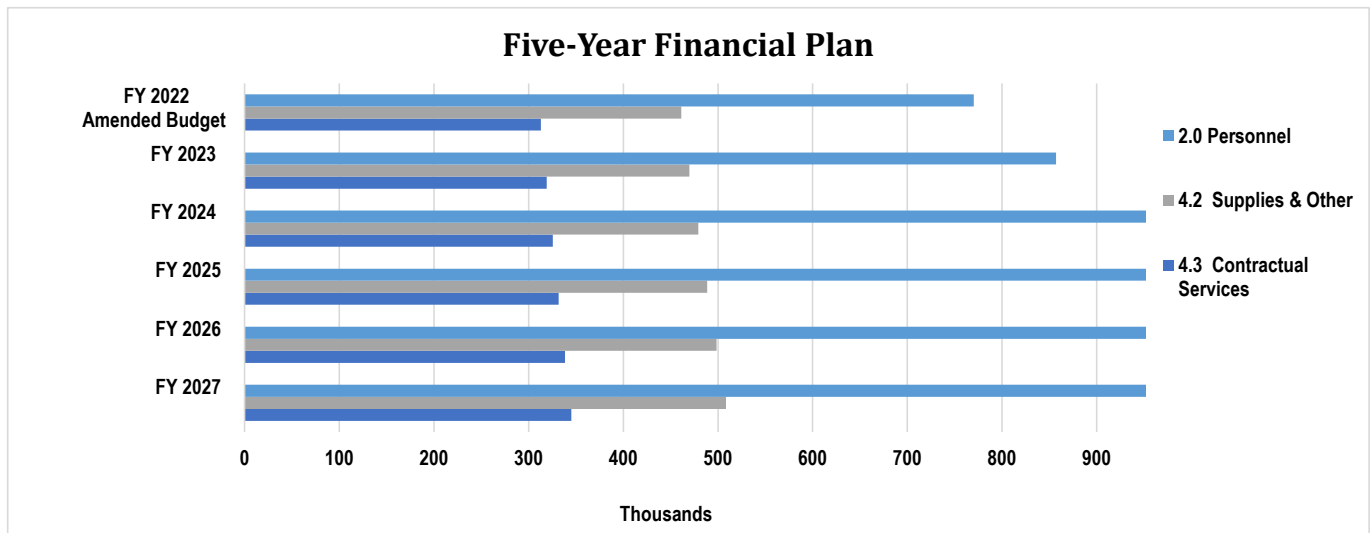
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Public Affairs	\$ 770,300	\$ 857,200	\$ 1,037,500	\$ 1,042,600	\$ 1,047,700	\$ 1,052,700
Grand Total	\$ 770,300	\$ 857,200	\$ 1,037,500	\$ 1,042,600	\$ 1,047,700	\$ 1,052,700

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 770,300	\$ 238,000	\$ 857,200	\$ 86,900	11.3%	\$ 1,037,500	\$ 1,042,600	\$ 1,047,700	\$ 1,052,700
4.2 Supplies & Other	461,200	48,300	469,900	8,700	1.9%	479,100	488,700	498,400	508,400
4.3 Contractual Services	312,900	105,500	319,100	6,200	2.0%	325,400	331,800	338,400	345,200
Grand Total	\$ 1,544,400	\$ 391,800	\$ 1,646,200	\$ 101,800	6.6%	\$ 1,842,000	\$ 1,863,100	\$ 1,884,500	\$ 1,906,300

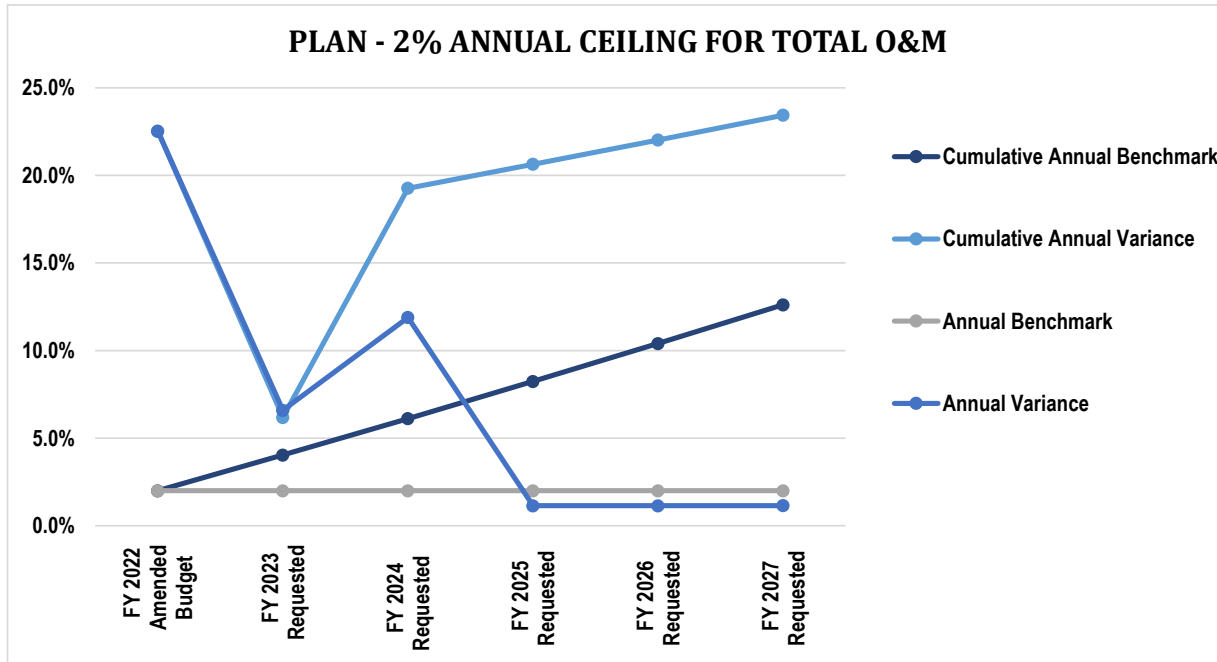


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Public Affairs	\$ 1,544,400	\$ 391,800	\$ 1,646,200	\$ 101,800	6.6%	\$ 1,842,000	\$ 1,863,100	\$ 1,884,500	\$ 1,906,300
Grand Total	\$ 1,544,400	\$ 391,800	\$ 1,646,200	\$ 101,800	6.6%	\$ 1,842,000	\$ 1,863,100	\$ 1,884,500	\$ 1,906,300

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Public Affairs Group's financial plan reflects a five-year overall increase of 23.4% while the entity-wide goal is a cumulative 12.6% for planning purposes based upon an annual 2% adjustment. The main reason for the increase is due to the addition of two Public Affairs Specialists to expand the capacity to create a broad base of public education materials and campaigns for GLWA and its member partners and begin to bring external PR/Marketing services in-house.



Capital Outlay

Public Affairs capital outlay is funded by the Improvement & Extension budget.

Five-Year Capital Outlay by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 18,000	\$ 22,000	\$ 10,000	\$ 5,000	\$ 18,000	\$ 22,000
Computers & IT	18,000	22,000	10,000	5,000	18,000	22,000
Grand Total	\$ 18,000	\$ 22,000	\$ 10,000	\$ 5,000	\$ 18,000	\$ 22,000

Five-Year Capital Outlay by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 18,000	\$ 22,000	\$ 10,000	5,000	\$ 18,000	\$ 22,000
Grand Total	\$ 18,000	\$ 22,000	\$ 10,000	\$ 5,000	\$ 18,000	\$ 22,000



Five-Year Capital Outlay by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Public Affairs	\$ 18,000	\$ 22,000	\$ 10,000	5,000	\$ 18,000	\$ 22,000
Grand Total	\$ 18,000	\$ 22,000	\$ 10,000	\$ 5,000	\$ 18,000	\$ 22,000

Line-Item Budget and Financial Plan

The five-year plan by line-item expense begins below. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
881101 - Public Affairs	\$ 1,005,900	\$ 1,544,400	\$ 391,800	\$ 1,646,200	\$ 1,842,000	\$ 1,863,100	\$ 1,884,500	\$ 1,906,300
2.1 Salaries & Wages	485,600	583,900	183,000	642,300	774,000	774,000	774,000	774,000
2.4 Employee Benefits	149,900	186,400	55,000	214,900	263,500	268,600	273,700	278,700
4.2 Supplies & Other	102,600	461,200	48,300	469,900	479,100	488,700	498,400	508,400
Mileage and Parking	-	1,300	-	1,200	1,300	1,300	1,300	1,400
Memberships, Licenses & Subscriptions	100	-	200	-	-	-	-	-
Office Supplies	300	6,500	200	6,600	6,700	6,800	7,000	7,100
Operating Supplies	60,200	105,200	39,400	157,100	160,200	163,300	166,700	170,000
Printing	9,900	42,400	100	43,200	44,100	45,000	45,900	46,800
Training and Internal Meetings	(200)	12,300	1,900	12,500	12,700	13,000	13,200	13,500
Travel	-	12,500	1,900	12,700	12,900	13,200	13,400	13,700
Advertising	28,100	281,000	4,600	236,600	241,200	246,100	250,900	255,900
Capital Outlay less than \$5,000	4,200	-	-	-	-	-	-	-
4.3 Contractual Services	267,800	312,900	105,500	319,100	325,400	331,800	338,400	345,200
Grand Total	\$ 1,005,900	\$ 1,544,400	\$ 391,800	\$ 1,646,200	\$ 1,842,000	\$ 1,863,100	\$ 1,884,500	\$ 1,906,300

Organizational Development

Provides GLWA team members with effective and efficient support needed to ensure the best possible work experience, engagement, and personal development, in a collaborative manner, that also provides the best water treatment and service to our customers.

The Organization Development Area presently is leading GLWA in several strategic initiatives.

❖ **Apprentice Program (Ongoing)**

GLWA has established a robust apprenticeship program. In FY 2023, GLWA will continue to expand the use of apprenticeships throughout the organization by adding new classes of apprentices and titles to the program. KPI's are reported for apprentices' classes that have started and completed.

❖ **Enterprise Resource Management System (ERM) (Ongoing)**

Organizational Development provides managed services for GLWA's current Ceridian (ERM) system. Organizational Development is actively participating and supporting GLWA's Enterprise Resource Management System led by Information Technology who maintains the strategic KPI's for this initiative.

❖ **Compensation Equity Team (Ongoing)**

Organizational Development will initiate a compensation benchmarking study and review of job classifications, job duties and compensation.

❖ **One Water Institute (Ongoing)**

GLWA's training and development program has provided extensive health and safety course offerings to team members and Member Partners. In FY 2023 GLWA will expand access to the One Water Institute with the rollout of the Leadership Development and Leader-in-Me academies. In FY 2023 the One Water Institute will continue to build out its evening in-person course offerings for GLWA team members.

The following table shows how the Organizational Development Area strategic initiatives relate to the organizational strategic goals.

	Organizational Strategic Goals										
	Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Apprentice Program			x	x	x	x		x		x	x
Enterprise Resource Management System (ERM)		x	x	x	x	x					
Compensation Equity Team		x				x				x	
One Water Institute			x	x	x	x	x	x		x	x

Organization

The Organizational Development Area consists of seven teams.

❖ Administration

Provides coordination and support to the Organizational Development Group and strategic direction for the utility relative to human relations as well as team support and development.

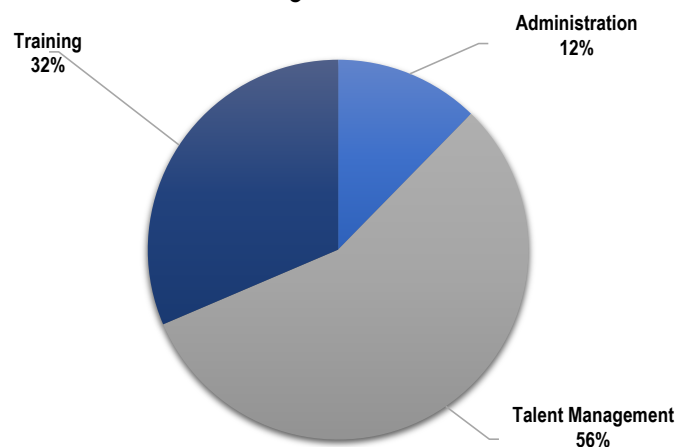
❖ Talent Management

From recruitment to retirement talent management is responsible for supporting all aspects of the employment relationship.

❖ Training

Ensures new GLWA team members receive essential orientation and mandatory health and safety training. The Training Team is also responsible for planning, coordinating, and delivering ongoing health and safety and leadership development training to all GLWA team members. The Training Team provides training opportunities to GLWA's member partners through the One Water Institute.

FY 2023 REQUESTED BY TEAM

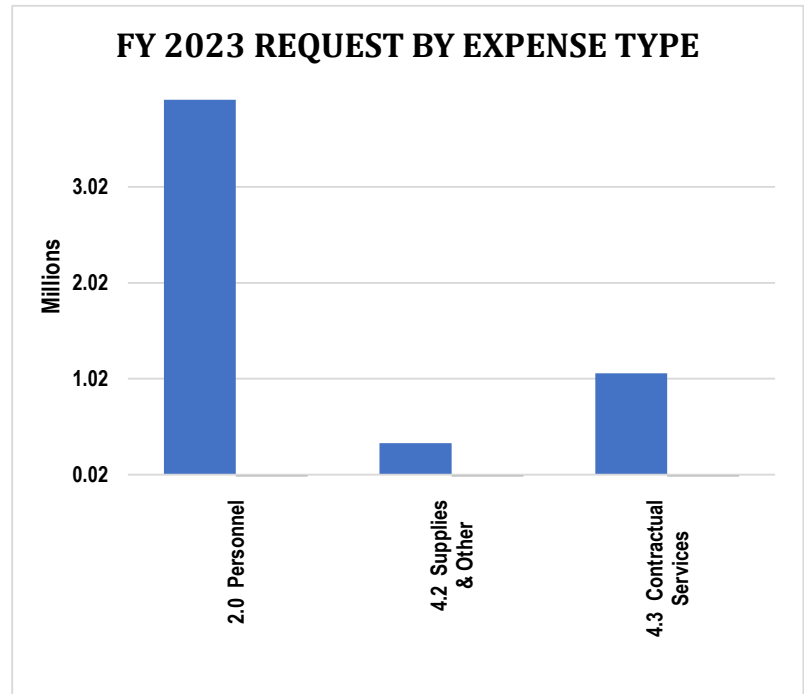


Expense Categories

There are three major categories of Organizational Development expenses in the Operations and Maintenance Budget as listed below.

- ❖ Personnel Costs
- ❖ Supplies & Other
- ❖ Contractual Services

Personnel Costs is the highest expense category for OD. In FY 2023, two staffing positions will be added in the first quarter to support the Talent Management Team; one Professional Administrative Analyst and one Human Resource Generalist. In the first quarter of FY 2023, the Training Team will be adding one Training Specialist.



Biennial Budget Request

The biennial budget reflects a net \$536,700 increase, or 11.1% in FY 2023.

- ❖ The Personnel account is increasing by \$576,700 due to adding three staffing positions in the first quarter of FY 2023 and a premium increase in employee benefits. The addition of three staffing position is \$304,571 and the remaining \$272,129 is for the employee benefits premium.
- ❖ The supplies & other account is decreasing by \$42,100 in FY 2023, due to the Training Team adjusting their budget to align with actual expenses for the operating supplies account.
- ❖ The contractual services account is increasing by \$2,100 due to incremental increases in other contractual services..

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 2,985,200	\$ 3,353,900	\$ 971,300	\$ 3,930,600	\$ 576,700	17.2%	\$ 3,951,000
4.2 Supplies & Other	183,300	388,400	45,200	346,300	(42,100)	-10.8%	351,400
4.3 Contractual Services	1,030,900	1,075,000	167,700	1,077,100	2,100	0.2%	1,102,000
Grand Total	\$ 4,199,400	\$ 4,817,300	\$ 1,184,200	\$ 5,354,000	\$ 536,700	11.1%	\$ 5,404,400

Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Administration	\$ 908,100	\$ 654,000	\$ 112,400	\$ 685,100	\$ 31,100	4.8%	\$ 690,200
Talent Management	1,948,200	2,577,100	640,600	2,919,900	342,800	13.3%	2,950,000
Training	1,343,100	1,586,200	431,200	1,749,000	162,800	10.3%	1,764,200
Grand Total	\$ 4,199,400	\$ 4,817,300	\$ 1,184,200	\$ 5,354,000	\$ 536,700	11.1%	\$ 5,404,400

Personnel Budget

Organizational Development personnel consists of 40 positions for FY 2023, which is an increase of five staffing positions from FY 2022. The increase in staffing is to support Talent Management by adding one Manager, one Professional Administrative Analyst, and two Human Resource Generalists. A Training Specialist is also being added to support the Training Team.

The following tables provide three alternate views of the staffing plans and budget.

Staffing Plan - The following table presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.

Staffing Plan – Number of Positions

Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Organizational Development	33.00	35.00	40.00	40.00	40.00	40.00	40.00
Administration	4.00	5.00	5.00	5.00	5.00	5.00	5.00
Talent Management	17.00	18.00	22.00	22.00	22.00	22.00	22.00
Training	12.00	12.00	13.00	13.00	13.00	13.00	13.00

Full-time Equivalent - The table below presents “full-time equivalent” (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs are consistent.

Full-time Equivalent

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Organizational Development	33.00	35.00	39.00	39.00	39.00	39.00	39.00
Administration	4.00	5.00	5.00	5.00	5.00	5.00	5.00
Talent Management	17.00	18.00	21.00	21.00	21.00	21.00	21.00
Training	12.00	12.00	13.00	13.00	13.00	13.00	13.00



Personnel Budget - The table below presents the Organizational Development personnel budget which consists of the following expense categories: Salaries & Wages, Overtime and Employee Benefits. The values for the personnel budget are based on the full-time equivalents table above.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2022 Dollar Variance	FY 2022 Percent Variance	FY 2024 Department Requested
Administration	\$ 254,100	\$ 553,200	\$ 103,600	\$ 563,800	\$ 10,600	1.9%	\$ 566,600
Talent Management	1,603,200	1,653,100	460,800	2,061,100	408,000	24.7%	2,072,000
Training	1,127,900	1,147,600	406,900	1,305,700	158,100	13.8%	1,312,400
Grand Total	\$ 2,985,200	\$ 3,353,900	\$ 971,300	3,930,600	576,700	17.2%	\$ 3,951,000

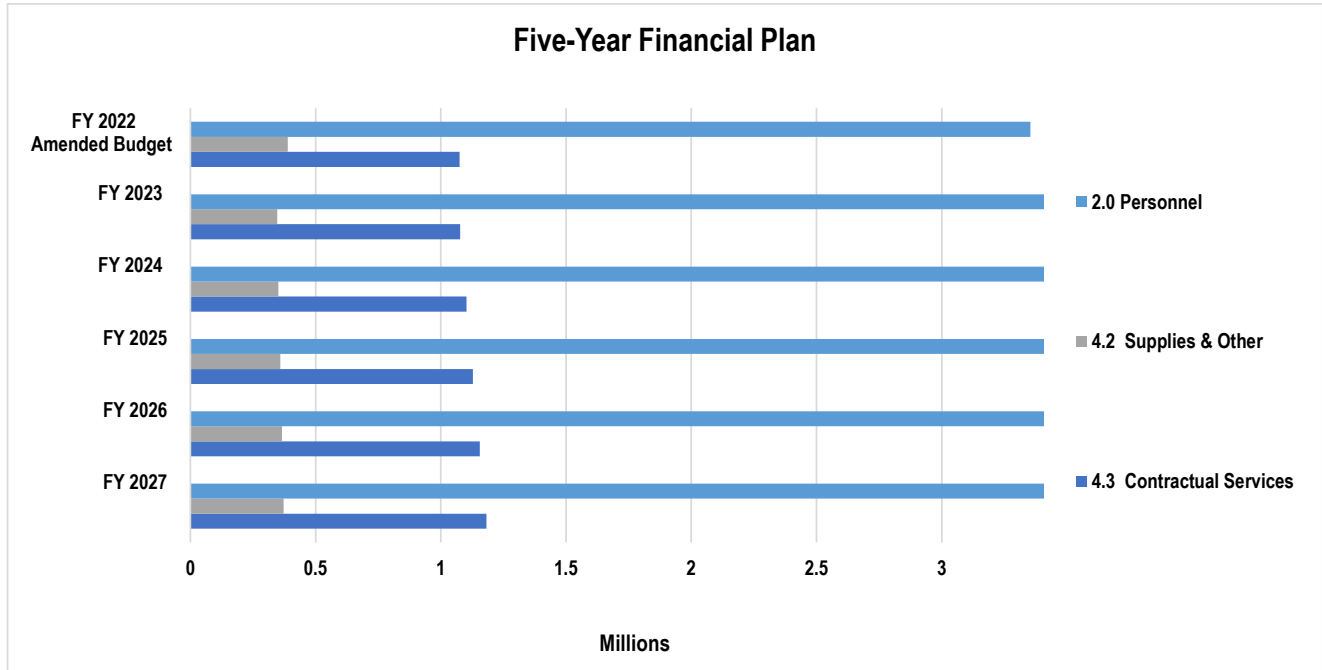
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Administration	\$ 553,200	\$ 563,800	\$ 566,600	\$ 569,300	\$ 572,100	\$ 574,900
Talent Management	1,653,100	2,061,100	2,072,000	2,082,900	2,093,700	2,104,600
Training	1,147,600	1,305,700	1,312,400	1,319,200	1,325,900	1,332,700
Grand Total	\$ 3,353,900	\$ 3,930,600	\$ 3,951,000	\$ 3,971,400	\$ 3,991,700	\$ 4,012,200

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 3,353,900	\$ 971,300	\$ 3,930,600	\$ 576,700	17.2%	\$ 3,951,000	\$ 3,971,400	\$ 3,991,700	\$ 4,012,200
4.2 Supplies & Other	388,400	45,200	346,300	(42,100)	-10.8%	351,400	358,600	365,200	372,300
4.3 Contractual Services	1,075,000	167,700	1,077,100	2,100	0.2%	1,102,000	1,128,200	1,155,100	1,182,400
Grand Total	\$ 4,817,300	\$ 1,184,200	\$ 5,354,000	\$ 536,700	11.1%	\$ 5,404,400	\$ 5,458,200	\$ 5,512,000	\$ 5,566,900

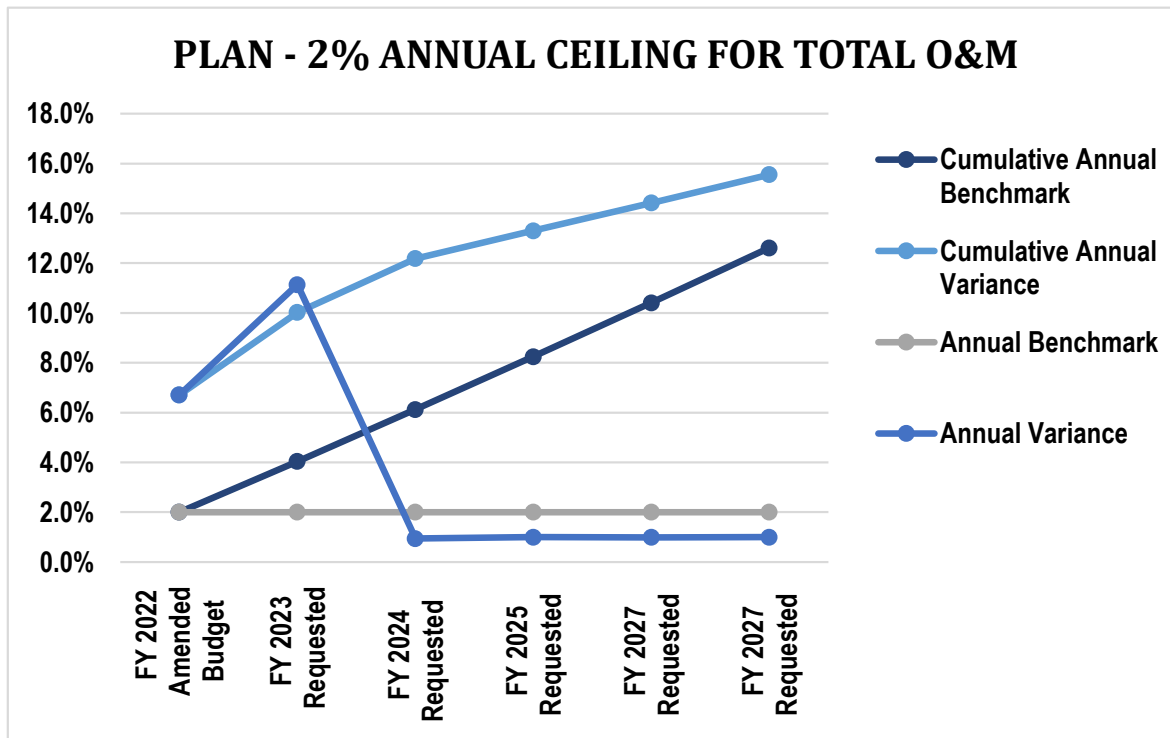


Five-Year Financial Plan by Team

Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Administration	\$ 654,000	\$ 112,400	\$ 685,100	\$ 31,100	4.8%	\$ 690,200	\$ 695,400	\$ 700,600	\$ 705,900
Talent Management	2,577,100	640,600	2,919,900	342,800	13%	2,950,000	2,982,900	3,015,600	3,049,000
Training	1,586,200	431,200	1,749,000	162,800	10%	1,764,200	1,779,900	1,795,800	1,812,000
Grand Total	\$ 4,817,300	\$ 1,184,200	\$ 5,354,000	\$ 536,700	11.1%	\$ 5,404,400	\$ 5,458,200	\$ 5,512,000	\$ 5,566,900

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Organizational Development Group's financial plan reflects a five-year overall increase of 15.6% while the entity-wide goal is a cumulative 12.6% for planning purposes based upon an annual 2% adjustment. The increase over the entity-wide goal is anticipated with the addition of staffing positions as discussed previously and the launch of new Apprenticeship Program and training courses..



Capital Outlay

Organizational Development capital outlay is funded by the Improvement & Extension budget.

Five-Year Capital Outlay by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -
Building/Structures	-	700,000	-	-	-	-
Grand Total	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -

Five-Year Capital Outlay by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -

Five-Year Capital Outlay by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Organizational Development	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ -	\$ 700,000	\$ -	\$ -	\$ -	\$ -



Line-Item Budget and Financial Plan

The Organizational Development five-year plan by line-item expense is listed below. The expenses are listed for each cost center. Because many of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
883201 - Administration	\$ 908,100	\$ 654,000	\$ 112,400	\$ 685,100	\$ 690,200	\$ 695,400	\$ 700,600	\$ 705,900
2.1 Salaries & Wages	157,200	419,600	73,900	421,700	421,700	421,700	421,700	421,700
2.3 Overtime	-	-	-	-	-	-	-	-
2.4 Employee Benefits	99,900	133,600	29,700	142,100	144,900	147,600	150,400	153,200
2.5 Transition Services	(3,000)	-	-	-	-	-	-	-
4.2 Supplies & Other	15,100	46,100	3,500	65,400	66,700	68,000	69,300	70,600
Memberships, Licenses & Subscriptions	3,300	300	-	400	400	400	400	400
Office Supplies	2,700	20,000	3,300	20,400	20,800	21,200	21,600	22,000
Supplies & Other - Covid19	3,800	-	-	-	-	-	-	-
Operating Supplies	3,900	100	200	100	100	100	100	100
Mileage and Parking	-	-	-	-	-	-	-	-
Training and Internal Meetings	2,600	10,000	-	10,200	10,400	10,600	10,800	11,000
Travel	(500)	10,000	-	10,200	10,400	10,600	10,800	11,000
Tuition Refund	-	3,700	-	3,700	3,800	3,900	4,000	4,100
Advertising	(700)	2,000	-	20,400	20,800	21,200	21,600	22,000
4.3 Contractual Services	638,900	54,700	5,300	55,900	56,900	58,100	59,200	60,400
Contractual Operating Services	(13,600)	54,700	5,300	55,900	56,900	58,100	59,200	60,400
Contractual Professional Services	-	-	-	-	-	-	-	-
Contractual Services - Covid19	652,500	-	-	-	-	-	-	-
883211 - Talent Management	1,948,200	2,577,100	640,600	2,919,900	2,950,000	2,982,900	3,015,600	3,049,000
2.1 Salaries & Wages	1,096,100	1,221,000	346,300	1,503,800	1,503,800	1,503,800	1,503,800	1,503,800
2.3 Overtime	4,600	3,000	600	3,000	3,000	3,000	3,000	3,000
2.4 Employee Benefits	389,800	429,100	116,600	554,300	565,200	576,100	586,900	597,800
2.5 Transition Services	112,700	-	(2,700)	-	-	-	-	-
4.2 Supplies & Other	22,500	57,500	31,500	89,500	89,600	91,700	93,100	94,900
Office Supplies	200	5,000	-	4,000	4,000	4,000	4,000	4,000
Operating Supplies	-	1,300	-	1,300	1,300	1,300	1,300	1,300
Advertising	3,600	35,500	17,400	43,000	43,100	44,500	45,400	46,200
Printing	-	-	1,600	2,800	2,800	2,900	2,900	3,000
Memberships, Licenses & Subscriptions	14,900	7,200	12,500	8,400	8,300	8,400	8,500	8,800
Mileage and Parking	100	11,500	(100)	2,900	2,900	2,900	2,900	3,000
Travel	-	4,000	-	13,500	13,600	13,800	14,000	14,300
Training and Internal Meetings	-	3,000	100	4,000	4,000	4,000	4,000	4,100
Tuition Refund	3,700	-	-	9,600	9,600	9,900	10,100	10,200
4.3 Contractual Services	322,500	866,500	148,300	769,300	788,400	808,300	828,800	849,500
Contractual Operating Services	322,500	866,500	148,300	769,300	788,400	808,300	828,800	849,500
883231 - Training	1,343,100	1,586,200	431,200	1,749,000	1,764,200	1,779,900	1,795,800	1,812,000
2.1 Salaries & Wages	853,100	853,500	304,800	960,200	960,200	960,200	960,200	960,200
2.3 Overtime	-	1,000	-	1,000	1,000	1,000	1,000	1,000
2.4 Employee Benefits	274,800	293,100	102,100	344,500	351,200	358,000	364,700	371,500
4.2 Supplies & Other	145,700	284,800	10,200	191,400	195,100	198,900	202,800	206,800
Office Supplies	1,800	15,000	-	15,300	15,600	15,900	16,200	16,500
Operating Supplies	1,200	54,000	100	10,000	10,200	10,400	10,600	10,600
Memberships, Licenses & Subscriptions	2,800	11,800	1,300	12,000	12,200	12,400	12,600	13,000
Travel	-	4,000	-	4,100	4,100	4,200	4,300	4,400
Training and Internal Meetings	139,900	200,000	8,800	150,000	153,000	156,000	159,100	162,300
4.3 Contractual Services	69,500	153,800	14,100	251,900	256,700	261,800	267,100	272,500
Contractual Operating Services	69,500	153,800	14,100	251,900	256,700	261,800	267,100	272,500
Grand Total	\$ 4,199,400	\$ 4,817,300	\$ 1,184,200	\$ 5,354,000	\$ 5,404,400	\$ 5,458,200	\$ 5,512,000	\$ 5,566,900

Financial Services

The Financial Services Area consists of three groups. The *CFO Services* group plans and directs all strategic financial planning, compliance, internal audit, and intergovernmental activities. The *Business Operation Support Services* group is responsible for procurement and inventory management. The *Financial Reporting & Accounting* group is responsible for construction, general ledger, accounts payable, payroll, asset management and related activities.

The Financial Services Area is engaged in several strategic initiatives – both as leader and key participant in entity-wide initiatives.

❖ **Financial operations (Ongoing)**

Continued rollout of technology to reduce the inefficiencies of processing times and to expand analytical capacity – as well as to improve the data available for management decisions.

❖ **Business support (Ongoing)**

Rollout the expanded Business Inclusion & Diversity program, explore utility cooperative procurement sponsorship, and vendor quality management.

❖ **Cross-functional collaboration in key initiatives (Ongoing)**

Support transformational efforts across GLWA including asset management, capital program management, operations, and recent movement toward enterprise-wide contractual services management.

❖ **Member Partner Engagement (Ongoing)**

Support short-and long-term efforts related to the charges' equity and stability program.

❖ **Affordability (Ongoing)**

Carryout recommendations to improve and expand constituent service including implementation of the water residential assistance program.

The table on the following page shows how the financial services strategic initiatives relate to the organizational strategic goals.



		Organizational Strategic Goals										
		Bond credit rating of AA	Financial Viability	Product Quality	Infrastructure Strategy and Performance	Operational Optimization	Enterprise Resiliency	Customer Satisfaction	Water Resource Sustainability	Stakeholder Understanding and Support	Employee and Leadership Development	Community Sustainability
Financial Services Strategic Initiatives	Financial operations	x	x			x	x					
	Business support		x	x		x	x					x
	Cross-functional collaboration in key initiatives	x	x	x	x	x	x	x	x	x		x
	Member Partner Engagement	x	x				x	x	x			x
	Affordability		x				x	x	x			x

Organization

The Financial Services Area has eleven teams that fall within the three group classifications.

❖ CFO Services

Chief Financial Officer
 Financial Management & Planning
 CFO Services
 Treasury

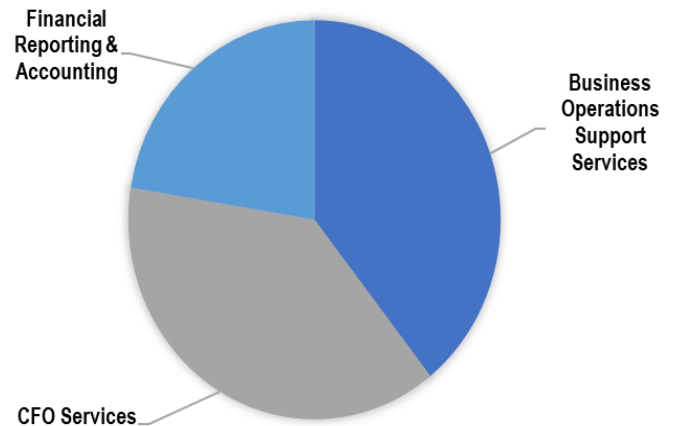
❖ Business Operation Support Services

Procurement Director
 Logistics and Materials

❖ Financial Reporting & Accounting

Financial Reporting & Accounting is reported under one team, and it includes construction, general ledger, accounts payable, payroll and asset management.

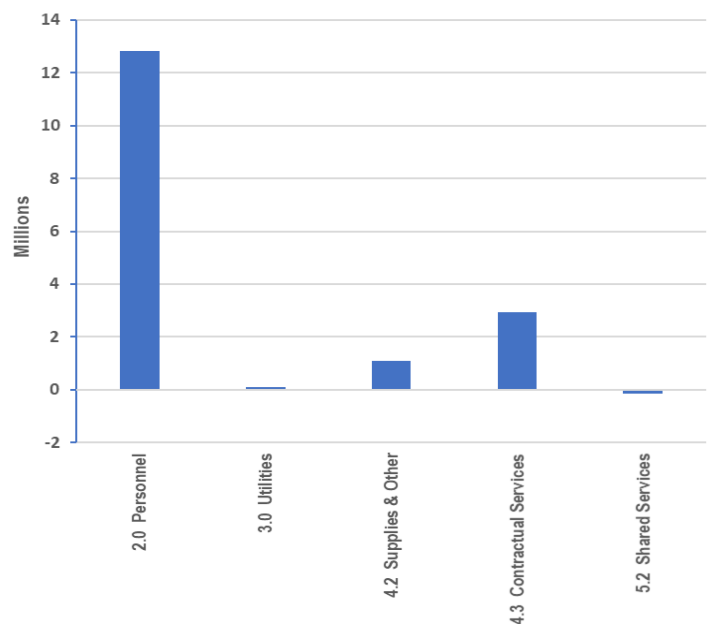
FY 2023 REQUEST BY TEAM



Expense Categories

The primary expense category in the Financial Services area is Personnel Services. The second largest category is Contractual Services for project management support, and other special projects, studies, and audits.

FY 2023 REQUEST BY EXPENSE TYPE



Biennial Budget Request

The biennial budget reflects an overall increase of \$1.4 million, or 9.0%. The primary reasons for this increase are highlighted below.

- ❖ **Personnel** – In FY 2022 the Financial Services Area was reorganized to better align resources to the needs of the maturing authority. The result is a decrease of 9.75 FTEs (9 Staffing positions; 4 positions were transferred to Planning Services and 5 positions were transferred to Innovation). While the number of FTEs has decreased for FY 2023, the budget for Personnel has increased \$685,300, or 5.6%. The primary driver for the increase is the addition of positions requiring higher skill sets to in-source technical financial management needs. In addition, the budget for benefits was increased based on the current benefit cost information as the result of rising healthcare costs.
- ❖ **Utilities** – The increase in this category is due to the addition of the Rialto warehouse which replaced the McKinstry warehouse in FY 2022.
- ❖ **Supplies & Other** – The primary reasons for the increase in this category are for employee training and development and supplies for vendor outreach events.
- ❖ **Contractual Services** – The primary reasons for the increases in this category are for implementation support for the new ERP system and for auditing services (both internal and external).
- ❖ **Capital Program Allocation** – The amount in this 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. A decrease in this account results in an increase to the O&M expense. The budget for the Capital Program Allocation account, shown in the tables below, was based on an estimate of the number of hours that the Owners’ Representative team would be working directly on capital projects. The responsibilities of this team will be transferred to the Planning Services team in FY 2022.
- ❖ **Shared Services** – The GLWA and DWSD leverage economies of scale, assets, technology, and expertise by sharing services. The shared services agreement referenced in the tables below is for the bank fees that the GLWA incurs as a result of managing the cash receipts for both entities. The budget for this category was increased slightly in FY 2023 in anticipation of an increase in bank fees.

Biennial Budget Request by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
2.0 Personnel	\$ 11,593,900	\$ 12,135,000	\$ 3,686,900	\$ 12,820,300	\$ 685,300	5.6%	\$ 13,068,200
3.0 Utilities	24,100	92,000	28,500	102,300	10,300	11.2%	104,300
4.2 Supplies & Other	369,700	991,600	325,000	1,093,500	101,900	10.3%	1,115,200
4.3 Contractual Services	2,157,900	2,387,900	622,900	2,944,900	557,000	23.3%	2,983,200
5.1 Capital Program Allocation	(19,000)	(30,200)	(2,900)	-	30,200	-100.0%	-
5.2 Shared Services	(149,000)	(168,700)	(40,400)	(169,100)	(400)	0.2%	(172,500)
Grand Total	\$ 13,977,600	\$ 15,407,600	\$ 4,620,000	\$ 16,791,900	\$ 1,384,300	9.0%	\$ 17,098,400



Biennial Budget Request by Team

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
CFO Services	\$ 4,660,600	\$ 5,088,700	\$ 1,469,700	\$ 6,425,700	\$ 1,337,000	26.3%	\$ 6,471,500
Chief Financial Officer	761,800	1,147,100	265,100	1,080,800	(66,300)	-5.8%	1,091,500
Data Analytics & Internal Audit	208,200	31,000	30,900	-	(31,000)	-100.0%	-
Financial Management & Planning	1,386,300	1,441,400	494,600	2,032,600	591,200	41.0%	2,045,700
CFO Services	1,637,200	1,615,500	472,900	2,432,600	817,100	50.6%	2,450,600
Treasury	667,100	853,700	206,200	879,700	26,000	3.0%	883,700
Business Operations Support Services	6,500,400	6,654,900	2,229,400	6,601,900	(53,000)	-0.8%	6,836,400
Procurement Director	3,402,200	3,402,800	1,113,400	3,928,100	525,300	15.4%	4,136,000
Logistics and Materials	2,037,800	2,633,700	987,100	2,673,800	40,100	1.5%	2,700,400
Owners' Representative	405,700	618,400	128,900	-	(618,400)	-100.0%	-
Transformation	654,700	-	-	-	-	0.0%	-
Financial Reporting & Accounting	2,816,600	3,664,000	920,900	3,764,300	100,300	2.7%	3,790,500
Grand Total	\$ 13,977,600	\$ 15,407,600	\$ 4,620,000	\$ 16,791,900	\$ 1,384,300	9.0%	\$ 17,098,400

Personnel Budget

As a result of the FY 2022 Financial Services Area reorganization, the staffing plan will be reduced in FY 2023 by 9 positions (4 positions were transferred to Planning Services and 5 positions were transferred to Innovation). The staffing plan remains at a steady state of 123 total positions through FY 2027. The staffing level is shown in the tables below.

Staffing Plan - The table on the following page presents the number of positions in the plan. Each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant.



Team	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Financial Services Area	124.00	132.00	123.00	123.00	123.00	123.00	123.00
CFO Services	30.00	33.00	35.00	35.00	35.00	35.00	35.00
Chief Financial Officer	5.00	6.00	5.00	5.00	5.00	5.00	5.00
Data Analytics & Internal Audit	3.00	3.00	0.00	0.00	0.00	0.00	0.00
Financial Management & Planning	9.00	10.00	12.00	12.00	12.00	12.00	12.00
CFO Services	10.00	11.00	15.00	15.00	15.00	15.00	15.00
Treasury	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Business Operations							
Support Services	68.00	68.00	59.00	59.00	59.00	59.00	59.00
Procurement Director	31.00	32.00	35.00	35.00	35.00	35.00	35.00
Logistics and Materials	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Owners' Representative	5.00	5.00	0.00	0.00	0.00	0.00	0.00
Transformation	8.00	7.00	0.00	0.00	0.00	0.00	0.00
Financial Reporting & Accounting	26.00	31.00	29.00	29.00	29.00	29.00	29.00

*Full Time Equivalent*s - The following table presents "full-time equivalent" (FTE) staffing. FTE is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year. For this budget area, the Staffing Plan and the FTEs project an increase over the next five years.

*Full Time Equivalent*s

Team	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Financial Services Area	122.00	129.75	120.00	121.50	121.50	121.50	121.50
CFO Services	29.50	32.50	34.50	34.50	34.50	34.50	34.50
Chief Financial Officer	4.50	5.50	4.50	4.50	4.50	4.50	4.50
Data Analytics & Internal Audit	3.00	3.00	0.00	0.00	0.00	0.00	0.00
Financial Management & Planning	9.00	10.00	12.00	12.00	12.00	12.00	12.00
CFO Services	10.00	11.00	15.00	15.00	15.00	15.00	15.00
Treasury	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Business Operations							
Support Services	67.50	67.25	57.50	59.00	59.00	59.00	59.00
Procurement Director	30.50	32.00	33.50	35.00	35.00	35.00	35.00
Logistics and Materials	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Owners' Representative	5.00	5.00	0.00	0.00	0.00	0.00	0.00
Transformation	8.00	6.25	0.00	0.00	0.00	0.00	0.00
Financial Reporting & Accounting	25.00	30.00	28.00	28.00	28.00	28.00	28.00

Personnel Budget – The following table presents the Financial Services personnel budget which consists of the following expense categories: Salaries & Wages, Overtime, Employee Benefits and Contractual Transition Services. These values are based on the *Full Time Equivalents* in table 2 using current pay levels. Wage and benefit adjustments are based on merit increases and are included in the Unallocated Reserve line item for the Administrative Services Operating Area which is shown in detail in the Operating Financial Plan Introduction section.

Personnel Budget

Team	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
CFO Services	\$ 3,175,100	\$ 3,548,300	\$ 1,091,100	\$ 4,350,500	\$ 802,200	22.6%	\$ 4,371,200
Chief Financial Officer	656,700	853,900	231,100	719,300	(134,600)	-15.8%	722,600
Data Analytics & Internal Audit	207,900	31,000	30,900	-	(31,000)	-100.0%	-
Financial Management & Planning	952,300	1,173,400	369,900	1,560,700	387,300	33.0%	1,568,000
CFO Services	1,058,800	1,206,800	353,100	1,761,100	554,300	45.9%	1,769,700
Treasury	299,400	283,200	106,100	309,400	26,200	9.3%	310,900
Business Operations Support Services	5,897,300	5,670,000	1,722,800	5,475,700	(194,300)	-3.4%	5,688,100
Procurement Director	3,090,500	3,253,500	1,016,800	3,603,800	350,300	10.8%	3,805,400
Logistics and Materials	1,743,100	1,817,000	574,200	1,871,900	54,900	3.0%	1,882,700
Owners' Representative	413,400	599,500	131,800	-	(599,500)	-100.0%	-
Transformation	650,300	-	-	-	-	0.0%	-
Financial Reporting & Accounting	2,521,500	2,916,700	873,000	2,994,100	77,400	2.7%	3,008,900
Grand Total	\$ 11,593,900	\$ 12,135,000	\$ 3,686,900	\$ 12,820,300	\$ 685,300	5.6%	\$ 13,068,200

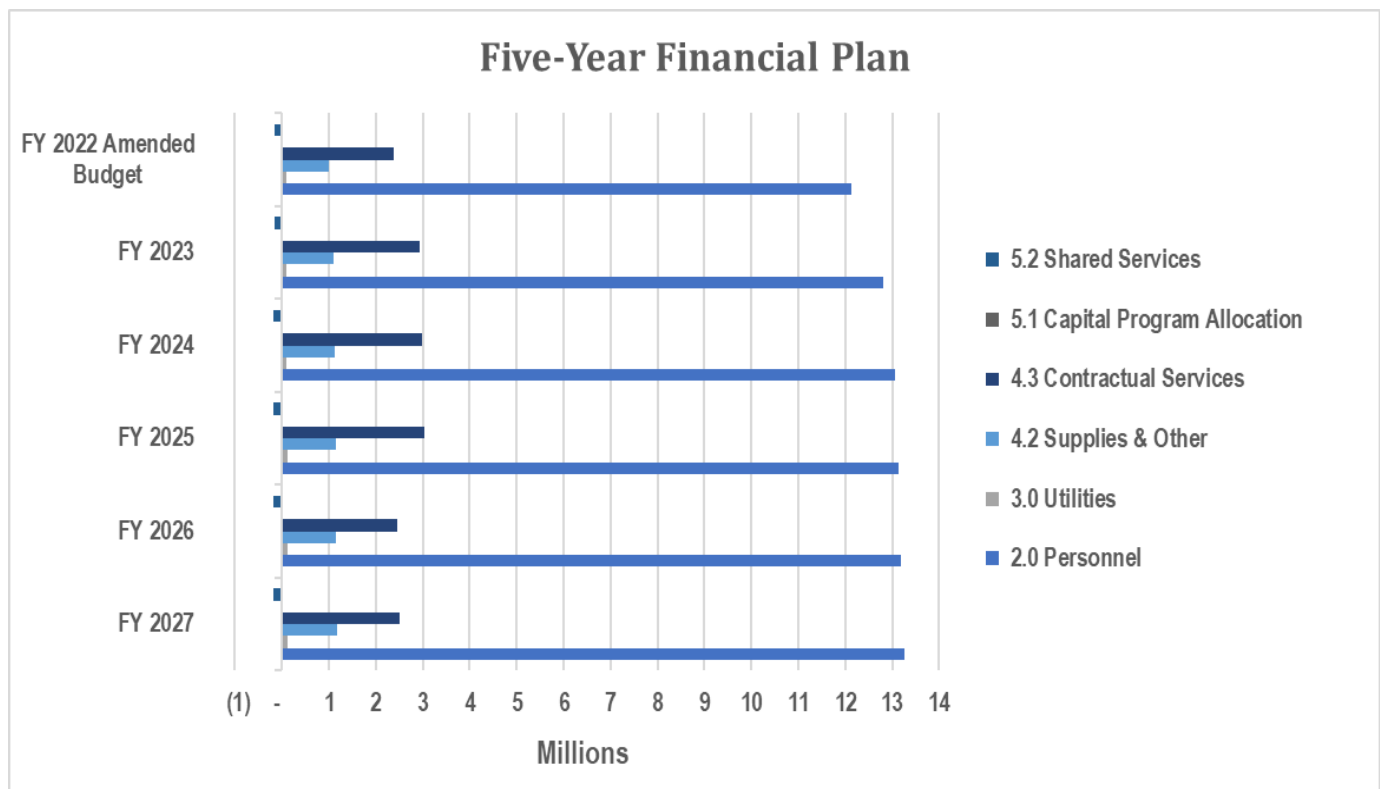
Personnel Budget – Five-Year Financial Plan

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2024 Department Requested	FY 2024 Department Requested	FY 2024 Department Requested
CFO Services	\$ 3,548,300	\$ 4,350,500	\$ 4,371,200	\$ 4,391,900	\$ 4,412,700	\$ 4,433,300
Chief Financial Officer	853,900	719,300	722,600	725,800	729,100	732,300
Data Analytics & Internal Audit	31,000	-	-	-	-	-
Financial Management & Planning	1,173,400	1,560,700	1,568,000	1,575,300	1,582,600	1,589,900
CFO Services	1,206,800	1,761,100	1,769,700	1,778,300	1,786,900	1,795,400
Treasury	283,200	309,400	310,900	312,500	314,100	315,700
Business Operations Support Services	5,670,000	5,475,700	5,688,100	5,717,900	5,747,600	5,777,300
Procurement Director	3,253,500	3,603,800	3,805,400	3,824,300	3,843,200	3,862,100
Logistics and Materials	1,817,000	1,871,900	1,882,700	1,893,600	1,904,400	1,915,200
Owners' Representative	599,500	-	-	-	-	-
Transformation	-	-	-	-	-	-
Financial Reporting & Accounting	2,916,700	2,994,100	3,008,900	3,023,700	3,038,500	3,053,400
Grand Total	\$ 12,135,000	\$ 12,820,300	\$ 13,068,200	\$ 13,133,500	\$ 13,198,800	\$ 13,264,000

Five-Year Financial Plan

Five-Year Financial Plan by Expense Category

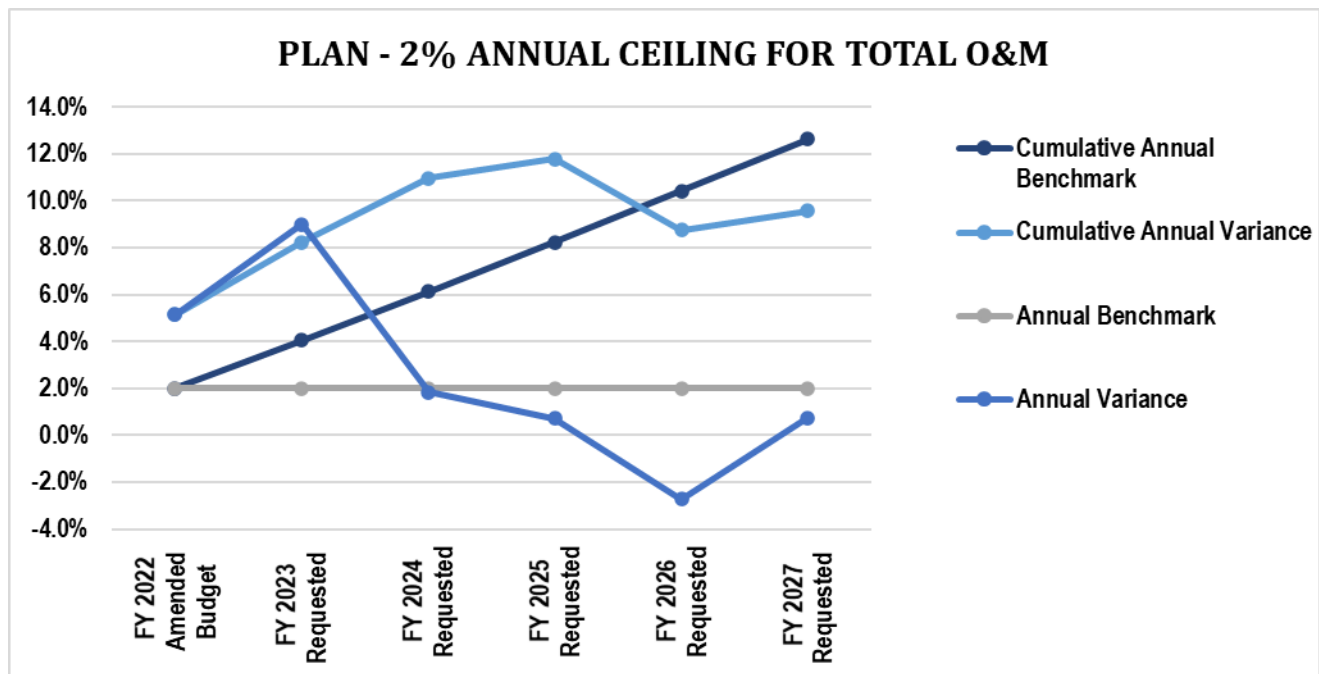
Expense Category	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
2.0 Personnel	\$ 12,135,000	\$ 3,686,900	\$ 12,820,300	\$ 685,300	5.6%	\$ 13,068,200	\$ 13,133,500	\$ 13,198,800	\$ 13,264,000
3.0 Utilities	92,000	28,500	102,300	10,300	11.2%	104,300	106,300	108,400	110,600
4.2 Supplies & Other	991,600	325,000	1,093,500	101,900	10.3%	1,115,200	1,136,800	1,159,900	1,181,600
4.3 Contractual Services	2,387,900	622,900	2,944,900	557,000	23.3%	2,983,200	3,022,000	2,467,800	2,508,300
5.1 Capital Program Allocation	(30,200)	(2,900)	-	30,200	-100.0%	-	-	-	-
5.2 Shared Services	(168,700)	(40,400)	(169,100)	(400)	0.2%	(172,500)	(175,900)	(179,400)	(183,000)
Grand Total	\$ 15,407,600	\$ 4,620,000	\$ 16,791,900	\$ 1,384,300	9.0%	\$ 17,098,400	\$ 17,222,700	\$ 16,755,500	\$ 16,881,500



Team	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
CFO Services	\$ 5,088,700	\$ 1,469,700	\$ 6,425,700	\$ 1,337,000	26.3%	\$ 6,471,500	\$ 6,517,100	\$ 6,168,000	\$ 6,214,400
Chief Financial Officer	1,147,100	265,100	1,080,800	(66,300)	-5.8%	1,091,500	1,101,900	1,113,000	1,123,800
Data Analytics & Internal Audit	31,000	30,900	-	(31,000)	-100.0%	-	-	-	-
Financial Management & Planning	1,441,400	494,600	2,032,600	591,200	41.0%	2,045,700	2,058,400	1,873,500	1,886,400
CFO Services	1,615,500	472,900	2,432,600	817,100	50.6%	2,450,600	2,469,000	2,289,500	2,307,900
Treasury	853,700	206,200	879,700	26,000	3.0%	883,700	887,800	892,000	896,300
Business Operations Support Services	6,654,900	2,229,400	6,601,900	(53,000)	-0.8%	6,836,400	6,888,700	6,941,700	6,994,500
Procurement Director	3,402,800	1,113,400	3,928,100	525,300	15.4%	4,136,000	4,161,300	4,187,000	4,212,700
Logistics and Materials	2,633,700	987,100	2,673,800	40,100	1.5%	2,700,400	2,727,400	2,754,700	2,781,800
Owners' Representative	618,400	128,900	-	(618,400)	-100.0%	-	-	-	-
Financial Reporting & Accounting	3,664,000	920,900	3,764,300	100,300	2.7%	3,790,500	3,816,900	3,645,800	3,672,600
Grand Total	\$ 15,407,600	\$ 4,620,000	\$ 16,791,900	\$ 1,384,300	9.0%	\$ 17,098,400	\$ 17,222,700	\$ 16,755,500	\$ 16,881,500

Alignment with Entity-wide Annual O&M Ceiling Goal of 2%

The Financial Services area financial plan reflects a five-year overall increase of 9.6% while the entity-wide goal is a cumulative 12.6% for planning purposes based upon an annual 2% adjustment.



Capital Outlay

Financial Services capital outlay is funded by the Improvement & Extension (I&E) budget.

The renovation of a new warehouse is scheduled to take place in FY 2022. This warehouse replaced the McKinstry warehouse.

In addition to the warehouse renovations, Sprinter Pup delivery trucks and forklifts are scheduled to be purchased in FY 2022 to transport materials and other items among GLWA's facility locations.

Five-Year Capital Outlay Plan by Asset Category

Asset Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 3,030,700	\$ -	\$ -	\$ -	\$ -	\$ -
Machinery & Equipment	75,000	-	-	-	-	-
Projects & Programs	2,805,700	-	-	-	-	-
Vehicles	150,000	-	-	-	-	-
Grand Total	\$ 3,030,700	\$ -	\$ -	\$ -	\$ -	\$ -

Five-Year Capital Outlay Plan by Funding Source

Funding Source	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Improvement & Extension	\$ 3,030,700	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 3,030,700	\$ -	\$ -	\$ -	\$ -	\$ -

Five-Year Capital Outlay Plan by Team

Team	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Logistics & Material	\$ 3,030,700	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 3,030,700	\$ -	\$ -	\$ -	\$ -	\$ -



Line-Item Budget and Financial Plan

The five-year plan by line-item expense is presented on the following pages. The expenses are listed in order by cost center. Because of GLWA's initiatives expand multiple years, this planning document provides the information to smooth out expenses over time and/or plan for annual fluctuations.

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
884001 - Chief Financial Officer	761,800	1,147,100	265,100	1,080,800	1,091,500	1,101,900	1,113,000	1,123,800
2.1 Salaries & Wages	545,900	664,600	185,700	553,100	553,100	553,100	553,100	553,100
2.4 Employee Benefits	110,800	189,300	45,400	166,200	169,500	172,700	176,000	179,200
4.2 Supplies & Other	7,700	47,400	6,700	48,200	49,300	50,200	51,400	52,300
Memberships, Licenses & Subscriptions	3,700	10,600	2,200	10,800	11,000	11,200	11,500	11,700
Mileage and Parking	-	2,000	400	2,000	2,100	2,100	2,200	2,200
Office Supplies	1,700	12,400	2,100	12,600	12,900	13,200	13,400	13,700
Training and Internal Meetings	1,700	10,600	2,000	10,800	11,000	11,200	11,500	11,700
Travel	600	11,600	-	11,800	12,100	12,300	12,600	12,800
Postage	-	200	-	200	200	200	200	200
4.3 Contractual Services	97,400	245,800	27,300	313,300	319,600	325,900	332,500	339,200
Contractual Operating Services	100	800	-	800	800	800	900	900
Contractual Professional Services	97,300	245,000	27,300	312,500	318,800	325,100	331,600	338,300
884113 - Financial Management & Planning	1,386,300	1,441,400	494,600	2,032,600	2,045,700	2,058,400	1,873,500	1,886,400
2.1 Salaries & Wages	734,000	896,000	241,500	1,187,500	1,187,500	1,187,500	1,187,500	1,187,500
2.4 Employee Benefits	199,900	277,400	71,400	373,200	380,500	387,800	395,100	402,400
2.5 Transition Services	18,400	-	57,000	-	-	-	-	-
4.2 Supplies & Other	2,200	16,000	1,300	16,900	17,500	17,700	18,100	18,300
Memberships, Licenses & Subscriptions	1,200	2,300	1,300	3,000	3,100	3,100	3,200	3,200
Mileage and Parking	-	300	-	300	400	400	400	400
Office Supplies	900	2,000	-	2,000	2,100	2,100	2,200	2,200
Training and Internal Meetings	100	6,200	-	6,300	6,500	6,600	6,700	6,800
Travel	-	5,200	-	5,300	5,400	5,500	5,600	5,700
4.3 Contractual Services	431,800	252,000	123,400	455,000	460,200	465,400	272,800	278,200
884131 - Treasury	667,100	853,700	206,200	879,700	883,700	887,800	892,000	896,300
2.1 Salaries & Wages	224,100	210,400	80,100	228,600	228,600	228,600	228,600	228,600
2.3 Overtime	400	100	-	-	-	-	-	-
2.4 Employee Benefits	74,900	72,700	26,000	80,800	82,300	83,900	85,500	87,100
4.2 Supplies & Other	8,200	23,400	1,500	19,500	19,800	20,100	20,400	20,700
Memberships, Licenses & Subscriptions	900	2,600	-	2,500	2,600	2,600	2,700	2,700
Mileage and Parking	3,600	3,000	900	4,000	4,000	4,000	4,000	4,000
Office Supplies	1,100	2,000	100	2,000	2,000	2,100	2,100	2,200
Training and Internal Meetings	2,100	5,100	300	5,000	5,100	5,200	5,300	5,400
Travel	-	10,200	-	5,000	5,100	5,200	5,300	5,400
Postage	500	500	200	1,000	1,000	1,000	1,000	1,000
4.3 Contractual Services	502,600	697,100	132,800	700,800	706,000	711,300	716,700	722,300
Contractual Operating Services	502,600	697,100	132,800	700,800	706,000	711,300	716,700	722,300
5.2 Shared Services	(143,100)	(150,000)	(34,200)	(150,000)	(153,000)	(156,100)	(159,200)	(162,400)



Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
884141 - CFO Services	1,637,200	1,615,500	472,900	2,432,600	2,450,600	2,469,000	2,289,500	2,307,900
2.1 Salaries & Wages	732,200	831,500	242,300	1,324,100	1,324,100	1,324,100	1,324,100	1,324,100
2.3 Overtime	3,200	6,000	1,400	-	-	-	-	-
2.4 Employee Benefits	221,300	266,300	77,300	437,000	445,600	454,200	462,800	471,300
2.5 Transition Services	102,100	103,000	32,100	-	-	-	-	-
4.2 Supplies & Other	7,000	28,700	2,700	30,900	31,500	32,100	32,800	33,300
Memberships, Licenses & Subscriptions	2,600	4,500	1,800	5,000	5,100	5,200	5,300	5,400
Mileage and Parking	-	1,800	-	1,800	1,800	1,900	1,900	1,900
Office Supplies	2,300	3,000	400	3,000	3,100	3,100	3,200	3,200
Training and Internal Meetings	1,000	4,500	300	6,000	6,100	6,200	6,400	6,500
Travel	200	13,400	200	13,600	13,900	14,100	14,400	14,700
Postage	900	1,500	-	1,500	1,500	1,600	1,600	1,600
4.3 Contractual Services	577,300	398,700	123,300	659,700	668,900	678,400	490,000	499,800
Contractual Operating Services	34,700	48,700	29,200	51,700	52,700	53,800	54,900	56,000
Contractual Professional Services	542,600	350,000	94,100	608,000	616,200	624,600	435,100	443,800
5.2 Shared Services	(5,900)	(18,700)	(6,200)	(19,100)	(19,500)	(19,800)	(20,200)	(20,600)
Shared Services Reimbursement	23,800	-	-	-	-	-	-	-
Shared Services : Salaries & Wages Reimb	(21,200)	(13,300)	(4,400)	(13,600)	(13,900)	(14,100)	(14,400)	(14,700)
Shared Services: Employee Benefit Reimb	(8,500)	(5,400)	(1,800)	(5,500)	(5,600)	(5,700)	(5,800)	(5,900)
884151 - Data Analytics & Internal Audit	208,200	31,000	30,900	-	-	-	-	-
2.1 Salaries & Wages	118,600	22,800	22,700	-	-	-	-	-
2.4 Employee Benefits	25,000	8,200	8,200	-	-	-	-	-
2.5 Transition Services	64,300	-	-	-	-	-	-	-
4.2 Supplies & Other	300	-	-	-	-	-	-	-
Memberships, Licenses & Subscriptions	300	-	-	-	-	-	-	-
884161 - Transformation	654,700	-	-	-	-	-	-	-
2.1 Salaries & Wages	143,000	-	-	-	-	-	-	-
2.4 Employee Benefits	25,000	-	-	-	-	-	-	-
2.5 Transition Services	482,300	-	-	-	-	-	-	-
4.2 Supplies & Other	4,400	-	-	-	-	-	-	-
Memberships, Licenses & Subscriptions	400	-	-	-	-	-	-	-
Operating Supplies	4,000	-	-	-	-	-	-	-
884121 - Procurement Director	3,402,200	3,402,800	1,113,400	3,928,100	4,136,000	4,161,300	4,187,000	4,212,700
2.1 Salaries & Wages	1,982,100	2,410,300	758,600	2,633,300	2,771,200	2,771,200	2,771,200	2,771,200
2.3 Overtime	77,700	35,000	9,800	50,000	50,000	50,000	50,000	50,000
2.4 Employee Benefits	646,500	808,200	245,100	920,500	984,200	1,003,100	1,022,000	1,040,900
2.5 Transition Services	384,200	-	3,300	-	-	-	-	-
4.2 Supplies & Other	74,600	104,300	53,000	203,400	207,300	211,300	215,600	219,900
Memberships, Licenses & Subscriptions	13,600	28,200	21,400	28,800	29,400	29,900	30,600	31,200
Mileage and Parking	-	700	-	1,000	1,000	1,000	1,000	1,000
Office Supplies	56,700	50,100	5,800	61,300	62,500	63,700	65,000	66,300
Operating Supplies	2,500	500	20,900	25,500	26,000	26,500	27,000	27,600
Training and Internal Meetings	1,100	17,100	600	78,000	79,500	81,100	82,700	84,300
Travel	300	7,700	2,300	8,500	8,600	8,800	9,000	9,200
Postage	-	-	-	100	100	100	100	100
Tuition Refund	-	-	2,000	200	200	200	200	200
Advertising	400	-	-	-	-	-	-	-
4.3 Contractual Services	237,100	45,000	43,600	120,900	123,300	125,700	128,200	130,700
Contractual Operating Services	40,800	20,000	100	20,400	20,800	21,200	21,600	22,000
Contractual Professional Services	196,300	25,000	43,500	100,500	102,500	104,500	106,600	108,700



Financial Services
Budget & Five-Year Plan
FY 2023 through FY 2027

Cost Center & Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
884124 - Logistics and Materials	2,037,800	2,633,700	987,100	2,673,800	2,700,400	2,727,400	2,754,700	2,781,800
2.1 Salaries & Wages	1,195,300	1,303,600	402,900	1,313,900	1,313,900	1,313,900	1,313,900	1,313,900
2.3 Overtime	5,700	-	3,100	6,000	6,000	6,000	6,000	6,000
2.4 Employee Benefits	542,100	513,400	168,200	552,000	562,800	573,700	584,500	595,300
3.1 Electric	5,200	27,000	20,600	36,000	36,700	37,400	38,200	38,900
3.2 Gas	1,300	25,000	700	25,500	26,000	26,500	27,000	27,600
3.3 Sewage Service	17,600	35,000	6,800	35,700	36,400	37,100	37,800	38,600
3.4 Water Service	-	5,000	400	5,100	5,200	5,300	5,400	5,500
4.2 Supplies & Other	232,000	649,700	255,500	674,600	687,900	701,500	715,400	729,000
Capital Outlay less than \$5,000	-	-	5,100	5,000	5,100	5,200	5,300	5,400
Memberships, Licenses & Subscriptions	-	1,000	-	-	-	-	-	-
Mileage and Parking	-	2,000	-	500	500	500	500	500
Office Supplies	29,700	25,000	6,900	25,500	26,000	26,500	27,000	27,100
Operating Supplies	63,400	55,700	9,100	56,800	57,900	59,000	60,200	61,400
Training and Internal Meetings	-	1,000	-	1,000	1,000	1,000	1,000	1,000
Travel	-	2,000	-	1,000	1,000	1,000	1,000	1,000
Employee Uniform Expense	800	15,000	-	15,000	15,300	15,600	15,900	16,000
Uniforms, Laundry, Cleaning	9,500	-	2,900	10,000	10,200	10,400	10,600	10,800
Repairs & Maintenance-Buildings & Ground	200	3,000	69,800	1,000	1,000	1,000	1,000	1,000
Repairs & Maintenance-Equipment	9,600	5,000	400	8,000	8,100	8,300	8,400	8,600
Rentals-Buildings	-	-	3,000	-	-	-	-	-
Rentals-Buildings-All Sewer	118,800	540,000	158,300	550,800	561,800	573,000	584,500	596,200
4.3 Contractual Services	38,600	75,000	128,900	25,000	25,500	26,000	26,500	27,000
Contractual Operating Services	-	-	92,200	10,000	10,000	10,000	10,000	10,000
Contractual Professional Services	38,600	75,000	36,700	15,000	15,500	16,000	16,500	17,000
884126 - Owners' Representative	405,700	618,400	128,900	-	-	-	-	-
2.1 Salaries & Wages	328,000	458,800	102,900	-	-	-	-	-
2.4 Employee Benefits	85,400	140,700	28,900	-	-	-	-	-
4.2 Supplies & Other	9,600	24,100	-	-	-	-	-	-
Memberships, Licenses & Subscriptions	6,800	1,200	-	-	-	-	-	-
Mileage and Parking	-	500	-	-	-	-	-	-
Operating Supplies	-	2,000	-	-	-	-	-	-
Training and Internal Meetings	2,800	10,200	-	-	-	-	-	-
Travel	-	10,200	-	-	-	-	-	-
4.3 Contractual Services	1,700	25,000	-	-	-	-	-	-
5.1 Capital Program Allocation	(19,000)	(30,200)	(2,900)	-	-	-	-	-
Capital Program: Salaries & Wages-Direct	(13,600)	(23,200)	(2,100)	-	-	-	-	-
Capital Program: Employee Benefits	(5,400)	(7,000)	(800)	-	-	-	-	-
884111 - Financial Reporting & Accounting	2,816,600	3,664,000	920,900	3,764,300	3,790,500	3,816,900	3,645,800	3,672,600
2.1 Salaries & Wages	1,905,000	2,025,000	663,500	2,134,000	2,134,000	2,134,000	2,134,000	2,134,000
2.2 Workforce Development	-	12,800	-	12,800	12,800	12,800	12,800	12,800
2.3 Overtime	900	1,000	-	1,000	1,000	1,000	1,000	1,000
2.4 Employee Benefits	615,600	697,900	209,500	756,300	771,100	785,900	800,700	815,600
2.5 Transition Services	-	180,000	-	90,000	90,000	90,000	90,000	90,000
4.2 Supplies & Other	23,700	98,000	4,300	100,000	101,900	103,900	106,200	108,100
Memberships, Licenses & Subscriptions	5,500	7,000	1,200	7,100	7,300	7,400	7,600	7,700
Mileage and Parking	900	3,100	400	3,200	3,200	3,300	3,400	3,400
Office Supplies	3,600	34,700	200	35,400	36,100	36,800	37,600	38,300
Training and Internal Meetings	7,700	15,000	2,100	18,300	18,700	19,000	19,400	19,800
Travel	-	10,600	200	10,800	11,000	11,200	11,500	11,700
Postage	6,000	23,500	200	24,000	24,400	24,900	25,400	25,900
Tuition Refund	-	4,100	-	1,200	1,200	1,300	1,300	1,300
4.3 Contractual Services	271,400	649,300	43,600	670,200	679,700	689,300	501,100	511,100
Contractual Operating Services	2,400	4,800	200	4,900	5,000	5,100	5,200	5,300
Contractual Professional Services	72,400	343,300	8,500	358,100	361,300	364,600	169,900	173,300
Auditing	196,600	301,200	34,900	307,200	313,400	319,600	326,000	332,500
Grand Total	\$ 13,977,600	\$ 15,407,600	\$ 4,620,000	\$ 16,791,900	\$ 17,098,400	\$ 17,222,700	\$ 16,755,500	\$ 16,881,500

GLWA

Great Lakes Water Authority



Section 4

Supplemental Analysis

Personnel Costs

Achieving the GLWA's initiatives is dependent on the ability to attract, retain, and develop highly qualified and effective team members. The entity-wide personnel budget increased \$8.1 million, or 7.1%, between FY 2022 and FY 2023 as shown on the table on the next page. While specific reasons for the variances in the personnel budget are addressed Section 3 of this document, the following highlights some of the key factors.

Salaries & Wages – The increase in budget is due to several components.

- An increase in number of Staffing positions of 54 in total, which translates to 18.19, full-time equivalents (FTEs), to support key initiatives and demands. The budget is based on the FTE staffing which is the number of hours that a position is filled per year. Since a number of the positions are budgeted to be filled late in FY 2023, the FTE count is less than the number of Staffing positions.
 - New Water Technician Apprenticeship Program (25 positions)
 - Capital Improvement Planning
 - Continual Improvement Process
 - Security for expanded coverage
- The filling of contracted and vacant positions with GLWA staff.
- A change in the classification and compensation of team members who attain a higher level of knowledge, skills, and abilities.

Salaries & Wages – Workforce Development – The workforce development classification represents the salaries and wages for workers that have been hired into the apprenticeship program. There was an increase in budget of \$825,200 or 84.5%. This is primarily due the new Water Technician apprenticeship program for Water operations that has been implemented consisting of 25 positions. It is anticipated that the apprentices will begin by March 2022. More detail is provided in the respective operating sections in Section 3 of this document.

Overtime – Overall, there was slight decrease to overtime in the amount of \$6,300, or 0.1%.

- ✓ Wastewater Operations decreased by \$242,000 due to improved monitoring and controls of its cost centers.
- ✓ Water Operations increased by \$211,000 due to the expected challenges and related delay in filling vacant positions thereby increasing the need for others to work overtime. The increases were mainly in the Northeast Water Plant and Field Service Operations cost centers.

Employee Benefits – Increased by \$3.3 million, or 12.1%, between FY 2022 and FY 2023. This is mainly due to an increase in medical premiums charged by the health insurance vendors, and the increase in the FTE plan of 18.19 positions. The annual plan renewals and related carrier rates are based on a calendar year.

Contractual Transition Services – There was an overall decrease of \$692,400, or 8.3%, in the Contractual Transition Services. The decrease in the Contractual Transition Services budget in the

areas of *Chief Operating Water Operations, Chief Operating Officer Wastewater Operations, Chief Administrative & Compliance Officer, and Chief Financial Officer* is the result of transitioning positions previously filled by individuals on a contract basis to GLWA team members.

The increase in Systems Analytics (Chief Planning Officer area) is due to the need to fill specialized positions in the staffing plan. These specialized positions were previously budgeted in Salaries & Wages. It is taking longer to hire for these positions than originally projected when the FY 2022 budget was developed. There has been a need to temporarily fill these positions on a contractual basis until they can be permanently filled.

Personnel Biennial Budget by Expense Category

Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Salaries & Wages	64,910,300	71,001,100	22,066,500	75,760,200	4,759,100	6.7%	80,648,900
Salaries & Wages - Workforce Development	829,400	976,700	252,900	1,801,900	825,200	84.5%	1,874,600
Overtime	7,364,700	6,897,500	2,683,600	6,891,200	(6,300)	-0.1%	6,838,900
Employee Benefits	25,448,000	26,829,400	8,416,700	30,087,400	3,258,000	12.1%	32,505,800
Contractual Transition Services	8,392,200	8,296,100	3,333,900	7,603,700	(692,400)	-8.3%	7,603,700
Grand Total	\$ 106,944,600	\$ 114,000,800	\$ 36,753,600	\$ 122,144,400	\$ 8,143,600	7.1%	\$ 129,471,900



Personnel Costs
Budget & Five-Year Plan
FY 2023 through FY 2027

Operating Area and Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Chief Operating Officer Water Operations	\$ 34,212,900	\$ 36,376,300	\$ 11,915,800	\$ 39,629,200	\$ 3,252,900	8.9%	\$ 41,652,900
Salaries & Wages	20,828,900	22,493,300	7,134,300	23,699,600	1,206,300	5.4%	25,032,500
Salaries & Wages - Workforce Development	546,900	708,500	171,300	1,512,200	803,700	113.4%	1,512,200
Overtime	3,989,500	3,376,300	1,557,100	3,586,900	210,600	6.2%	3,591,900
Employee Benefits	8,500,800	8,894,800	2,936,000	10,145,400	1,250,600	14.1%	10,831,200
Contractual Transition Services	346,800	903,400	117,100	685,100	(218,300)	-24.2%	685,100
Chief Operating Officer Wastewater Operations	36,648,700	38,210,700	12,513,300	40,062,900	1,852,200	4.8%	42,611,200
Salaries & Wages	18,795,100	20,421,600	6,123,500	21,985,900	1,564,300	7.7%	23,635,700
Salaries & Wages - Workforce Development	282,500	255,400	81,600	276,900	21,500	8.4%	349,600
Overtime	2,802,000	3,072,600	915,300	2,830,800	(241,800)	-7.9%	2,761,300
Employee Benefits	8,513,500	8,414,400	2,573,700	9,282,300	867,900	10.3%	10,177,600
Contractual Transition Services	6,255,600	6,046,700	2,819,200	5,687,000	(359,700)	-5.9%	5,687,000
Chief Planning Officer	5,052,200	6,053,100	1,736,400	7,251,100	1,198,000	19.8%	8,353,100
Salaries & Wages	3,243,700	3,748,100	1,104,300	4,509,200	761,100	20.3%	5,313,100
Salaries & Wages - Workforce Development	-	-	-	-	-	-	-
Overtime	124,000	136,300	45,100	137,700	1,400	1.0%	139,100
Employee Benefits	1,055,700	1,265,800	367,800	1,552,800	287,000	22.7%	1,849,500
Contractual Transition Services	628,800	902,900	219,200	1,051,400	148,500	16.4%	1,051,400
Chief Administrative & Compliance Officer	12,318,600	14,200,700	4,278,200	14,843,800	643,100	4.5%	15,854,200
Salaries & Wages	9,445,300	10,640,100	3,276,600	11,049,400	409,300	3.8%	11,764,400
Overtime	4,900	4,000	600	4,000	-	0.0%	4,000
Employee Benefits	2,758,700	3,396,500	1,003,700	3,700,200	303,700	8.9%	3,995,600
Contractual Transition Services	109,700	160,100	(2,700)	90,200	(69,900)	0.0%	90,200
Chief Financial Officer	11,593,900	12,135,000	3,836,200	12,820,300	685,300	5.6%	13,068,200
Salaries & Wages	7,908,200	8,823,000	2,749,100	9,374,500	551,500	6.3%	9,512,400
Salaries & Wages - Workforce Development	-	12,800	-	12,800	-	0.0%	12,800
Overtime	87,900	42,100	14,300	57,000	14,900	35.4%	57,000
Employee Benefits	2,546,500	2,974,100	891,700	3,286,000	311,900	10.5%	3,396,000
Contractual Transition Services	1,051,300	283,000	181,100	90,000	(193,000)	-68.2%	90,000
Chief Executive Officer	7,118,300	7,025,000	2,473,700	7,537,100	512,100	7.3%	7,932,300
Salaries & Wages	4,689,100	4,875,000	1,678,700	5,141,600	266,600	5.5%	5,390,800
Overtime	356,400	266,200	151,200	274,800	8,600	3.2%	285,600
Employee Benefits	2,072,800	1,883,800	643,800	2,120,700	236,900	12.6%	2,255,900
Grand Total	\$ 106,944,600	\$ 114,000,800	\$ 36,753,600	\$ 122,144,400	\$ 8,143,600	7.1%	\$ 129,471,900

Five-Year Financial Plan by Expense Category

Expense Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Salaries & Wages	71,001,100	75,760,200	80,648,900	81,587,000	82,025,100	82,025,100
Salaries & Wages - Workforce Development	976,700	1,801,900	1,874,600	1,874,600	1,874,600	1,874,600
Overtime	6,897,500	6,891,200	6,838,900	6,862,600	6,866,900	6,868,300
Employee Benefits	26,829,400	30,087,400	32,505,800	33,446,100	34,231,100	34,863,900
Contractual Transition Services	8,296,100	7,603,700	7,603,700	7,603,700	7,603,700	7,603,700
Grand Total	\$ 114,000,800	\$ 122,144,400	\$ 129,471,900	\$ 131,374,000	\$ 132,601,400	\$ 133,235,600



Five-Year Financial Plan by Operating Area and Expense Category

Operating Area and Expense Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Chief Operating Officer Water Operations	\$ 36,376,300	\$ 39,629,200	\$ 41,652,900	\$ 42,788,900	\$ 43,534,100	\$ 43,748,100
Salaries & Wages	22,493,300	23,699,600	25,032,500	25,732,500	26,132,500	26,132,500
Salaries & Wages - Workforce Development	708,500	1,512,200	1,512,200	1,512,200	1,512,200	1,512,200
Overtime	3,376,300	3,586,900	3,591,900	3,591,900	3,591,900	3,591,900
Employee Benefits	8,894,800	10,145,400	10,831,200	11,267,200	11,612,400	11,826,400
Contractual Transition Services	903,400	685,100	685,100	685,100	685,100	685,100
Chief Operating Officer Wastewater Operations	38,210,700	40,062,900	42,611,200	43,092,900	43,289,800	43,486,900
Salaries & Wages	20,421,600	21,985,900	23,635,700	23,835,700	23,835,700	23,835,700
Salaries & Wages - Workforce Development	255,400	276,900	349,600	349,600	349,600	349,600
Overtime	3,072,600	2,830,800	2,761,300	2,780,800	2,780,800	2,780,800
Employee Benefits	8,414,400	9,282,300	10,177,600	10,439,800	10,636,700	10,833,800
Contractual Transition Services	6,046,700	5,687,000	5,687,000	5,687,000	5,687,000	5,687,000
Chief Planning Officer	6,053,100	7,251,100	8,353,100	8,390,200	8,427,100	8,464,200
Salaries & Wages	3,748,100	4,509,200	5,313,100	5,313,100	5,313,100	5,313,100
Salaries & Wages - Workforce Development	-	-	-	-	-	-
Overtime	136,300	137,700	139,100	140,500	141,900	143,300
Employee Benefits	1,265,800	1,552,800	1,849,500	1,885,200	1,920,700	1,956,400
Contractual Transition Services	902,900	1,051,400	1,051,400	1,051,400	1,051,400	1,051,400
Chief Administrative & Compliance Officer	14,200,700	14,843,800	15,854,200	15,930,900	16,007,900	16,084,600
Salaries & Wages	10,640,100	11,049,400	11,764,400	11,764,400	11,764,400	11,764,400
Overtime	4,000	4,000	4,000	4,000	4,000	4,000
Employee Benefits	3,396,500	3,700,200	3,995,600	4,072,300	4,149,300	4,226,000
Contractual Transition Services	160,100	90,200	90,200	90,200	90,200	90,200
Chief Financial Officer	12,135,000	12,820,300	13,068,200	13,133,500	13,198,800	13,264,000
Salaries & Wages	8,823,000	9,374,500	9,512,400	9,512,400	9,512,400	9,512,400
Salaries & Wages - Workforce Development	12,800	12,800	12,800	12,800	12,800	12,800
Overtime	42,100	57,000	57,000	57,000	57,000	57,000
Employee Benefits	2,974,100	3,286,000	3,396,000	3,461,300	3,526,600	3,591,800
Contractual Transition Services	283,000	90,000	90,000	90,000	90,000	90,000
Chief Executive Officer	7,025,000	7,537,100	7,932,300	8,037,600	8,143,700	8,187,800
Salaries & Wages	4,875,000	5,141,600	5,390,800	5,428,900	5,467,000	5,467,000
Overtime	266,200	274,800	285,600	288,400	291,300	291,300
Employee Benefits	1,883,800	2,120,700	2,255,900	2,320,300	2,385,400	2,429,500
Grand Total	\$ 114,000,800	\$ 122,144,400	\$ 129,471,900	\$ 131,374,000	\$ 132,601,400	\$ 133,235,600

Capital Program Allocation

The amounts in the following Capital Program Allocation tables are shown as negative amounts because they are “contra” accounts which represent an offset to the Personnel Costs section of the Operations & Maintenance (O&M) budget. The Capital Program Allocation activity reflects staff time to support project delivery of the Capital Improvement Plan (CIP). The majority of the 26.1% increase represents an overall greater level of activity within the Water and Wastewater Operations due to Life Cycle Engineering positions newly budgeted for FY 2023. In the Chief Planning Officer Area, Capital Improvement Planning increased due to newly budgeted positions for FY 2023 consistent with the long-term strategy to rollout a capital program management group.

Time charged to capital projects is recorded by GLWA team members in a time tracking software called BigTime. This software was implemented and rolled out towards the end of FY 2018.

Capital Program Allocation Biennial Budget

Operating Area and Expense Category	FY 2021 Actual	FY 2022 Amended Budget	FY 2022 Activity as of 10.31.2021	FY 2023 Department Requested	FY 2023 Dollar Variance	FY 2023 Percent Variance	FY 2024 Department Requested
Chief Operating Officer Water Operations	\$ (2,095,400)	\$ (2,148,100)	\$ (640,300)	\$ (2,755,500)	\$ (607,400)	28.3%	\$ (3,504,800)
Capital Program: Employee Benefits	(594,500)	(485,600)	(181,700)	(652,200)	(166,600)	34.3%	(843,400)
Capital Program: Salaries & Wages-Direct	(1,500,900)	(1,632,500)	(458,600)	(2,103,300)	(470,800)	28.8%	(2,661,400)
Capital Program: Salaries & Wages-Indire	-	(30,000)	-	-	30,000	-100.0%	-
Chief Operating Officer Wastewater Operations	(1,068,700)	(1,292,700)	(318,000)	(1,429,500)	(136,800)	10.6%	(1,722,400)
Capital Program: Employee Benefits	(304,600)	(308,000)	(90,200)	(382,400)	(74,400)	24.2%	(515,300)
Capital Program: Salaries & Wages-Direct	(764,100)	(984,700)	(227,800)	(1,047,100)	(62,400)	6.3%	(1,207,100)
Chief Planning Officer	-	-	-	(191,200)	(191,200)	0.0%	(192,200)
Capital Program: Employee Benefits	-	-	-	(47,100)	(47,100)	0.0%	(48,100)
Capital Program: Salaries & Wages-Indire	-	-	-	-	-	0.0%	-
Capital Program: Salaries & Wages-Direct	-	-	-	(144,100)	(144,100)	0.0%	(144,100)
Chief Administrative & Compliance Officer	-	-	-	-	-	0.0%	-
Capital Program: Salaries & Wages-Direct	-	-	-	-	-	0.0%	-
Chief Financial Officer	(19,000)	(30,200)	(2,900)	-	30,200	-100.0%	-
Capital Program: Employee Benefits	(5,400)	(7,000)	(800)	-	7,000	-100.0%	-
Capital Program: Salaries & Wages-Direct	(13,600)	(23,200)	(2,100)	-	23,200	-100.0%	-
Capital Program: Salaries & Wages-Indire	-	-	-	-	-	0.0%	-
Chief Executive Officer	(8,500)	-	-	-	-	0.0%	-
Capital Program: Employee Benefits	(2,400)	-	-	-	-	0.0%	-
Capital Program: Salaries & Wages-Direct	(6,100)	-	-	-	-	0.0%	-
Grand Total	\$ (3,191,600)	\$ (3,471,000)	\$ (961,200)	\$ (4,376,200)	\$ (905,200)	26.1%	\$ (5,419,400)

Capital Program Allocation Five-Year Financial Plan

Operating Area and Expense Category	FY 2022 Amended Budget	FY 2023 Department Requested	FY 2024 Department Requested	FY 2025 Department Requested	FY 2026 Department Requested	FY 2027 Department Requested
Chief Operating Officer Water Operations	\$ (2,148,100)	\$ (2,755,500)	\$ (3,504,800)	\$ (4,263,100)	\$ (4,708,900)	\$ (4,730,600)
Capital Program: Employee Benefits	(485,600)	(652,200)	(843,400)	(1,041,700)	(1,167,500)	(1,189,200)
Capital Program: Salaries & Wages-Direct	(1,632,500)	(2,103,300)	(2,661,400)	(3,221,400)	(3,541,400)	(3,541,400)
Capital Program: Salaries & Wages-Indire	(30,000)	-	-	-	-	-
Chief Operating Officer Wastewater Operations	(1,292,700)	(1,429,500)	(1,722,400)	(1,959,500)	(1,968,600)	(1,977,700)
Capital Program: Employee Benefits	(308,000)	(382,400)	(515,300)	(592,400)	(601,500)	(610,600)
Capital Program: Salaries & Wages-Direct	(984,700)	(1,047,100)	(1,207,100)	(1,367,100)	(1,367,100)	(1,367,100)
Chief Planning Officer	-	(191,200)	(192,200)	(193,100)	(194,000)	(194,900)
Capital Program: Employee Benefits	-	(47,100)	(48,100)	(49,000)	(49,900)	(50,800)
Capital Program: Salaries & Wages-Indire	-	-	-	-	-	-
Capital Program: Salaries & Wages-Direct	-	(144,100)	(144,100)	(144,100)	(144,100)	(144,100)
Chief Administrative & Compliance Officer	-	-	-	-	-	-
Capital Program: Salaries & Wages-Direct	-	-	-	-	-	-
Chief Financial Officer	(30,200)	-	-	-	-	-
Capital Program: Employee Benefits	(7,000)	-	-	-	-	-
Capital Program: Salaries & Wages-Direct	(23,200)	-	-	-	-	-
Capital Program: Salaries & Wages-Indire	-	-	-	-	-	-
Chief Executive Officer	-	-	-	-	-	-
Capital Program: Salaries & Wages-Direct	-	-	-	-	-	-
Grand Total	\$ (3,471,000)	\$ (4,376,200)	\$ (5,419,400)	\$ (6,415,700)	\$ (6,871,500)	\$ (6,903,200)

Staffing Plan

The increase in the staffing plan of 54 positions from 1,239 to 1,293 positions are presented in the following table. For comparison, the increase in FTEs of 18.19 is also presented. The FTE staffing is based on the number of hours that a position is filled, or budgeted for, based upon a standard of 2,080 hours per year.

<i>Operating Area</i>	<i>+Increase, -Decrease Staffing Plan from FY 2022 to FY 2023</i>	<i>+Increase, -Decrease in FTEs from FY 2022 to FY 2023</i>
Water Operations	+37.00	+26.00
Financial Services	-9.00	-9.75
Administration & Compliance Officer	+8.00	+1.75
Wastewater Operations	+2.00	-9.56
Planning Services	+11.00	+6.25
Chief Executive Officer	+5.00	+3.50
Total	54.00	18.19

The Staffing Plan and FTE counts level out beginning in FY 2026 as the organization reaches an optimal staffing level and vacancies are filled. The goal of the staffing plan is to provide the organization with an appropriate level of personnel to achieve operational reliability, to ensure a safe environment, maintain compliance and efficient capital delivery, and to provide reliable and quality services to our customer communities.

The following tables present both a “Staffing Plan” reflecting the *number* of positions and a “Staffing Budget” based on *full-time equivalents* (FTEs). In the Staffing Plan each position has a value of one. The position count does not distinguish between a position that is filled 100% (2,080 hours per year), filled for a number of hours less than 2,080 per year, or one that is vacant. The FTE staffing is based on the number of hours that the position is filled, or budgeted for, based upon a standard of 2,080 hours per year.



Staffing Plan

Operating Area and Team	Cost Center	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Chief Operating Officer Water Operations		366.00	383.00	420.00	427.00	434.00	438.00	438.00
COO - Water Operations & Field Services	882001	3.00	3.00	4.00	4.00	4.00	4.00	4.00
Energy, Research & Innovation	882501	6.00	7.00	9.00	9.00	9.00	9.00	9.00
Transformation	882511			5.00	5.00	5.00	5.00	5.00
Facility Operations	882421	25.00	23.00	23.00	23.00	23.00	23.00	23.00
Fleet Operations	882422		3.00	4.00	4.00	4.00	4.00	4.00
Field Service Operations	882431	65.00	71.00	71.00	71.00	71.00	71.00	71.00
Lake Huron Water Plant	882171	31.00	31.00	36.00	36.00	36.00	36.00	36.00
Northeast Water Plant	882151	32.00	33.00	38.00	38.00	38.00	38.00	38.00
Southwest Water Plant	882161	30.00	33.00	37.00	37.00	37.00	37.00	37.00
Springwells Water Plant	882141	36.00	37.00	40.00	40.00	40.00	40.00	40.00
Systems Operations Control	882301	43.00	44.00	44.00	44.00	44.00	44.00	44.00
Water Director	882101	11.00	13.00	12.00	12.00	12.00	12.00	12.00
Water Engineering	882111	23.00	23.00	30.00	37.00	44.00	48.00	48.00
Water Quality	882121	26.00	26.00	26.00	26.00	26.00	26.00	26.00
Water Works Park	882131	35.00	36.00	41.00	41.00	41.00	41.00	41.00
Chief Operating Officer Wastewater Operations		443.00	448.00	450.00	452.00	454.00	454.00	454.00
BDF, COF & Hauling	892227	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Chief Operating Officer Wastewater	892001	14.00	14.00	13.00	13.00	13.00	13.00	13.00
Combined Sewer Overflow	892270	37.00	37.00	33.00	33.00	33.00	33.00	33.00
Industrial Waste Control	892231	29.00	29.00	29.00	29.00	29.00	29.00	29.00
Wastewater Dewatering Process	892225	51.00	50.00	48.00	48.00	48.00	48.00	48.00
Wastewater Director	892201	47.00	49.00	51.00	51.00	51.00	51.00	51.00
Wastewater Engineering	892211	24.00	26.00	31.00	33.00	35.00	35.00	35.00
Wastewater Incineration Process	892226	51.00	53.00	53.00	53.00	53.00	53.00	53.00
Wastewater Laboratories	892235	40.00	41.00	40.00	40.00	40.00	40.00	40.00
Wastewater Operations	892221	15.00	14.00	15.00	15.00	15.00	15.00	15.00
Wastewater Primary Process	892223	55.00	52.00	53.00	53.00	53.00	53.00	53.00
Wastewater Process Control	892222	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Wastewater Secondary Process	892224	44.00	47.00	48.00	48.00	48.00	48.00	48.00
Chief Planning Officer		73.00	57.00	68.00	71.00	71.00	71.00	71.00
Asset Management	886201	11.00	8.00	10.00	11.00	11.00	11.00	11.00
Capital Improvement Planning	886601	8.00	6.00	13.00	13.00	13.00	13.00	13.00
Chief Planning Officer	886001	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Systems Analytics	886401	44.00	36.00	35.00	37.00	37.00	37.00	37.00
Systems Planning & Development	886100			4.00	4.00	4.00	4.00	4.00
Systems Planning	886101	7.00	5.00	4.00	4.00	4.00	4.00	4.00
Chief Administration & Compliance Officer		124.00	131.00	139.00	139.00	139.00	139.00	139.00
Chief Administrative Officer	883001	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Enterprise Risk Management and Safety	883401	8.00	8.00	8.00	8.00	8.00	8.00	8.00
General Counsel	883101	7.00	8.00	8.00	8.00	8.00	8.00	8.00
Info Technology Business Productivity Systems	883341	10.00	13.00	13.00	13.00	13.00	13.00	13.00
Info Technology Enterprise Asset Mgmt Systems	883351	16.00	17.00	17.00	17.00	17.00	17.00	17.00
Info Technology Infrastructure	883331	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Info Technology Security & Risk	883361	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Info Technology Service Delivery	883321	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Info Technology Project Management Office	883311	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Office of the CIO	883301	4.00	4.00	7.00	7.00	7.00	7.00	7.00
Organizational Development Administration	883201	4.00	5.00	5.00	5.00	5.00	5.00	5.00
Organizational Development Talent Management	883211	17.00	18.00	22.00	22.00	22.00	22.00	22.00
Organizational Development Training	883231	12.00	12.00	13.00	13.00	13.00	13.00	13.00



Staffing Plan (continued)

Operating Area and Team	Cost Center	Prior Year FY 2021 Staffing Plan	Current Year FY 2022 Staffing Plan	FY 2023 Staffing Plan	FY 2024 Staffing Plan	FY 2025 Staffing Plan	FY 2026 Staffing Plan	FY 2027 Staffing Plan
Chief Financial Officer		124.00	132.00	123.00	123.00	123.00	123.00	123.00
Chief Financial Officer	884001	5.00	6.00	5.00	5.00	5.00	5.00	5.00
Data Analytics & Internal Audit	884151	3.00	3.00	0.00	0.00	0.00	0.00	0.00
Financial Management & Planning	884113	9.00	10.00	12.00	12.00	12.00	12.00	12.00
Financial Reporting & Accounting	884111	26.00	31.00	29.00	29.00	29.00	29.00	29.00
Logistics and Materials	884124	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Owners' Representative	884126	5.00	5.00	0.00	0.00	0.00	0.00	0.00
Procurement Director	884121	31.00	32.00	35.00	35.00	35.00	35.00	35.00
CFO Services	884141	5.00	11.00	15.00	15.00	15.00	15.00	15.00
Reporting and Compliance	884135	5.00		0.00	0.00	0.00	0.00	0.00
Transformation	884161	8.00	7.00					
Treasury	884131	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Chief Executive Officer		89.00	88.00	93.00	95.00	96.00	97.00	97.00
Chief Executive Officer	881001	2.00	2.00	2.00	2.00	2.00	2.00	2.00
HazMat	881202	19.00	19.00	19.00	21.00	21.00	21.00	21.00
Public Affairs	881101	8.00	7.00	9.00	9.00	9.00	9.00	9.00
Security and Integrity	881201	60.00	60.00	63.00	63.00	64.00	65.00	65.00
Grand Total		1,219.00	1,239.00	1,293.00	1,307.00	1,317.00	1,322.00	1,322.00



Personnel Costs
Budget & Five-Year Plan
FY 2023 through FY 2027

Full-time Equivalents

Operating Area and Team	Cost Center	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Chief Operating Officer Water Operations		365.25	382.25	408.25	426.25	433.25	437.25	437.25
COO - Water Operations & Field Services	882001	2.75	2.75	3.75	3.75	3.75	3.75	3.75
Energy, Research & Innovation	882501	6.00	7.00	8.25	9.00	9.00	9.00	9.00
Transformation	882511			5.00	5.00	5.00	5.00	5.00
Facility Operations	882421	24.50	22.50	19.00	22.50	22.50	22.50	22.50
Fleet Operations	882422		3.00	4.00	4.00	4.00	4.00	4.00
Field Service Operations	882431	65.00	71.00	68.00	71.00	71.00	71.00	71.00
Lake Huron Water Plant	882171	31.00	31.00	36.00	36.00	36.00	36.00	36.00
Northeast Water Plant	882151	32.00	33.00	38.00	38.00	38.00	38.00	38.00
Southwest Water Plant	882161	30.00	33.00	37.00	37.00	37.00	37.00	37.00
Springwells Water Plant	882141	36.00	37.00	40.00	40.00	40.00	40.00	40.00
Systems Operations Control	882301	43.00	44.00	40.25	44.00	44.00	44.00	44.00
Water Director	882101	11.00	13.00	12.00	12.00	12.00	12.00	12.00
Water Engineering	882111	23.00	23.00	30.00	37.00	44.00	48.00	48.00
Water Quality	882121	26.00	26.00	26.00	26.00	26.00	26.00	26.00
Water Works Park	882131	35.00	36.00	41.00	41.00	41.00	41.00	41.00
Chief Operating Officer Wastewater Operations		436.75	431.25	421.69	451.75	453.75	453.75	453.75
BDF, COF & Hauling	892227	11.00	9.50	8.75	11.00	11.00	11.00	11.00
Chief Operating Officer Wastewater	892001	14.00	14.00	13.00	13.00	13.00	13.00	13.00
Combined Sewer Overflow	892270	36.50	34.75	29.44	32.75	32.75	32.75	32.75
Industrial Waste Control	892231	28.50	28.25	27.75	29.00	29.00	29.00	29.00
Wastewater Dewatering Process	892225	51.00	48.75	44.50	48.00	48.00	48.00	48.00
Wastewater Director	892201	46.00	47.50	49.25	51.00	51.00	51.00	51.00
Wastewater Engineering	892211	23.50	25.50	30.50	33.00	35.00	35.00	35.00
Wastewater Incineration Process	892226	49.75	49.25	50.00	53.00	53.00	53.00	53.00
Wastewater Laboratories	892235	40.00	39.75	34.00	40.00	40.00	40.00	40.00
Wastewater Operations	892221	13.50	11.00	12.75	15.00	15.00	15.00	15.00
Wastewater Primary Process	892223	54.50	51.00	51.25	53.00	53.00	53.00	53.00
Wastewater Process Control	892222	24.50	25.00	24.00	25.00	25.00	25.00	25.00
Wastewater Secondary Process	892224	44.00	47.00	46.50	48.00	48.00	48.00	48.00
Chief Planning Officer		63.25	56.00	62.25	71.00	71.00	71.00	71.00
Asset Management	886201	9.50	7.50	8.00	11.00	11.00	11.00	11.00
Capital Improvement Planning	886601	5.50	6.00	10.75	13.00	13.00	13.00	13.00
Chief Planning Officer	886001	3.00	2.00	2.00	2.00	2.00	2.00	2.00
Systems Analytics	886401	39.25	36.00	35.00	37.00	37.00	37.00	37.00
Systems Planning & Development	886100			3.25	4.00	4.00	4.00	4.00
Systems Planning	886101	6.00	4.50	3.25	4.00	4.00	4.00	4.00
Chief Administration & Compliance Officer		124.00	129.00	130.75	137.50	137.50	137.50	137.50
Chief Administrative Officer	883001	5.00	5.00	4.25	5.00	5.00	5.00	5.00
Enterprise Risk Management and Safety	883401	8.00	6.50	5.75	8.00	8.00	8.00	8.00
General Counsel	883101	7.00	8.00	7.25	8.00	8.00	8.00	8.00
Info Technology Business Productivity Systems	883341	10.00	13.00	13.00	13.00	13.00	13.00	13.00
Info Technology Enterprise Asset Mgmt Systems	883351	16.00	16.50	16.25	16.50	16.50	16.50	16.50
Info Technology Infrastructure	883331	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Info Technology Security & Risk	883361	3.00	3.00	2.50	3.00	3.00	3.00	3.00
Info Technology Service Delivery	883321	15.00	15.00	15.00	15.00	15.00	15.00	15.00
InfoTechnology Project Management Office	883311	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Office of the CIO	883301	4.00	4.00	4.75	7.00	7.00	7.00	7.00
Organizational Development Administration	883201	4.00	5.00	5.00	5.00	5.00	5.00	5.00
Organizational Development Talent Management	883211	17.00	18.00	21.00	21.00	21.00	21.00	21.00
Organizational Development Training	883231	12.00	12.00	13.00	13.00	13.00	13.00	13.00



Full-time Equivalents (continued)

Operating Area and Team	Cost Center	Prior Year FY 2021 FTEs	Current Year FY 2022 FTEs	FY 2023 FTEs	FY 2024 FTEs	FY 2025 FTEs	FY 2026 FTEs	FY 2027 FTEs
Chief Financial Officer		122.00	129.75	120.00	121.50	121.50	121.50	121.50
Chief Financial Officer	884001	4.50	5.50	4.50	4.50	4.50	4.50	4.50
Data Analytics & Internal Audit	884151	3.00	3.00	0.00	0.00	0.00	0.00	0.00
Financial Management & Planning	884113	9.00	10.00	12.00	12.00	12.00	12.00	12.00
Financial Reporting & Accounting	884111	25.00	30.00	28.00	28.00	28.00	28.00	28.00
Logistics and Materials	884124	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Owners' Representative	884126	5.00	5.00	0.00	0.00	0.00	0.00	0.00
Procurement Director	884121	30.50	32.00	33.50	35.00	35.00	35.00	35.00
CFO Services	884141	5.00	11.00	15.00	15.00	15.00	15.00	15.00
Reporting and Compliance	884135	5.00		0.00	0.00	0.00	0.00	0.00
Transformation	884161	8.00	6.25					
Treasury	884131	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Chief Executive Officer		88.25	88.00	91.50	95.00	96.00	97.00	97.00
Chief Executive Officer	881001	2.00	2.00	2.00	2.00	2.00	2.00	2.00
HazMat	881202	19.00	19.00	19.00	21.00	21.00	21.00	21.00
Public Affairs	881101	7.25	7.00	7.50	9.00	9.00	9.00	9.00
Security and Integrity	881201	60.00	60.00	63.00	63.00	64.00	65.00	65.00
Grand Total		1,199.50	1,216.25	1,234.44	1,303.00	1,313.00	1,318.00	1,318.00



Regional System
Water and Sewer Funds

Ten Year Financial Plan
Through FY 2032

Presented to
GLWA Audit Committee
December 17, 2021

TFG
THE FOSTER GROUP

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MEMORANDUM

Proposed FY 2023 Water and Sewer Charges

December 15, 2021

To: Sue Coffey, Nicolette Bateson

From: Bart Foster

This memorandum is intended to introduce our recommended proposed Water and Sewer Charges for FY 2023. Herewith we provide an executive summary of our recommendations. We have prepared and provided additional material under separate cover which supports the analyses summarized in this document.

Executive Summary

1. Proposed FY 2023 Water and Sewer Charges reflect a simplified approach that does not require preparation of a FY 2023 Cost of Service Study.
 - *Supported by uniformity in units of service related to the upcoming Water Contract Alignment Process (CAP) and continuation of the FY 2022 Sewer SHAREs.*
 - *Cost of service analyses will still be completed to support ongoing review and initiatives.*
2. Proposed FY 2023 Water Charges reflect:
 - *Budgeted Revenue Requirement increase of 3.5%;*
 - *System Charge Adjustment equal to a 3.7% increase;*
 - *Wholesale Charge Adjustment equal to a 3.6% increase;*
 - *Uniform Charge Increase of 3.4% for almost all Member Partners;*
 - *Uniform Charge Increase of 2.6% for Non Master Metered Member Partners;*
 - *Slightly higher increase for Detroit and Flint after recognizing specific contract requirements.*
3. Proposed FY 2023 Sewer Charges reflect:
 - *Budgeted Revenue Requirement increase of 2.5%;*
 - *System Charge Adjustment equal to a 3.7% increase;*
 - *Uniform System Charge Increase of 4.5% for suburban wholesale Member Partners related to Highland Park bad debt;*
 - *Increase to Detroit is 2.5%*

Proposed FY 2023 Water Charges**Budgeted Revenue Requirements and System Charge Adjustment:**

- We are proposing a ***System Charge Adjustment*** of a 3.7% increase. As shown in the table below, this adjustment is the product of:
 - *3.5% to address a \$12.0 million revenue requirement increase;*
 - *Approximately 0.2% to reflect a decrease in budgeted water sales volumes, creating a \$0.5 million negative sales revenue forecast. (See Line 17)*

Recommended FY 2023 Water Revenue Requirement Summary

	Approved FY 2022	Recommended FY 2023	Variance	% Variance
<u>Revenues</u>				
1 Revenues from Charges	342,808,200	354,946,100	12,137,900	3.5%
2 Other Operating Revenue	175,000	175,000	0	0.0%
3 Non-Operating Revenue	1,047,300	950,500	(96,800)	-9.2%
4 Total Revenues	344,030,500	356,071,600	12,041,100	3.5%
<u>Revenue Requirements</u>				
5 Operations & Maintenance (O&M) Expense	143,933,800	144,847,700	913,900	0.6%
6 General Retirement System Legacy Pension	6,048,000	6,048,000	0	0.0%
7 Debt Service - Regional System Allocation	135,481,000	150,337,100	14,856,100	11.0%
8 General Retirement System Accelerated Pension	6,268,300	6,268,300	0	0.0%
9 WRAP Contribution	1,705,500	1,770,500	65,000	3.8%
10 Lease Payment	22,500,000	22,500,000	0	0.0%
11 Deposit to Improvement & Extension (I&E) Fund	28,093,900	24,300,000	(3,793,900)	-13.5%
12 Total Revenue Requirements	344,030,500	356,071,600	12,041,100	3.5%
<u>Charge Adjustment Summary</u>				
13 Adjustment Index		3.50%		
14 Baseline Revenue		342,296,100		
15 Change in Annual Revenue Requirement			12,041,100	3.5%
16 Change Attributable to Non-Charge Revenue			96,800	0.03%
17 Change Attributable to Sales Revenue / Bad Debt			512,100	0.15%
18 System Charge Adjustment			12,650,000	3.70%

- The budgeted revenue variance is lower than that presented earlier in the charge planning process, including at the November 16 Charge Rollout meeting on proposed Units of Service. Subsequent to that meeting, we have:
 - *Made some minor adjustments to projected sales volumes for specific Member Partners based on review of specific data;*
 - *Adjusted the presumed decline in base month water sales from 2.5% annually to 1.0% annually, which is more indicative of recent activity - so the adjustment factor applied to the 3-year average base month sales is 98% instead of 95%.*
 - *This reduces the “negative budgeted revenue variance” from approximately \$2.0 million to approximately \$0.5 million and puts less pressure on the FY 2023 charges.*
- As a result, the proposed System Charge Adjustment is lower than what was indicated in originally presented material.

Specific Member Partner Charge Proposals:

As presented at the November 16 Charge Rollout meeting, there is only one Member Partner (St. Clair County DTE) whose contracted max day and peak hour demands will change for FY 2023. All Member Partners will have the opportunity to change their contracted demands during the re-opener process during 2022, and to impact their charges for FY 2024. We believe this dynamic supports a simplified approach to the proposed FY 2023 Water Charges, similar to what has been employed in recent years, to support the stability objectives embraced by the GLWA Charge Methodologies. Our recommended charges have been developed by:

- Using the FY 2022 Cost of Service Study as an appropriate mechanism to allocate the FY 2023 Revenue Requirements to Cost Pools, for purposes of establishing the allocation of Revenue Requirements to “Mod” customers introduced below.
- Treating St. Clair County DTE as a “Mod” customer and compute their proposed charges based on their specific demands.
 - *This will result in a significant charge increase for this Member Partner.*
- Treating the Non Master Metered Member Partners (Detroit, Dearborn, Highland Park) uniformly as a group of “Mod” customers and uniformly adjust their allocated wholesale revenue requirement.
 - *After adjusting for the “Mod” above, this results in a 2.9% uniform increase in the “wholesale” revenue requirement for this “No Mod” class.*
 - *This approach continues recent charge calculations that allow the max day and peak hour demands to vary with variances in average day volumes year over year. The change in average volumes for these Member Partners from FY 2022 to FY 2023 is relatively uniform and we believe treating this group as a class is reasonable and embraces the simplified approach introduced herein.*
- Treating ALL other Member Partners as members of the “No Mod” customer class and uniformly adjust their allocated wholesale revenue requirement.
 - *After adjusting for the “Mods” above, this results in a 3.7% uniform increase in the “wholesale” revenue requirement for this “No Mod” class.*
- Apply the required contractual adjustments to the allocated wholesale revenue requirements.
 - *Since the Detroit Ownership Benefit and the KWA debt service credit are fixed¹, the uniform charge adjustment for all members of the “No Mod” customer class is 3.4%.*
 - *Proposed charge adjustments to Detroit and Flint (expressed on a “gross” pre credit basis) after reflecting contractual adjustments are 3.0% and 3.5%, respectively.*

¹ There is a minor reduction in the budgeted KWA debt service credit, which has the effect of moderately reducing the amount allocated to all other Member Partners.

Proposed FY 2023 Sewer Charges**Budgeted Revenue Requirements and System Charge Adjustment:**

- We are proposing a ***System Charge Adjustment*** of a 3.66% increase. As shown in the table below, this adjustment is the product of:
 - *2.5% to address a \$11.9 million revenue requirement increase;*
 - *Approximately 1.15% to reflect inclusion of one year's worth of revenue requirements allocable to Highland Park as a bad debt expense allowance. (See Line 17). No such amounts were included in the approved FY 2022 Budget and Charges.*

Recommended FY 2023 Sewer Revenue Requirement Summary

	Approved FY 2022	Recommended FY 2023	Variance	% Variance
<u>Revenues</u>				
1 Revenues from Charges	474,005,900	485,760,000	11,754,100	2.5%
2 Other Operating Revenue	400,000	400,000	0	0.0%
3 Non-Operating Revenue	1,023,300	1,154,900	131,600	12.9%
4 Total Revenues	475,429,200	487,314,900	11,885,700	2.5%
<u>Revenue Requirements</u>				
5 Operations & Maintenance (O&M) Expense	181,299,800	187,052,600	5,752,800	3.2%
6 General Retirement System Legacy Pension	10,824,000	10,824,000	0	0.0%
7 Debt Service - Regional System Allocation	207,209,500	205,638,100	(1,571,400)	-0.8%
8 General Retirement System Accelerated Pension	11,620,700	11,620,700	0	0.0%
9 WRAP Contribution	2,358,300	2,423,800	65,500	2.8%
10 Lease Payment	27,500,000	27,500,000	0	0.0%
11 Deposit to Improvement & Extension (I&E) Fund	34,616,900	42,255,700	7,638,800	22.1%
12 Total Revenue Requirements	475,429,200	487,314,900	11,885,700	2.5%
<u>Charge Adjustment Summary</u>				
13 Adjustment Index		2.50%		
14 Baseline Revenue		468,611,800		
15 Change in Annual Revenue Requirement			11,885,700	2.5%
16 Change Attributable to Non-Charge Revenue			(131,600)	-0.03%
17 Change Attributable to Sales Revenue / Bad Debt			5,394,100	1.15%
18 System Charge Adjustment			17,148,200	3.66%

- As a result, the proposed System Charge Adjustment is higher than what was indicated in originally presented material.

Specific Member Partner Charge Proposals:

As presented at the November 16 Charge Rollout meeting, the existing SHAREs established for the FY 2022 Charges will remain in effect for FY 2023 and FY 2024. Revenues collected via the SHAREs process account for almost 97% of the revenues generated from charges, with Industrial Specific charges and contractual charges to OMID making up the remainder. We believe this dynamic supports a simplified approach to the proposed FY 2023 Sewer Charges to support the stability objectives embraced by the GLWA Charge Methodologies. Our recommended charges have been developed by:

- Increase the “wholesale revenue requirements from charges” for ALL charge categories by 2.5% to align with the overall budgeted revenue requirement increase.

- *This will effectively increase the Sewer Charges for ALL Member Partners (prior to adjustments related to the Agreements) by 2.5%.*
- Allocate responsibility for the \$5.4 million expected bad debt expense allowance associated with Highland Park to Member Partners in the Suburban Wholesale customer class and compute a FY 2023 “surcharge” associated with this amount².
 - *This will effectively result in uniform charge increase of 4.5% for members of this customer class.*
- Apply the required contractual adjustments related to the Detroit Ownership Benefit and the OMID Specific revenue requirements.
 - *Since the Detroit Ownership Benefit is fixed, the charge adjustment for Detroit is 2.56% expressed on a “gross” pre credit basis (Compared to the 2.5% budgeted revenue requirement increase).*
- Compute specific Industrial Waste Control and Industrial Surcharge rates for FY 2023 that align with the overall 2.5% increase in budgeted revenue requirements.

We believe that the simplified approaches recommended above are consistent with the goals and objectives set forth in the “One Water Charge Initiatives” that were (most recently) presented at the November 16 Charge Rollout meeting. We are prepared to prepare and provide specific Member Partner charge calculation sheets that embrace and follow these approaches.

We are prepared to present this material to the Audit Committee meeting scheduled for December 17 and to discuss this matter further at your convenience.

² We have provided commentary and analysis regarding specific details on the Highland Park bad debt expense and the impact on Sewer Charges under separate cover.

TFG
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MEMORANDUM

Highland Park Bad Debt Expense Review
 Executive Summary

December 15, 2021

To: Nicolette Bateson

From: Bart Foster

A brief update on Highland Park bad debt expense, and how it impacts charges to other GLWA Member Partners. More thorough discussion and analysis is documented elsewhere.

- The year-end working papers supporting the FY 2021 audit reveal an “allowance for doubtful accounts” for Highland Park totaling approximately \$49.1 million, and a resulting FY 2021 bad debt expense of approximately \$4.16 million, as summarized below.

Highland Park Bad Debt Amounts

	Allowance for Doubtful Accts		Change (a)
	<u>6/30/20</u>	<u>6/30/21</u>	
Sewer	34,584,627	37,509,475	2,924,848
Sewer Industrial Waste Control (b)	1,710,779	1,758,201	47,422
Water	<u>8,634,075</u>	<u>9,821,920</u>	<u>1,187,845</u>
Total (b)	44,929,481	49,089,596	4,160,115

(a) The change in the allowance is equivalent to the bad debt expense during the fiscal year, unless any accounts receivable were written off during the year.

(b) Estimated - prior balance includes a small amount not related to Highland Park.

The remainder of this document discusses Water and Sewer impacts separately.

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Highland Park Bad Debt Expense Review
Executive Summary

December 15, 2021
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Water

- Starting with the FY 2017 Water service charges, we began effectively increasing charges to ALL Member Partners (including Detroit) by amounts equivalent to Highland Park's allocated revenue requirement.
- The FY 2021 Water bad debt expense for Highland Park was \$1.19 million, which was consistent with the amount we included in the FY 2021 charges.
- The proposed FY 2023 Water Charges include the entire revenue requirement allocated to Highland Park as a "bad debt revenue requirement" allocable to all Member Partners, including Detroit.

Sewer

- As shown in the table below, payment performance improved in FYs 2018 and 2019, but fell off during FY 2020 and 2021, and no payments have been made during FY 2022.

<u>Highland Park Sewer Payment History</u>	<u>Billings</u>	<u>Payments</u>	<u>Net</u>	<u>Balance</u>	<u>Collection Rate</u>
FY 2012				10,207,956	
FY 2013	4,987,635	2,206,211	2,781,424	12,989,380	44%
FY 2014	6,980,442	1,612,633	5,367,809	18,357,189	23%
FY 2015	5,553,123	1,444,623	4,108,500	22,465,689	26%
FY 2016	5,612,167	2,022,335	3,589,832	26,055,521	36%
FY 2017	5,802,000	2,309,186	3,492,814	29,548,335	40%
FY 2018	5,657,101	4,108,108	1,548,993	31,097,328	73%
FY 2019	5,617,100	5,241,583	375,517	31,472,845	93%
FY 2020	5,665,400	3,026,117	2,639,283	34,112,128	53%
FY 2021	5,708,400	2,783,552	2,924,848	37,036,976	49%
FY 2022 (5 months)	2,239,200	0	2,239,200	39,276,176	0%
Cumulative	53,822,568	24,754,348	29,068,220		46%
FY 2013 - FY 2017	28,935,367	9,594,988	19,340,379		33%
FY 2018 - FY 2019	11,274,201	9,349,691	1,924,510		83%
FY 2020 - FY 2022	13,613,000	5,809,669	7,803,331		43%

- Through the end of FY 2019, (via a combination of *prospective* bad debt recovery and bad debt *true up* recovery) Member Partners had been charged approximately \$324,500 more than the actual bad debt incurred by Highland Park. We'll refer to that figure as the "**Cumulative Balance**" herein.
- By the end of FY 2020, this figure was close to zero.
- Subsequently, the Board deferred implementation of the FY 2021 Charges, leaving the FY 2020 Charges (and the ~ \$188,000 per month of bad debt related amounts that they contained) in effect for the first six months of FY 2021. As a result, suburban wholesale Member Partners were charged an additional \$1.13 million in bad debt related charges that would not have been collected had the FY 2021 Charges been implemented as originally scheduled.

Highland Park Bad Debt Expense Review
Executive Summary

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Page 3

- We took this information into consideration when designing the FY 2022 Sewer Charges. When we developed the FY 2022 suburban wholesale Sewer charges we did not include any amounts related to Highland Park Sewer bad debt in the charges.
 - This decision was supported, in part, due to the COVID environment and by a desire to implement the FY 2022 SHAREs in a revenue neutral fashion.*
- The FY 2021 Sewer bad debt expense for Highland Park was \$2.92 million. This figure increased the Cumulative Balance to \$1.85 million as of June 30, 2021. This amount is technically due from Suburban Wholesale Member Partners via a surcharge to their allocated FY 2023 revenue requirements.

HP Bad Debt Collected in Sewer Charges					
	<u>Bad Debt Prospective</u>	<u>Bad Debt True Up</u>	<u>Total Bad Debt Collected</u>	<u>Bad Debt Incurred</u>	<u>Cumulative Balance</u>
pre 2016				17,295,300	17,295,300
2016	5,569,200	0	5,569,200	2,975,200	14,701,300
2017	5,600,000	3,459,100	9,059,100	2,782,200	8,424,400
2018	4,390,000	2,810,600	7,200,600	2,100,800	3,324,600
2019	2,780,000	1,871,300	4,651,300	1,002,200	(324,500)
2020	2,260,800	0	2,260,800	2,643,900	58,600
2021 *	<u>2,440,400</u>	<u>(1,310,000)</u>	<u>1,130,400</u>	<u>2,924,800</u>	1,853,000
Subtotal	23,040,400	6,831,000	29,871,400	31,724,400	1,853,000
2022	0	0	0	5,350,000	7,203,000
2023 **	5,350,000	0	5,350,000	5,350,000	7,203,000

* Via continuation of the FY 2020 Charges for the first 6 months of FY 2021.

** Assumes strategy to recover ~ one year of HP billings during FY 2023. **PRELIMINARY**

- If Highland Park makes no payments during FY 2022 the Cumulative Balance will grow to \$7.2 million, since no surcharge amounts were included in the FY 2022 charges.
- Assuming the non-payment continues, the Cumulative Balance could grow to \$12.5 million by the end of FY 2023. We believe it would be reasonable to include that entire amount and make the System “whole” via the FY 2023 charges, we would have to include over \$13 million as a revenue requirement. That approach would result in a 5.0% charge increase (all else being equal) for the Wholesale Sewer Member Partners (again not Detroit) – before consideration of any budget or other charge related considerations.
- In accordance with our recent discussions, we have included one year’s worth of billing to Highland Park as a “bad debt surcharge” to Suburban Wholesale Member Partners in the proposed FY 2023 Sewer Charges. We believe that this is reasonable approach. It will result in an approximate 2.0% “surcharge” to Suburban Wholesale Member

Highland Park Bad Debt Expense Review
Executive Summary

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- Partners during FY 2023. The Sewer Charge calculations in the documentation summarizing our FY 2023 Service Charge Recommendations embrace this approach.
- Note that under current (non) payment performance this approach is forecasted to still result in a Cumulative Balance of \$7.2 million at the end of FY 2023.

We are prepared to discuss this matter at your convenience.

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MEMORANDUM

GLWA Financial Forecast Update

December 15, 2021

To: Nicolette Bateson

From: Bart Foster

This memorandum is intended to introduce updated long-term financial plan forecasts for the GLWA Regional System Water and Sewer funds, prepared in coordination with development of the Fiscal Year 2023 budget and charges. ***The material presented herein updates that originally presented in a similar document published on October 15, 2021 date, and reflects the results of our ongoing review and analysis – including incorporation of the requested FY 2023 Budget for both the Water and Sewer Systems. Significant updated information, which reflects the “Preliminary Second Discussion Draft” of the updated forecast, is highlighted where appropriate in this document.*** These PRELIMINARY updated projections reflect forecasted financial results for a ten-year¹ projection period (*Fiscal Year 2022 through Fiscal Year 2032*) for GLWA’s capital and operating financial requirements. Separate exhibits are designed to summarize forecasts for both the Water Fund and the Sewer Fund. These forecast summaries are presented in similar format to prior published work products we have prepared in various forums, which largely focused on revenue requirements (reflected as either “budget” or “cash” basis) in a manner that aligns with requirements of the GLWA Master Bond Ordinances (MBO’s). ***We have also included forecast exhibits that illustrate projected “GAAP basis” results, and forecasted “Net Position” of both utilities.***

This version of the forecast report continues to focus entirely on projected financial results for the GLWA Regional System. We are in the process of incorporating preliminary budget and forecast information for the DWSD Local System into the comprehensive forecast. Those exhibits will also be presented in subsequent documents.

This forecast document embraces a forecasting approach and format that we’ve utilized for several years, and readers should find the general exhibits and discussion familiar. It has been used in support of GLWA revenue bond issues and annual budgeting and charge setting. This material is designed to support the proposed FY 2023 budget and charges. ***We are concurrently submitting material specific to our recommendations regarding the FY 2023 Budget and FY 2023 Water Charges and FY 2023 Sewer Charges under separate cover.***

¹ Actually 11 years, including estimated results for the current year.

Executive Summary Takeaways

- This forecast introduces preliminarily recommended overall FY 2023 ***System Charge Adjustments*** of a 3.7% increase for both the Water Sewer Systems.
 - *The Water adjustment is the product of:*
 - 3.5% to address a \$12.0 million revenue requirement increase;
 - 0.15% to reflect a decrease in budgeted water sales volumes, creating a \$0.5 million negative sales revenue forecast.
 - *The Sewer adjustment is the product of:*
 - 2.5% to address a \$11.9 million revenue requirement increase;
 - ***1.2% to reflect reinstitution of Highland Park bad debt adjustment, creating a \$3.0 million negative revenue forecast.***
 - ***These proposed adjustments are more fully documented in other material published contemporaneously with this forecast update.***
- The forecast produces the executive summary metrics for the 10-year forecast period summarized below.

GLWA Financial Plan Summary (\$ millions)
Executive Summary Metrics

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<u>Water Supply System</u>											
Charge Adjustment		3.7%	3.3%	3.0%	3.0%	3.6%	3.5%	3.6%	3.5%	3.6%	3.6%
Projected Revenue	342.1	356.1	368.5	381.4	394.8	408.6	422.9	437.7	453.0	468.9	485.3
Projected Expenses	143.9	144.8	148.7	154.3	155.6	159.2	162.3	165.6	168.9	172.3	175.7
Net Revenues	198.2	211.2	219.8	227.1	239.1	249.4	260.6	272.1	284.1	296.6	309.6
Projected Cash Balance	222.7	202.8	203.8	203.1	202.7	202.6	203.0	202.6	202.5	202.9	202.9
Capital Improvements *	160.4	172.8	195.6	189.5	151.2	130.5	228.4	228.5	179.3	176.4	153.5
Debt Service Coverage **	1.42	1.36	1.38	1.33	1.32	1.34	1.33	1.34	1.30	1.32	1.32
<u>Sewage Disposal System</u>											
Charge Adjustment		3.7%	2.3%	2.0%	2.1%	2.5%	2.5%	2.5%	2.6%	2.6%	2.5%
Projected Revenue	472.9	489.8	502.0	514.6	527.4	540.6	554.1	568.0	582.2	596.7	611.7
Projected Expenses	181.3	187.1	192.4	193.6	196.8	200.0	204.0	208.1	212.3	216.5	220.8
Net Revenues	291.6	302.7	309.6	321.0	330.6	340.6	350.1	359.9	369.9	380.2	390.8
Projected Cash Balance	247.2	244.6	244.3	244.6	244.1	244.0	244.2	244.1	244.0	242.6	281.9
Capital Improvements *	95.5	112.9	133.3	146.5	126.9	108.7	181.1	161.0	121.7	123.5	82.8
Debt Service Coverage **	1.37	1.42	1.40	1.51	1.54	1.54	1.53	1.56	1.61	1.67	1.72

* Includes Budgeted Capital Outlay

** Regional System contribution only

- The Water CIP creates relatively more financing pressure on the forecast than does the Sewer CIP. As a result the Water System forecast contains continuation of significant debt financing, while mostly “pay go” capital financing is forecasted for the Sewer System towards the end of the ten year period.
 - *This fundamental difference in the Water and Sewer Forecasts is highlighted throughout this memorandum and in the accompanying exhibits.*

Forecast Introduction and Exhibits

As noted earlier, the efforts undertaken to prepare these forecasts are consistent with the analyses that we utilize to prepare financial feasibility report(s) that we have provided to GLWA in support of financial transactions. However, the efforts to date have not been as rigorous as those designed to support a public offering of debt, and should be considered “**Preliminary**”. We encourage stakeholders to review these forecasts with that understanding in mind. In addition, our formally published forecasts always carry this caveat:

In conducting our studies and formulating our projections and opinions contained herein, we reviewed the books, records, agreements, capital improvement programs and other information produced by the Authority as we deemed necessary. While we consider such books, records, and other documents to be reliable, we have not verified the accuracy of these documents. The projections set forth herein are intended as “forward-looking statements”. Actual results may differ materially from those projected, as influenced by conditions, events, and circumstances that may actually occur.

Having said all that, let’s review the next look at the updated forecasts. First, an introduction of the core executive summary assumptions we’ve incorporated into the baseline analysis.

1. FY 2022 estimated activity is consistent with the approved first quarter budget amendments, with additional minor estimates to reflect ongoing review.
2. FY 2023 through FY 2027 O&M is consistent with the budget request established by GLWA.
 - FY 2023 increase of 2.0% in total (combined Water and Sewer) compared to originally approved FY 2022 budget;
 - Water increase for FY 2023 is 0.6%, Sewer increase is 3.2% - this reflects diligent review of the FY 2023 budget preparation and individual budget programs, including increased focus on programs to address Sewer issues.
3. Future O&M growth beyond FY 2023 = 2%, on average, overall for the System, with varying amounts between Water and Sewer through FY 2027 to match the FY 2023 Budget documents, and uniformly thereafter.
4. CIP’s reflect versions submitted to the Capital Planning Committee on October 19 and to Member Partners on November 9.
5. CIP Expenditure Level reflects a Spend Rate Assumption of:
 - 80% for the Water System for FY 2022 through FY 2027;
 - 75% for the Sewer System for FY 2022 through FY 2027;
 - 100% for both systems for FY 2028 through FY 2032.
6. Investment earnings rate = 0.45% for FY 2022, declining to 0.35% for FY 2023, then gradually increasing to 2.2% by FY 2026 and remaining at that level for the remainder of the forecast period (consistent with estimates provided by PFM).
7. Capital financing forecast policy:
 - Fund all Major CIP expenditures via Construction Fund, which is sourced by:
 - SRF loans

- Transfers from I&E
 - Bond Proceeds
 - Investment Earnings on Bond Proceeds
 - *CIP funding source priority:*
 - Identify short lived CIP projects that should be financed by I&E (*currently estimated at 10% of total CIP*);
 - Apply “confirmed” SRF resources to specific projects²; then
 - Spend existing I&E Funds until they reach policy minimum (*\$90 million*);
 - Do not rely on annual deposits to I&E to finance CIP until subsequent year(s);
 - Issue debt to finance remainder of annual capital requirements;
 - Plan biennial bond sales in amounts that result in moderate “carryover” balances at end of 2nd year³
 - *Apply Capital Spend Rate Assumption to ALL elements noted above, including:*
 - Total annual requirements;
 - Estimated short lived projects;
 - Scheduled SRF reimbursements
8. “Top Line” increases in annual revenue requirements starting in FY 2023 of:
- *3.5% for the Water System;*
 - *2.5% for the Sewer System*
9. Preliminary FY 2023 System Charge adjustments of:
- **3.7% increase for Water**
 - Reflects moderate reduction in baseline sales revenue compared to approved FY 2022 Budget and Charges
 - **3.7% increase for Sewer**
 - Reflects reinstitution of Highland Park bad debt adjustment compared to approved FY 2022 Budget and Charges
10. Total GLWA / DWSD “Legacy Pension Obligation” annual payments reduce from \$45.4 million to \$11.0 million starting in FY 2024, and all amounts are treated as a non-operating expense after FY 2023.

The forecasted financial results resulting from our application of these assumptions are summarized in the attached exhibits, and briefly introduced below. The exhibit page number references are consistent between the separate Water (W) and Sewer (S) page numbers.

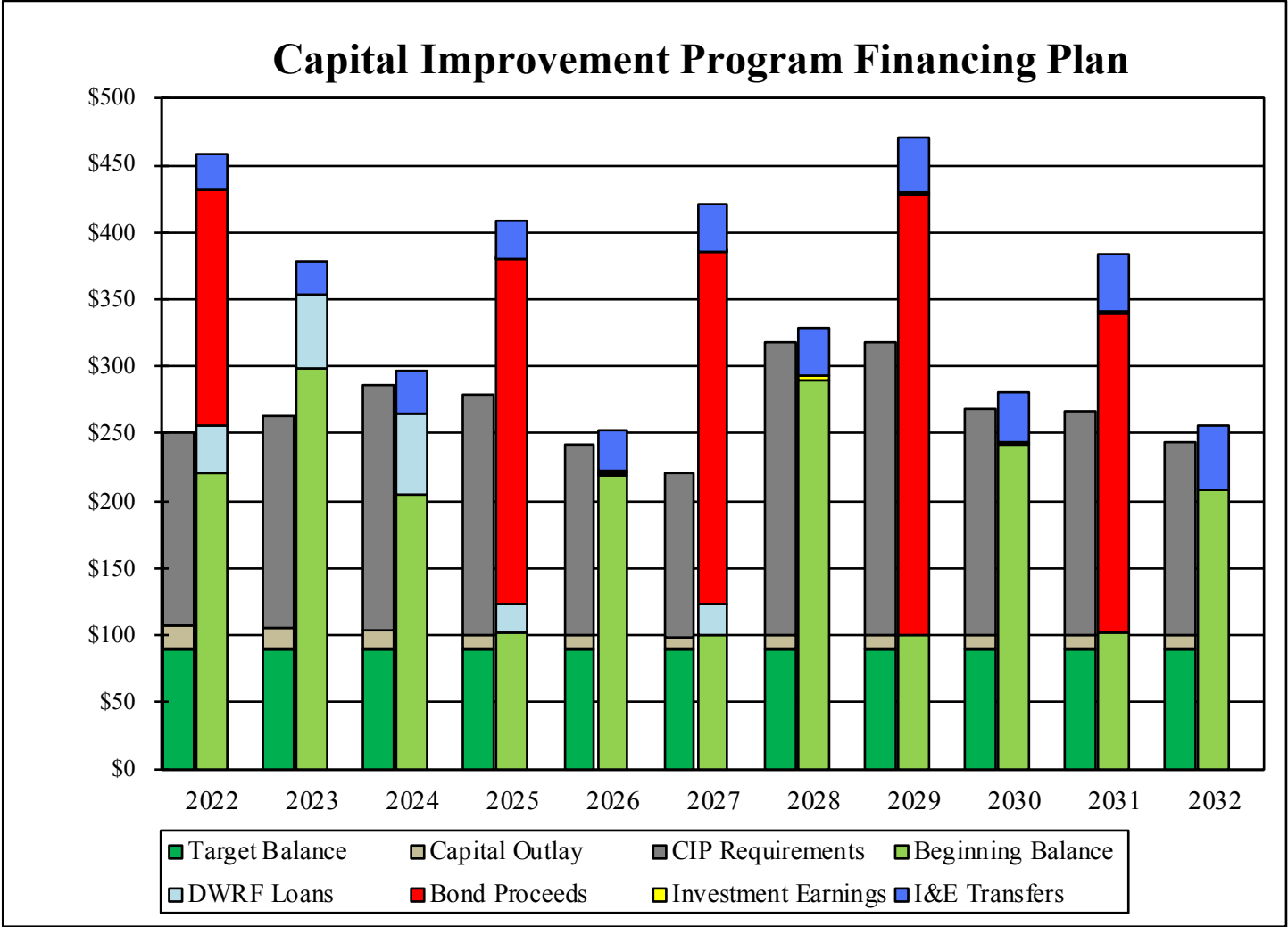
² In prior forecasts “confirmed” SRF projects were limited to those for which GLWA Board had formally passed ordinances and intent to issue. The forecast policy has been updated to include as “confirmed” all projects that have been approved on the State’s Project Priority List.

³ The forecasted bond sales anticipated towards the end of FY 2022 are designed to provide financing through FY 2024, with the “biennial cycle” continuing starting in FY 2025.

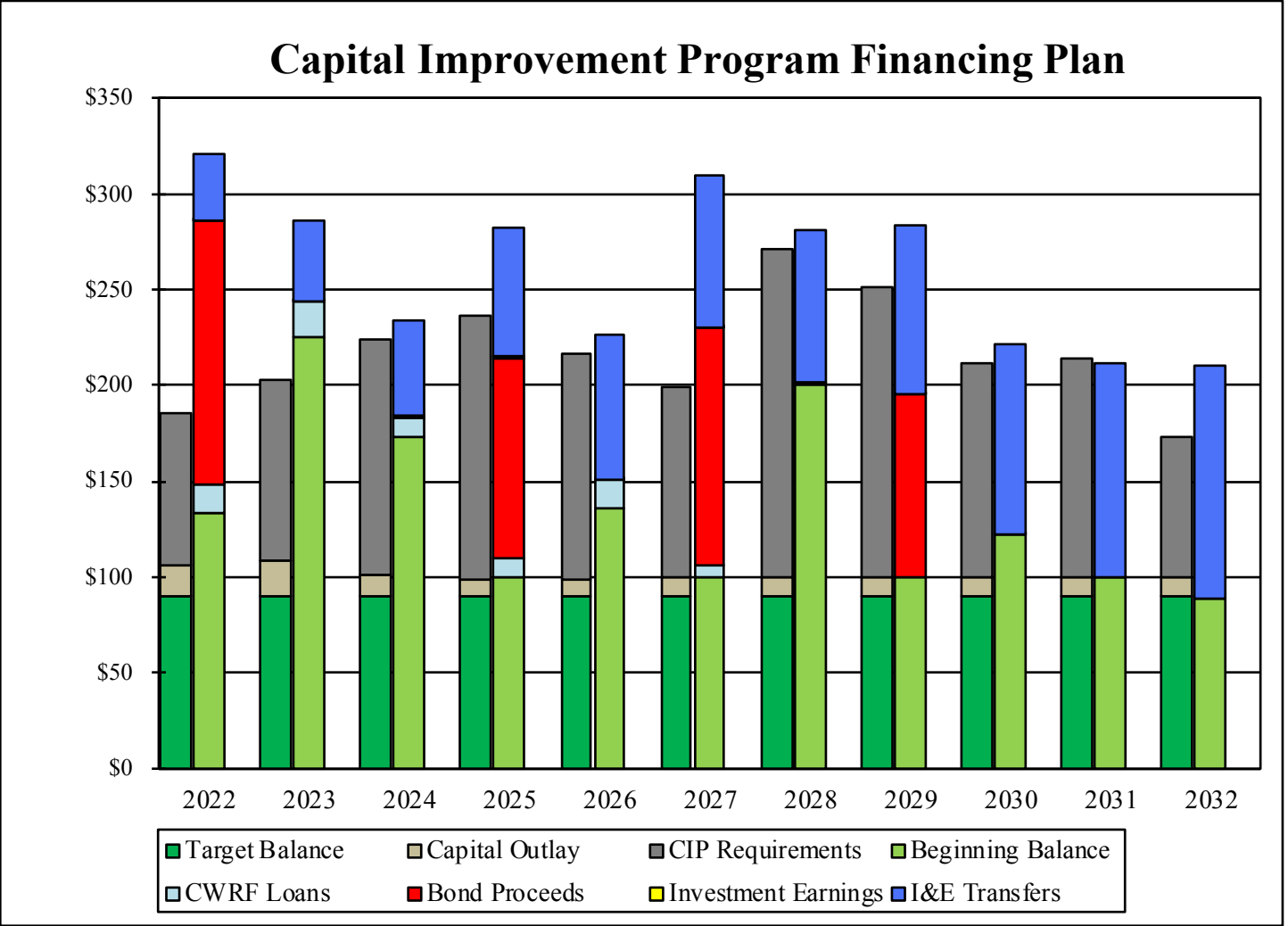
1. Forecasted CIP Financing Plan
 - Illustrates forecasted plan resulting from application of CIP financing policy noted above. Note that the forecast anticipates the next “new money Regional System” bond transactions to occur in late FY 2022 for both the Water and Sewer Systems. These transactions are designed in this forecast to not provide any meaningful bond funds to pay for CIP expenditures during FY 2022, nor result in any debt service during FY 2022. We’ve assumed a full annual amortization starting in FY 2023. The size and nature of these transactions are subject to change, and could be impacted by availability of additional SRF loans, DWSD Local System needs, and/or refinancing opportunities. Also note the relatively larger need for forecasted additional Water bond sales compared to Sewer due to the relatively larger Water CIP requirements. The Sewer forecast anticipates being able to “pay go” all ***known and projected*** CIP Financing starting in FY 2030.
2. Forecasted CIP Financing Plan Table
 - Same as 1, in tabular form consistent with published Feasibility Reports.
3. Forecasted Application of CIP Funding Sources
 - Illustrates growing utilization of I&E monies to finance annual capital improvements, particularly for Sewer. The Water picture is “muddled” because of the early year spend down of existing balances while the Sewer picture is more evident of steady growth – sufficient to fully fund the CIP and exceed the \$90 million policy minimum by the end of the forecast period.
 - ***At the bottom of the exhibit, we’ve included a metric that identifies the amount of spend from, and deposit to, the I&E Funds as a percentage of total annual CIP. We note that once the existing I&E reserves are spent down to the targeted balance of \$90 million, the amounts deposited to the I&E Funds annually basically match the amounts spent from the I&E Funds. Again, the current level, and the growth, in this metric is more favorable for Sewer than Water.***
4. Revenue Requirement Financing Plan
 - Graphical depiction of the “business plan” assuming annual top line revenue requirement growth of 3.5% for Water and 2.5% for Sewer and 2% O&M growth rate assumption for the balance of the forecast period. Note the relatively stable transfers to Water I&E compared to the rapid growth in the Sewer amounts.
5. Wholesale System Revenue Requirement Financing Plan Table
 - Same as 4, in tabular form consistent with published Feasibility Reports.
6. Forecasted Fund Balance Summary
 - Illustrates “non-restricted” liquidity balances and debt service coverage (as computed for the Regional System portion).
 - * *Note that the targeted and forecasted balances reflect a “Working. Capital Reserve” that is designed to reflect an Operating Fund reserve balance equivalent to 105 days of annual Operations and Maintenance Expense plus 60 days of scheduled transfers to all other MBO Funds.*

- Shows forecasted reduction of existing I&E balances to policy minimums for both systems, with Sewer increasing towards the end of the forecast period.
 - * *Note that if full “pay go” status of the Sewer CIP is achieved it may be appropriate to reduce the top line revenue growth assumption in the forecast.*
- Debt service coverage provided by Regional System net revenues is relatively stable for Water and materially increasing for Sewer.
- 7. Projected Cash and Investment Balances – Wholesale System Table
 - Same as 6, in tabular form consistent with published Feasibility Reports.
 - Documents forecasted “Days Cash on Hand” metric
- 8. Relative Revenue Requirement Distribution
 - Illustrates “where each \$ of revenue goes” with respect to revenue requirements. Again, note the reduction in debt service, and corresponding increase in I&E bottom line transfers for Sewer, while the Water bottom line contribution is fairly constant as the relative debt service portion increases.
- 9. I&E Flow of Funds Forecast
 - Illustrates draw down of existing balances to fund CIP requirements, maintenance of the \$90 million policy minimums, and the growth in annual transfers from revenues, particularly for Sewer.
- 10. GAAP Basis Income Statement Forecast
 - *Presents forecast of changes in, and level of, net position as reported on a GAAP Basis for forecast purposes;*
 - *As has been discussed in prior deliberations, the reductions in net position reported for both funds since GLWA’s inception have (in part) been related to an accelerated level of depreciation expense associated with the valuation of acquired and leased assets;*
 - *Due to the accelerated depreciation structure, many of the acquired assets will be fully depreciated in the next few years, and the annual depreciation expense is projected to decrease;*
 - *As a result the GAAP basis change in net position is projected to increase during the forecast period, and result in positive cumulative net position metrics by FY 2027 for Water and by FY 2026 for Sewer, and to continue to grow thereafter;*
 - *We note that there are other “non cash revenue requirement” elements that impact the GAAP basis results, many of which are difficult to project. These include statements of liabilities associated with long term liabilities.*

We are hopeful that this executive summary presentation provides a platform for continued discussion of financial planning policies and assumptions as the development of the FY 2023 Budget, proposed FY 2023 Water Charges and Sewer Charges, and related updated financial forecast efforts proceed. We are prepared to present this material to the Audit Committee meeting scheduled for December 17 and to discuss this matter further at your convenience.



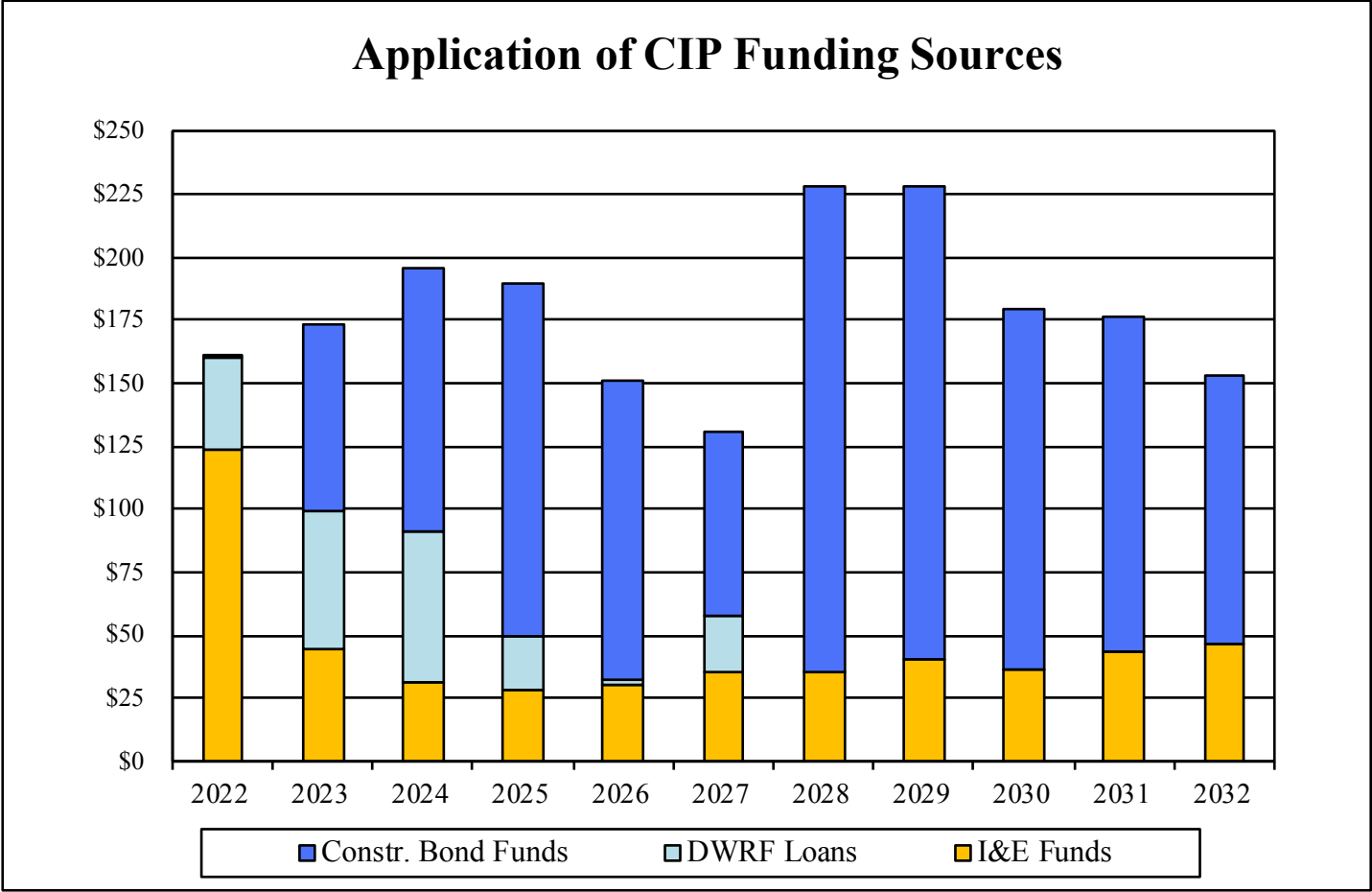
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<u>Requirements</u>											
Target Balance	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Capital Outlay	17.0	15.5	13.4	10.4	9.6	9.0	10.0	10.0	10.0	10.0	10.0
CIP Requirement	143.4	157.4	182.2	179.1	141.6	121.5	218.4	218.5	169.3	166.4	143.5
Total	250.4	262.8	285.6	279.5	241.2	220.5	318.4	318.5	269.3	266.4	243.5
<u>Sources</u>											
Beginning Balance	219.9	298.4	205.1	101.8	219.1	100.9	290.4	100.3	242.4	101.2	207.5
DWRF Loans	36.5	55.0	59.4	21.4	2.4	22.5	-	-	-	-	-
Bond Proceeds	175.8	-	-	256.5	-	261.3	-	327.8	-	237.5	-
Investment Earnings	0.1	0.1	0.4	1.2	1.3	1.1	2.1	2.4	1.6	1.7	1.2
I&E Transfers	26.6	24.3	32.6	27.7	29.3	35.1	36.2	40.4	36.4	43.5	46.8
Total Sources	458.8	377.9	297.5	408.7	252.2	420.9	328.7	470.9	280.4	383.9	255.5
End Balance	298.4	205.1	101.8	219.1	100.9	290.4	100.3	242.4	101.2	207.5	102.0



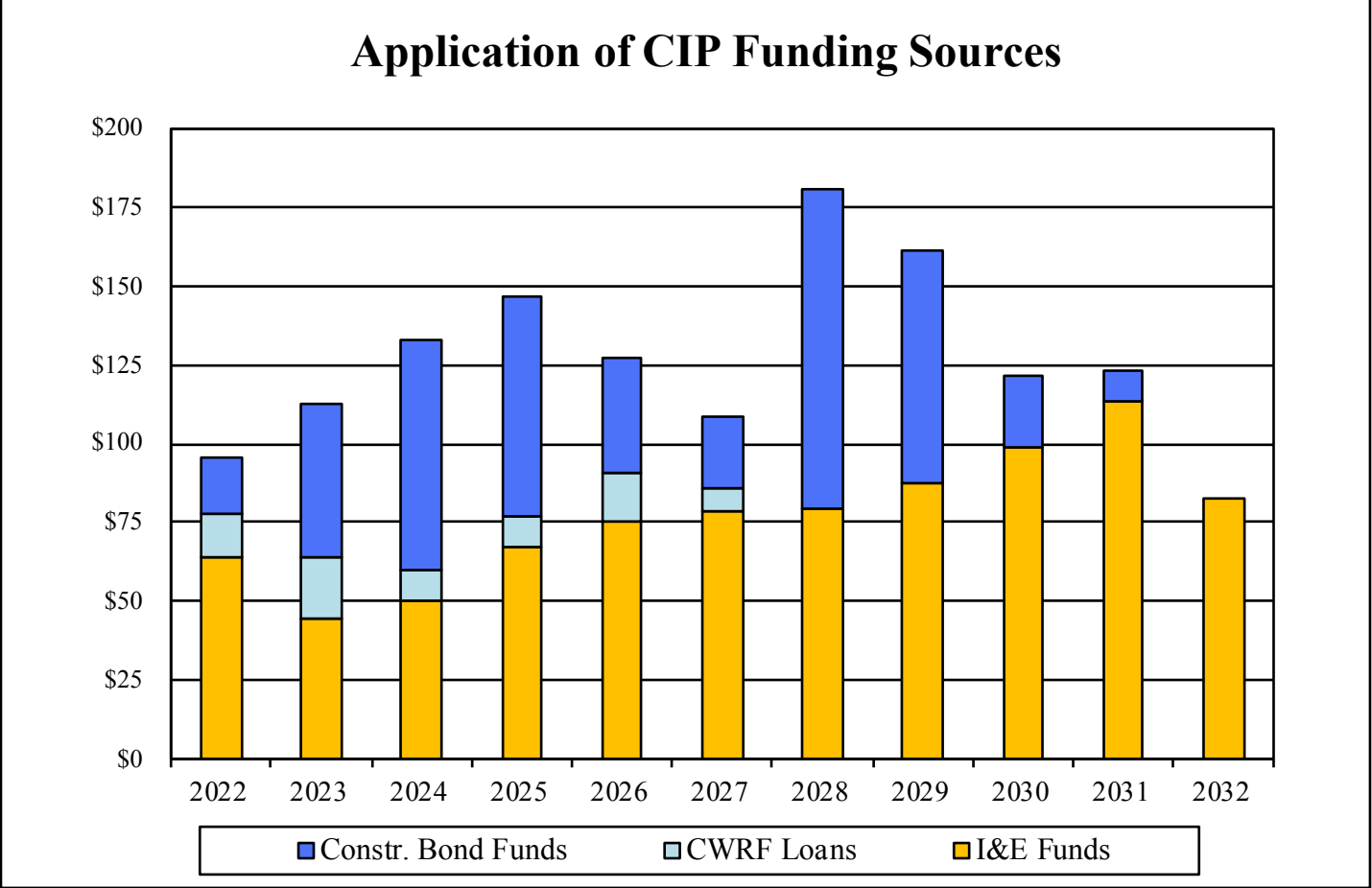
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<u>Requirements</u>											
Target Balance	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Capital Outlay	16.0	18.4	11.6	8.1	8.7	10.3	10.0	10.0	10.0	10.0	10.0
CIP Requirement	79.5	94.4	121.7	138.4	118.3	98.5	171.1	151.0	111.7	113.5	72.8
Total	185.5	202.9	223.3	236.5	216.9	198.7	271.1	251.0	211.7	213.5	172.8
<u>Sources</u>											
Beginning Balance	133.9	225.1	173.3	99.9	135.5	99.4	200.2	100.1	122.5	100.1	88.6
CWRf Loans	14.1	18.7	10.2	9.8	15.4	7.2	-	-	-	-	-
Bond Proceeds	137.8	-	-	104.5	-	123.5	-	95.0	-	-	-
Investment Earnings	0.1	0.1	0.3	0.6	0.4	0.4	1.1	0.9	0.2	0.1	-
I&E Transfers	34.7	42.3	49.5	67.2	75.1	78.5	79.8	87.5	99.0	111.9	122.1
Total Sources	320.6	286.2	233.3	282.0	226.3	308.9	281.1	283.5	221.8	212.1	210.7
End Balance	225.1	173.3	99.9	135.5	99.4	200.2	100.1	122.5	100.1	88.6	127.9

Water Table 4													
GLWA Wholesale System Capital Improvement Program Financing Plan (\$ millions)													
Line No.		Fiscal Year Ended June 30,											
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Financing Requirements													
1	Budgeted Capital Outlay	17.0	15.5	13.4	10.4	9.6	9.0	10.0	10.0	10.0	10.0	10.0	124.9
2	Major Capital Improvement Program (a)	143.4	157.4	182.2	179.1	141.6	121.5	218.4	218.5	169.3	166.4	143.5	1,841.2
3	Total Financing Requirements	160.4	172.8	195.6	189.5	151.2	130.5	228.4	228.5	179.3	176.4	153.5	1,966.1
Financing Sources													
Construction Fund													
4	Beginning Balance (b)	12.4	188.3	114.8	10.6	128.5	10.8	200.2	9.8	152.4	11.1	117.0	12.4 (g)
5	State Drinking Water Revolving Fund Loans	56.0	74.3	70.5	21.4	2.4	22.5	-	-	-	-	-	247.2
6	Less: Transfer to DWSD Constr. Fund	(19.5)	(19.3)	(11.1)	-	-	-	-	-	-	-	-	(49.9)
7	Net State DWRF Financing for Authority	36.5	55.0	59.4	21.4	2.4	22.5	-	-	-	-	-	197.3
8	Transfers from Water Constr. Bond Fund (Line 2)	175.8	0.1	0.4	257.7	1.3	262.3	2.1	330.2	1.6	239.2	1.2	1,271.9
9	Transfers from Water I&E Fund (Line 26)	106.8	28.7	18.2	17.9	20.2	26.1	25.8	30.9	26.4	33.1	36.8	371.1
10	Total Construction Fund Sources	331.6	272.1	192.8	307.6	152.4	321.7	228.2	370.9	180.4	283.5	155.1	1,852.8
11	Uses - Major CIP Expenditures (Line 2)	143.4	157.4	182.2	179.1	141.6	121.5	218.4	218.5	169.3	166.4	143.5	1,841.2
12	Ending Balance	188.3	114.8	10.6	128.5	10.8	200.2	9.8	152.4	11.1	117.0	11.6	11.6 (h)
Subsidiary Capital Financing Funds													
Construction Bond Fund													
13	Beginning Balance (b)	-	-	-	-	-	-	-	-	-	-	-	0.0 (g)
Bond Proceeds													
14	Water System Revenue Bonds (c)	185.0	-	-	270.0	-	275.0	-	345.0	-	250.0	-	1,325.0
15	Less: Transfer to DWSD Const. Fund (e)	-	-	-	-	-	-	-	-	-	-	-	0.0
16	Less: Issuance Expenses (f)	(9.3)	-	-	(13.5)	-	(13.8)	-	(17.3)	-	(12.5)	-	(66.3)
17	Net Bond Proceeds Available	175.8	-	-	256.5	-	261.3	-	327.8	-	237.5	-	1,258.8
18	Investment Income	0.1	0.1	0.4	1.2	1.3	1.1	2.1	2.4	1.6	1.7	1.2	13.2
19	Total Construction Bond Fund Sources	175.8	0.1	0.4	257.7	1.3	262.3	2.1	330.2	1.6	239.2	1.2	1,271.9
20	Less: Transfer to GLWA Construction Fund	(175.8)	(0.1)	(0.4)	(257.7)	(1.3)	(262.3)	(2.1)	(330.2)	(1.6)	(239.2)	(1.2)	(1,271.9)
21	Ending Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0 (h)
GLWA Regional System Improvement and Extension Account													
22	Beginning Balance (b)	207.5	110.2	90.3	91.3	90.6	90.2	90.1	90.5	90.1	90.0	90.4	207.5 (g)
23	Transfers from Water Receiving Fund	26.6	24.3	32.6	27.7	29.3	35.1	36.2	40.4	36.4	43.5	46.8	378.9
24	Total I&E Fund Sources	234.0	134.5	122.9	118.9	120.0	125.3	126.3	130.9	126.5	133.5	137.2	586.4
25	Less: Capital Outlay (Line 1)	(17.0)	(15.5)	(13.4)	(10.4)	(9.6)	(9.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(124.9)
26	Less: Transfer to GLWA Construction Fund	(106.8)	(28.7)	(18.2)	(17.9)	(20.2)	(26.1)	(25.8)	(30.9)	(26.4)	(33.1)	(36.8)	(371.1)
27	Ending Balance	110.2	90.3	91.3	90.6	90.2	90.1	90.5	90.1	90.0	90.4	90.4	90.4 (h)
28	Combined Ending Balance of Capital Funds	298.4	205.1	101.8	219.1	100.9	290.4	100.3	242.4	101.2	207.5	102.0	102.0 (h)
(a) From Table 1.													
(b) Estimated balance available June 30, 2021 (applies only to Fiscal Year 2022).													
(c) Par value for future bonds.													
(d) Reserved													
(e) Includes amounts to provide funding to the DWSD CIP.													
(f) Assumes amounts will be required from bond proceeds to fund debt service reserve fund.													
(g) Total column reflects estimated balance available June 30, 2021.													
(h) Total column reflects estimated balance available June 30, 2032.													

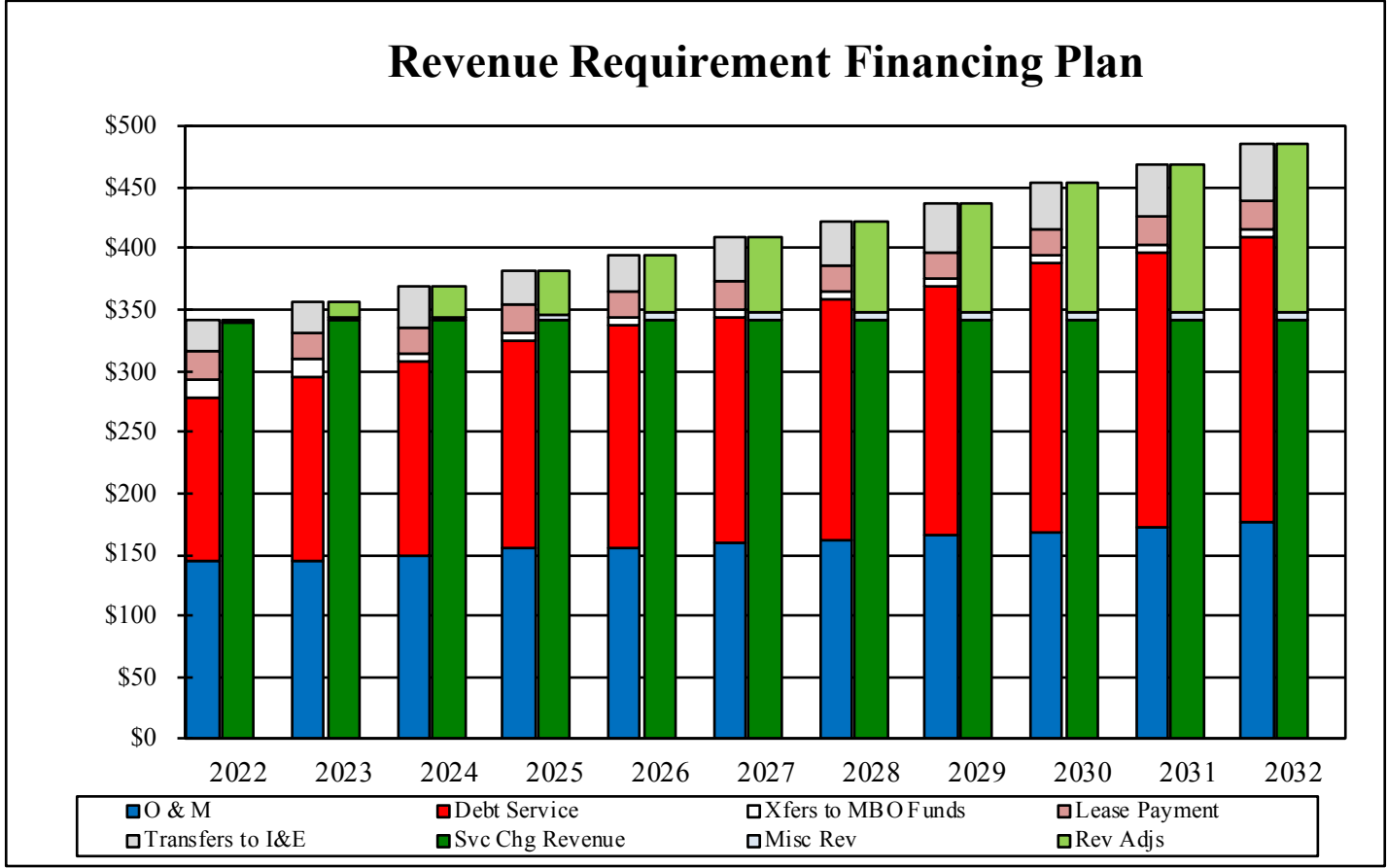
Sewer Table 4													
GLWA Wholesale System Capital Improvement Program Financing Plan (\$ millions)													
Line No.		Fiscal Year Ended June 30,											
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
Financing Requirements													
1	Budgeted Capital Outlay	16.0	18.4	11.6	8.1	8.7	10.3	10.0	10.0	10.0	10.0	10.0	123.1
2	Major Capital Improvement Program (a)	79.5	94.4	121.7	138.4	118.3	98.5	171.1	151.0	111.7	113.5	72.8	1,270.9
3	Total Financing Requirements	95.5	112.9	133.3	146.5	126.9	108.7	181.1	161.0	121.7	123.5	82.8	1,394.0
Financing Sources													
Construction Fund													
4	Beginning Balance (b)	11.5	131.9	82.7	9.6	44.9	9.3	110.2	9.9	32.4	10.1	0.0	11.5 (g)
5	State Clean Water Revolving Fund Loans	21.6	25.3	13.4	9.8	15.4	7.2	-	-	-	-	-	92.7
6	Less: Transfer to DWSD Constr. Fund	(7.5)	(6.5)	(3.2)	-	-	-	-	-	-	-	-	(17.2)
7	Net State DWRF Financing for Authority	14.1	18.7	10.2	9.8	15.4	7.2	-	-	-	-	-	75.5
8	Transfers from Sewer Constr. Bond Fund (Line 2)	137.8	0.1	0.3	105.1	0.4	123.9	1.1	95.9	0.2	0.1	-	464.9
9	Transfers from Sewer I&E Fund (Line 27)	48.0	26.4	38.2	58.8	66.8	68.3	69.6	77.6	89.2	103.2	72.8	719.0
10	Total Construction Fund Sources	211.4	177.1	131.4	183.3	127.5	208.7	180.9	183.4	121.8	113.5	72.8	1,270.9
11	Uses - Major CIP Expenditures (Line 2)	79.5	94.4	121.7	138.4	118.3	98.5	171.1	151.0	111.7	113.5	72.8	1,270.9
12	Ending Balance	131.9	82.7	9.6	44.9	9.3	110.2	9.9	32.4	10.1	0.0	0.0	0.0 (h)
Subsidiary Capital Financing Funds													
Construction Bond Funds													
13	Beginning Balance (b)	-	-	-	-	-	-	-	-	-	-	-	- (g)
Bond Proceeds													
14	Sewer System Revenue Bonds (c)	145.0	-	-	110.0	-	130.0	-	100.0	-	-	-	485.0
15	Less: Transfer to DWSD Const. Fund (e)	-	-	-	-	-	-	-	-	-	-	-	-
16	Less: Issuance Expenses (f)	(7.3)	-	-	(5.5)	-	(6.5)	-	(5.0)	-	-	-	(24.3)
17	Net Bond Proceeds Available	137.8	-	-	104.5	-	123.5	-	95.0	-	-	-	460.8
18	Investment Income	0.1	0.1	0.3	0.6	0.4	0.4	1.1	0.9	0.2	0.1	-	4.2
19	Total Constr. Bond Fund Sources	137.8	0.1	0.3	105.1	0.4	123.9	1.1	95.9	0.2	0.1	-	464.9
20	Less: Transfer to GLWA Construction Fund	(137.8)	(0.1)	(0.3)	(105.1)	(0.4)	(123.9)	(1.1)	(95.9)	(0.2)	(0.1)	-	(464.9)
21	Ending Balance	-	-	-	-	-	-	-	-	-	-	-	- (h)
GLWA Regional System Improvement and Extension Account													
22	Beginning Balance (b)	122.4	93.2	90.6	90.3	90.6	90.1	90.0	90.2	90.1	90.0	88.6	122.4 (g)
23	Transfers from Sewer Receiving Fund	34.3	42.3	49.5	67.2	75.1	78.5	79.8	87.5	99.0	111.9	122.1	847.2
24	Other Sources - DWSD Loan Receivable Pmts	0.4	-	-	-	-	-	-	-	-	-	-	0.4
25	Total I&E Fund Sources	157.1	135.5	140.1	157.5	165.6	168.6	169.8	177.7	189.1	201.9	210.7	970.0
26	Less: Capital Outlay (Line 1)	(16.0)	(18.4)	(11.6)	(8.1)	(8.7)	(10.3)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(123.1)
27	Less: Transfer to GLWA Construction Fund	(48.0)	(26.4)	(38.2)	(58.8)	(66.8)	(68.3)	(69.6)	(77.6)	(89.2)	(103.2)	(72.8)	(719.0)
28	Ending Balance	93.2	90.6	90.3	90.6	90.1	90.0	90.2	90.1	90.0	88.6	127.9	127.9 (h)
29	Combined Ending Balance of Capital Funds	225.1	173.3	99.9	135.5	99.4	200.2	100.1	122.5	100.1	88.6	127.9	127.9 (h)
(a) From Table 1.													
(b) Estimated balance available June 30, 2021 (applies only to Fiscal Year 2022).													
(c) Par value for future bonds.													
(d) Reserved													
(e) Includes amounts to provide funding to the DWSD CIP.													
(f) Assumes amounts will be required from bond proceeds to fund debt service reserve fund.													
(g) Total column reflects estimated balance available June 30, 2021.													
(h) Total column reflects estimated balance available June 30, 2032.													



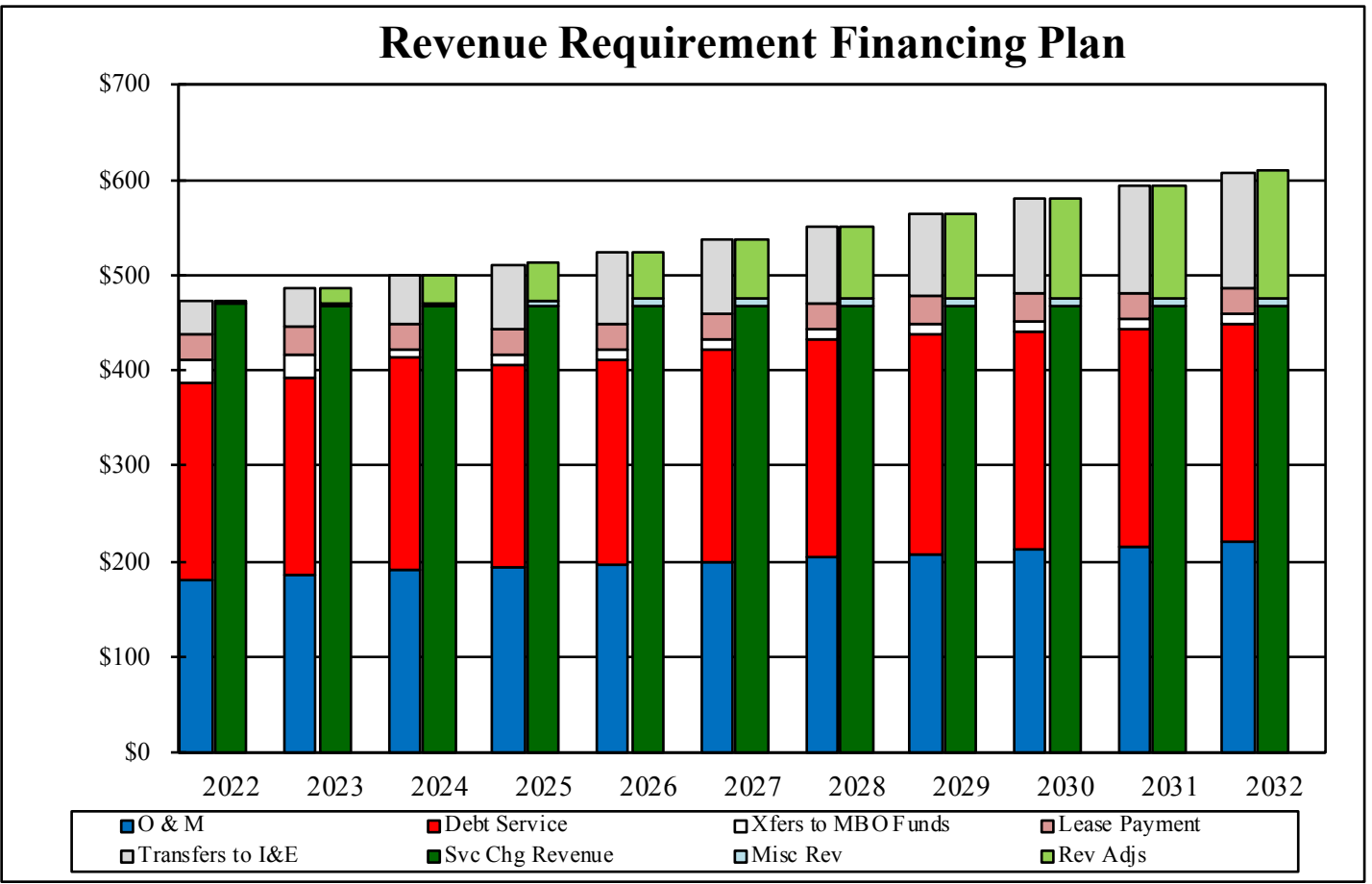
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
I&E Funds	123.8	44.2	31.6	28.3	29.8	35.2	35.8	40.9	36.4	43.1	46.8
DWRP Loans	36.5	55.0	59.4	21.4	2.4	22.5	-	-	-	-	-
Constr. Bond Funds	0.0	73.6	104.5	139.8	119.0	72.8	192.5	187.7	142.8	133.3	106.6
I&E <i>Spend</i> % of Total	77%	26%	16%	15%	20%	27%	16%	18%	20%	24%	31%
I&E <i>Deposit</i> % of Tot	17%	14%	17%	15%	19%	27%	16%	18%	20%	25%	31%



	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
I&E Funds	63.9	44.9	49.8	66.9	75.5	78.6	79.6	87.6	99.2	113.2	82.8
CWRF Loans	14.1	18.7	10.2	9.8	15.4	7.2	-	-	-	-	-
Constr. Bond Funds	17.4	49.3	73.3	69.8	36.1	22.9	101.5	73.4	22.5	10.2	-
I&E <i>Spend</i> % of Total	67%	40%	37%	46%	59%	72%	44%	54%	81%	92%	100%
I&E <i>Deposit</i> % of Tot	36%	37%	37%	46%	59%	72%	44%	54%	81%	91%	147%



	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
REVENUE											
Svc. Chg. Revenue	340.4	342.3	342.3	342.3	342.3	342.3	342.3	342.3	342.3	342.3	342.3
Charge Adjustments		3.7%	3.3%	3.0%	3.0%	3.6%	3.5%	3.6%	3.5%	3.6%	3.6%
Revenue from Adjs		12.7	24.2	35.1	46.4	60.2	74.5	89.3	104.4	120.3	136.7
Other	1.7	1.1	2.0	4.1	6.1	6.1	6.2	6.2	6.3	6.3	6.3
Total Revenue	342.1	356.1	368.5	381.4	394.8	408.6	422.9	437.7	453.0	468.9	485.3
BUDGET											
O&M Expense	143.9	144.8	148.7	154.3	155.6	159.2	162.3	165.6	168.9	172.3	175.7
Debt Service	135.1	150.3	159.2	170.6	181.0	185.6	195.7	202.9	218.9	224.3	233.9
Xfers to MBO Funds	14.0	14.1	5.5	6.3	6.4	6.3	6.2	6.2	6.3	6.3	6.4
Lease Payment	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
Transfers to I&E	26.6	24.3	32.6	27.7	29.3	35.1	36.2	40.4	36.4	43.5	46.8
Total BUDGET	342.1	356.1	368.5	381.4	394.8	408.6	422.9	437.7	453.0	468.9	485.3
Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0



	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
REVENUE											
Svc. Chg. Revenue	471.0	468.6	468.6	468.6	468.6	468.6	468.6	468.6	468.6	468.6	468.6
Charge Adjustments		3.7%	2.3%	2.0%	2.1%	2.5%	2.5%	2.5%	2.6%	2.6%	2.5%
Revenue from Adjs		17.1	28.2	38.4	48.8	62.0	75.4	89.2	103.5	118.1	132.7
Other	1.9	1.6	2.7	5.0	7.3	7.3	7.4	7.3	7.2	7.0	7.3
Total Revenue	472.9	487.4	499.5	512.0	524.8	537.9	551.4	565.2	579.3	593.8	608.6
BUDGET											
O&M Expense	181.3	187.1	192.4	193.6	196.8	200.0	204.0	208.1	212.3	216.5	220.8
Debt Service	205.0	205.6	220.7	212.5	214.2	221.0	229.3	231.4	229.8	227.2	227.5
Xfers to MBO Funds	24.8	24.9	9.4	11.2	11.2	10.9	10.7	10.7	10.7	10.7	10.7
Lease Payment	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
Transfers to I&E	34.3	42.3	49.5	67.2	75.1	78.5	79.8	87.5	99.0	111.9	122.1
Total BUDGET	472.9	487.3	499.5	512.0	524.8	537.9	551.4	565.1	579.3	593.7	608.6
Balance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Water Table 5a
Wholesale System Revenue Requirement Financing Plan (\$ millions)

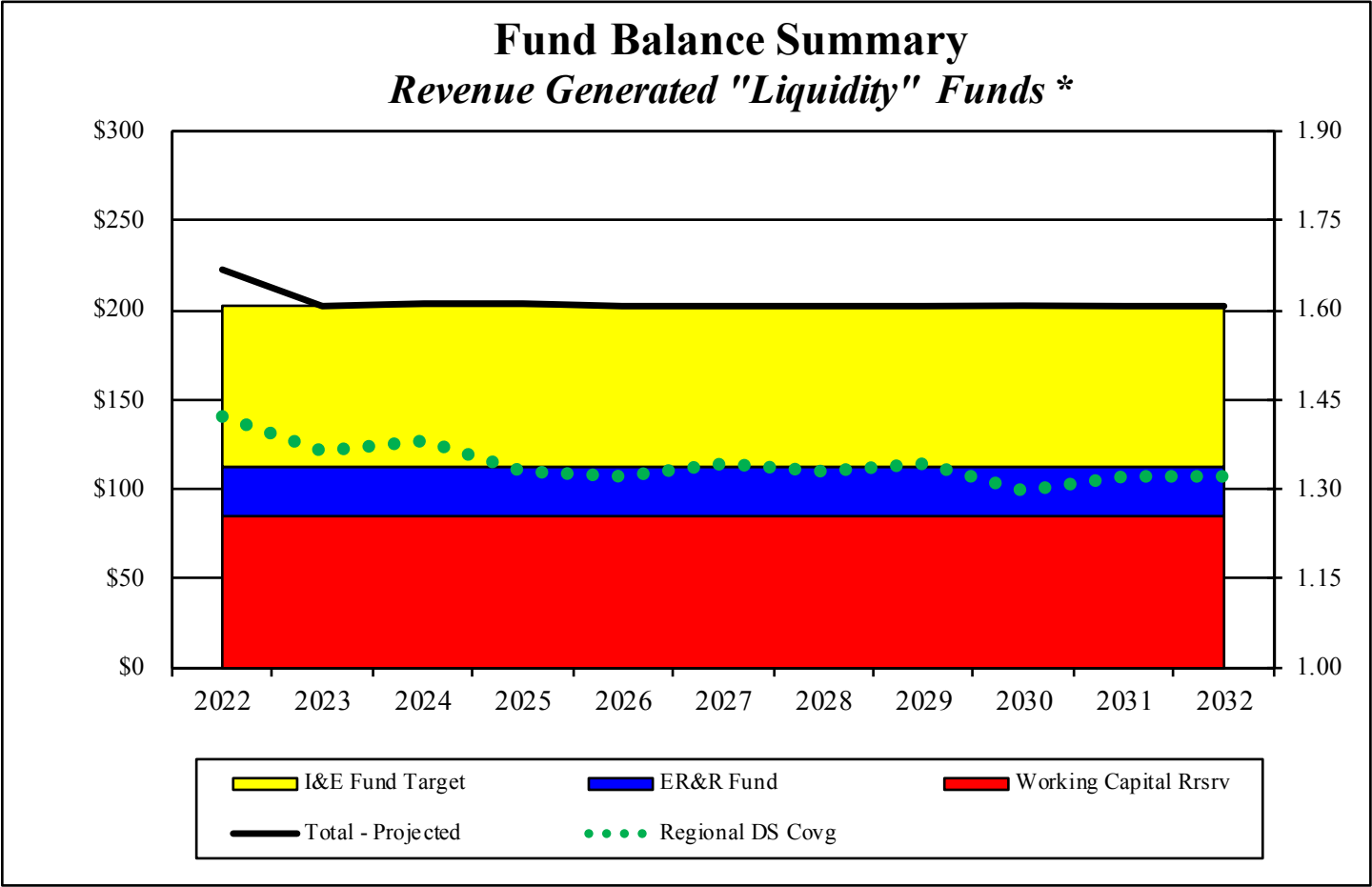
Line No.	Item	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenue (a)												
1	Operating Revenue Under Existing Charges	340.4	342.3	342.3	342.3	342.3	342.3	342.3	342.3	342.3	342.3	342.3
<u>Projected Revenue from Adjustments</u>												
2	FY 2023: 3.7%		12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7
3	FY 2024: 3.3%			11.6	11.6	11.6	11.6	11.6	11.6	11.6	11.6	11.6
4	FY 2025: 3.0%				10.8	10.8	10.8	10.8	10.8	10.8	10.8	10.8
5	FY 2026: 3.0%					11.3	11.3	11.3	11.3	11.3	11.3	11.3
6	FY 2027: 3.6%						13.9	13.9	13.9	13.9	13.9	13.9
7	FY 2028: 3.5%							14.2	14.2	14.2	14.2	14.2
8	FY 2029: 3.6%								14.8	14.8	14.8	14.8
9	FY 2030: 3.5%									15.2	15.2	15.2
10	FY 2031: 3.6%										15.9	15.9
11	FY 2032: 3.5%											16.4
12	Total Projected Revenue from Water Charges	340.4	354.9	366.5	377.4	388.7	402.5	416.8	431.5	446.7	462.6	479.0
13	Other Revenue	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
14	Non-Operating Revenue	1.5	1.0	1.8	3.9	5.9	5.9	6.0	6.0	6.1	6.1	6.1
15	Total Revenue Available	342.1	356.1	368.5	381.4	394.8	408.6	422.9	437.7	453.0	468.9	485.3
Revenue Requirements												
16	Transfer to GLWA Regional O&M Account	143.9	144.8	148.7	154.3	155.6	159.2	162.3	165.6	168.9	172.3	175.7
17	Transfer to GLWA Pension O&M Account	6.0	6.0	-	-	-	-	-	-	-	-	-
18	Total O&M Expense	150.0	150.9	148.7	154.3	155.6	159.2	162.3	165.6	168.9	172.3	175.7
19	Debt Service Allocation - Regional System	135.1	150.3	159.2	170.6	181.0	185.6	195.7	202.9	218.9	224.3	233.9
20	Non-Operating Portion of Pension Obligation	5.4	5.4	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8	2.8
21	B & C Note Non-Operating Payments	0.9	0.9	0.9	1.7	1.6	1.4	1.3	1.3	1.2	1.2	1.2
22	Transfer to Pension Obligation Payment Fund	6.3	6.3	3.6	4.4	4.4	4.2	4.1	4.0	4.0	4.0	4.0
23	Transfer to WRAP Fund	1.7	1.8	1.8	1.9	2.0	2.0	2.1	2.2	2.3	2.3	2.4
24	Lease Payment to DWSD Local System	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
25	Transfer to GLWA Regional I&E Account	26.6	24.3	32.6	27.7	29.3	35.1	36.2	40.4	36.4	43.5	46.8
26	Total Revenue Requirements	342.1	356.1	368.5	381.4	394.8	408.6	422.9	437.7	453.0	468.9	485.3
27	Indicated Balance (Deficiency)	-	-	-	-	-	-	-	-	-	-	-
28	Projected Debt Service Coverage Ratio (Regional)	1.42	1.36	1.38	1.33	1.32	1.34	1.33	1.34	1.30	1.32	1.32
29	<i>Net Revenues (15) - (18)</i>	192.1	205.2	219.8	227.1	239.1	249.4	260.6	272.1	284.1	296.6	309.6
30	<i>Revenues Remaining after Debt Service (29)-(19)</i>	57.0	54.8	60.6	56.5	58.2	63.9	64.9	69.2	65.2	72.3	75.7
31	<i>Applied to MBO Reserve Funds (22,23)</i>	(8.0)	(8.0)	(5.5)	(6.3)	(6.4)	(6.3)	(6.2)	(6.2)	(6.3)	(6.3)	(6.4)
32	<i>Applied as Lease Payment to DWSD (24)</i>	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)	(22.5)
33	<i>Available for I&E Fund (29) - (30,31,32)</i>	26.6	24.3	32.6	27.7	29.3	35.1	36.2	40.4	36.4	43.5	46.8

(a) From Table 3. Based on application of FY 2022 charges for 2022 through 2032.

Sewer Table 5a
Wholesale System Revenue Requirement Financing Plan (\$ millions)

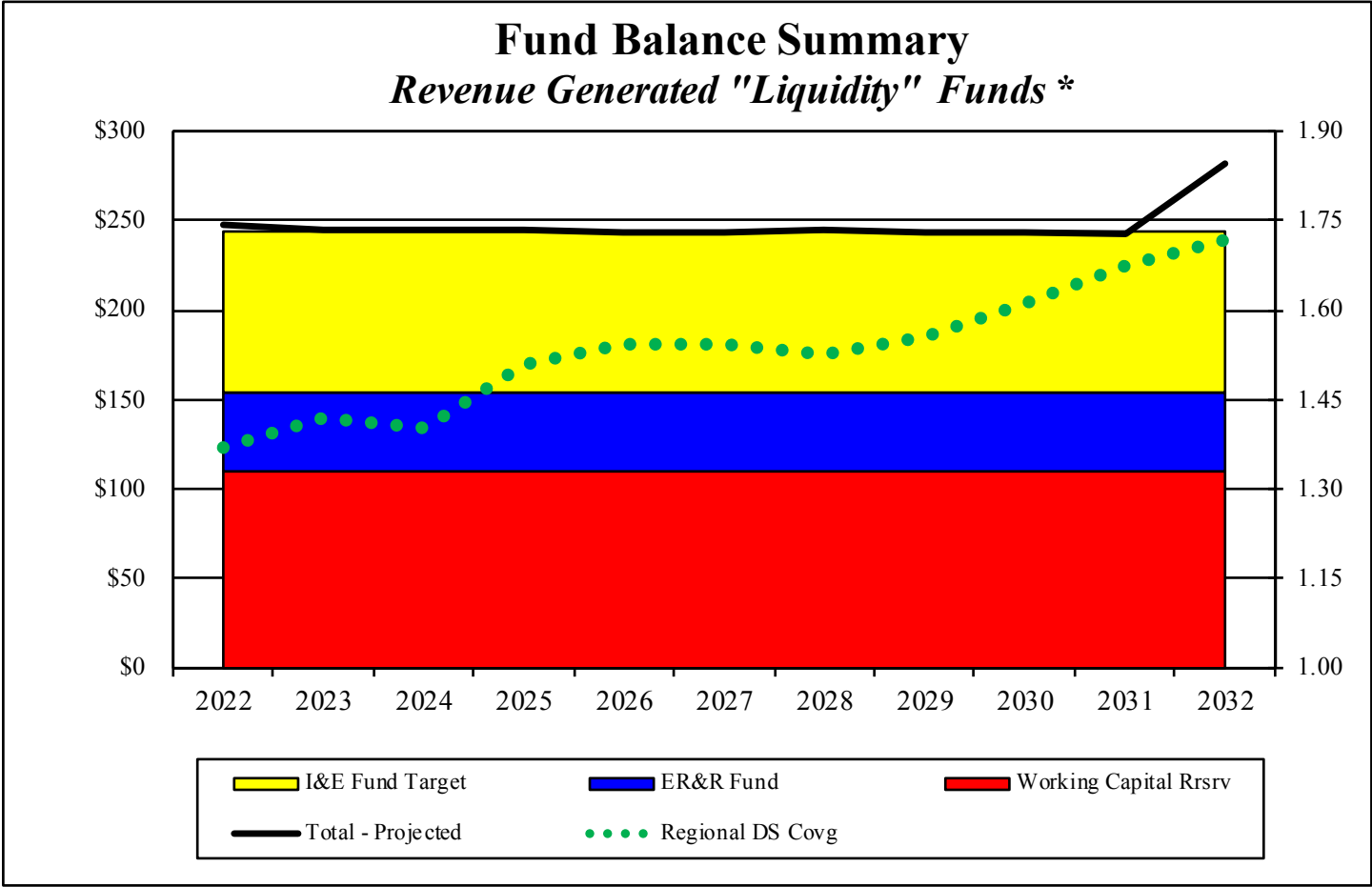
Line No.	Item	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenue (a)												
1	Operating Revenue Under Existing Charges	471.0	468.6	468.6	468.6	468.6	468.6	468.6	468.6	468.6	468.6	468.6
<u>Projected Revenue from Adjustments</u>												
2	FY 2023: 3.7%		17.1	17.1	17.1	17.1	17.1	17.1	17.1	17.1	17.1	17.1
3	FY 2024: 2.3%			11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
4	FY 2025: 2.0%				10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2
5	FY 2026: 2.1%					10.5	10.5	10.5	10.5	10.5	10.5	10.5
6	FY 2027: 2.5%						13.1	13.1	13.1	13.1	13.1	13.1
7	FY 2028: 2.5%							13.4	13.4	13.4	13.4	13.4
8	FY 2029: 2.5%								13.9	13.9	13.9	13.9
9	FY 2030: 2.6%									14.3	14.3	14.3
10	FY 2031: 2.6%										14.7	14.7
11	FY 2032: 2.5%											14.5
12	Total Operating Revenue	471.0	485.8	496.8	507.0	517.5	530.6	544.0	557.9	572.1	586.8	601.3
13	Other Revenue	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
14	Non-Operating Revenue	1.5	1.2	2.3	4.6	6.9	6.9	7.0	6.9	6.8	6.6	6.9
15	Total Revenue Available	472.9	487.4	499.5	512.0	524.8	537.9	551.4	565.2	579.3	593.8	608.6
Revenue Requirements												
16	Transfer to GLWA Regional O&M Account	181.3	187.1	192.4	193.6	196.8	200.0	204.0	208.1	212.3	216.5	220.8
17	Transfer to GLWA Pension O&M Account	10.8	10.8	-	-	-	-	-	-	-	-	-
18	Total O&M Expense	192.1	197.9	192.4	193.6	196.8	200.0	204.0	208.1	212.3	216.5	220.8
19	Debt Service Allocation - Regional System	205.0	205.6	220.7	212.5	214.2	221.0	229.3	231.4	229.8	227.2	227.5
20	Non-Operating Portion of Pension Obligation	9.7	9.7	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
21	B & C Note Non-Operating Payments	2.0	2.0	2.0	3.7	3.6	3.3	2.9	2.9	2.8	2.7	2.7
22	Transfer to Pension Obligation Payment Fund	11.6	11.6	6.9	8.7	8.6	8.2	7.9	7.8	7.8	7.7	7.6
23	Transfer to WRAP Fund	2.4	2.4	2.5	2.6	2.6	2.7	2.8	2.8	2.9	3.0	3.0
24	Lease Payment to DWSD Local System	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
25	Transfer to GLWA Regional I&E Account	34.3	42.3	49.5	67.2	75.1	78.5	79.8	87.5	99.0	111.9	122.1
26	Total Revenue Requirements	472.9	487.3	499.5	512.0	524.8	537.9	551.4	565.1	579.3	593.7	608.6
27	Indicated Balance (Deficiency)	-	-	-	-	-	-	-	-	-	-	-
28	Projected Debt Service Coverage Ratio (Regional)	1.37	1.41	1.39	1.50	1.53	1.53	1.51	1.54	1.60	1.66	1.70
29	<i>Net Revenues (15) - (18)</i>	280.8	289.5	307.1	318.5	328.0	337.9	347.4	357.1	367.1	377.3	387.8
30	<i>Revenues Remaining after Debt Service (29)-(19)</i>	75.8	83.8	86.5	106.0	113.8	116.9	118.0	125.7	137.2	150.1	160.3
31	<i>Applied to MBO Reserve Funds (22,23)</i>	(14.0)	(14.0)	(9.4)	(11.2)	(11.2)	(10.9)	(10.7)	(10.7)	(10.7)	(10.7)	(10.7)
32	<i>Applied as Lease Payment to DWSD (24)</i>	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)	(27.5)
33	<i>Available for I&E Fund (29) - (30,31,32)</i>	34.3	42.3	49.5	67.3	75.1	78.5	79.9	87.5	99.1	112.0	122.2

(a) From Table 3. Based on application of FY 2022 charges for 2022 through 2032.



	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fund Balance Minimums											
Working Capital Rrsr	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
ER&R Fund	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
I&E Fund Target	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Total - Minimums	202.5	202.5	202.5	202.5	202.5	202.5	202.5	202.5	202.5	202.5	202.5
Projections											
Working Capital Rrsr	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
ER&R Fund	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
I&E Fund	110.2	90.3	91.3	90.6	90.2	90.1	90.5	90.1	90.0	90.4	90.4
Total - Projected	222.7	202.8	203.8	203.1	202.7	202.6	203.0	202.6	202.5	202.9	202.9
Projected > Minimum	20.2	0.3	1.3	0.6	0.2	0.1	0.5	0.1	0.0	0.4	0.4
Regional DS Covg	1.42	1.36	1.38	1.33	1.32	1.34	1.33	1.34	1.30	1.32	1.32

* Revenue Generated Funds only. Excludes Debt Service Reserve & Construction Funds (Bond Generated) & "Pass Thru" Funds such as Debt Service Payment Funds, WRAP, etc.



	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Fund Balance Minimums											
Working Capital Rrsr	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0
ER&R Fund	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
I&E Fund Target	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
Total - Minimums	244.0	244.0	244.0	244.0	244.0	244.0	244.0	244.0	244.0	244.0	244.0
Projections											
Working Capital Rrsr	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0
ER&R Fund	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
I&E Fund	93.2	90.6	90.3	90.6	90.1	90.0	90.2	90.1	90.0	88.6	127.9
Total - Projected	247.2	244.6	244.3	244.6	244.1	244.0	244.2	244.1	244.0	242.6	281.9
Projected > Minimum	3.2	0.6	0.3	0.6	0.1	(0.0)	0.2	0.1	(0.0)	(1.4)	37.9
Regional DS Covg	1.37	1.42	1.40	1.51	1.54	1.54	1.53	1.56	1.61	1.67	1.72

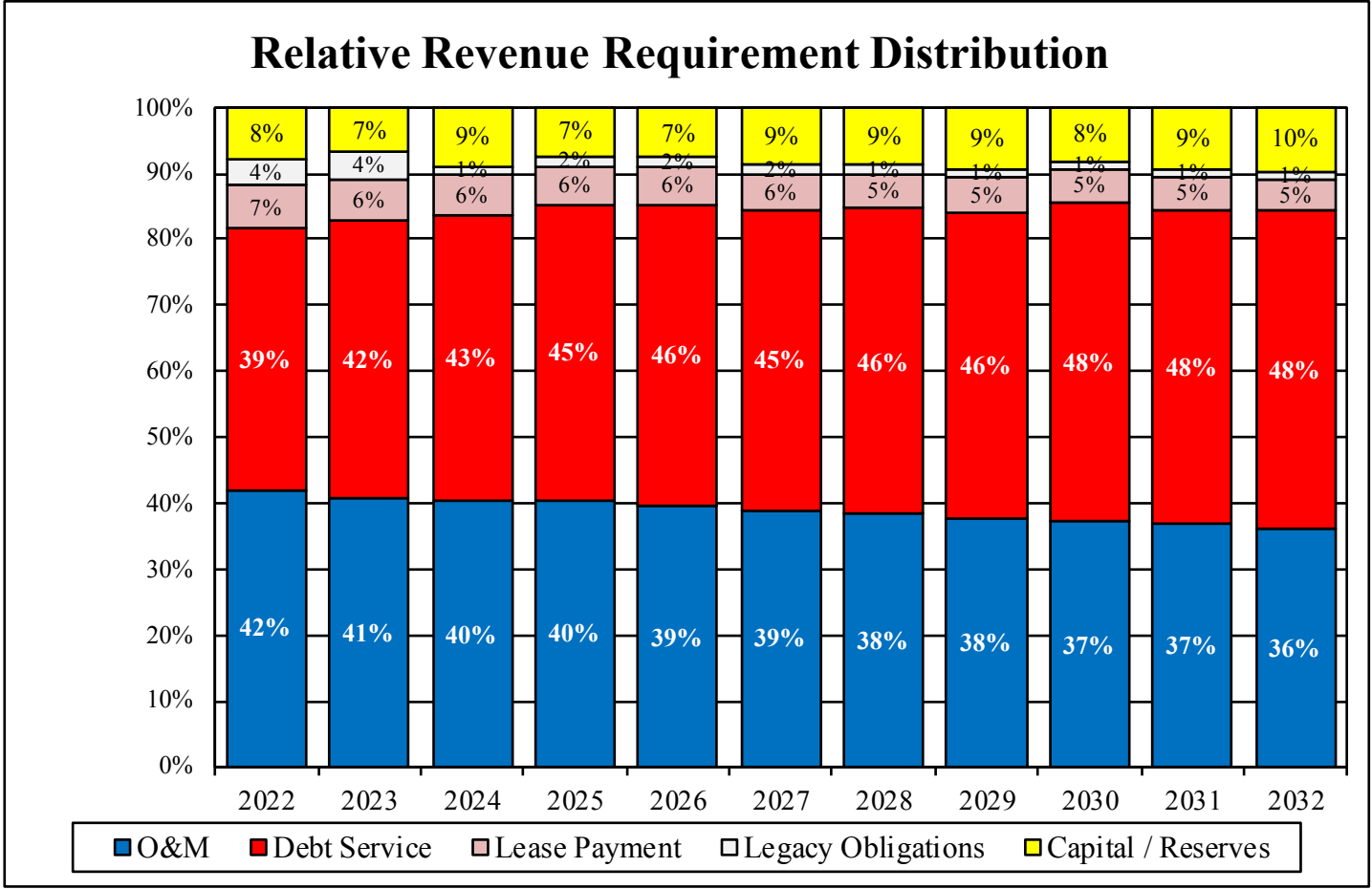
* Revenue Generated Funds only. Excludes Debt Service Reserve & Construction Funds (Bond Generated) & "Pass Thru" Funds such as Debt Service Payment Funds, WRAP, etc.

Water Table 6												
Projected Cash and Investment Fund Balances - Wholesale System (\$ millions) (a)												
Line		Fiscal Year Ended June 30,										
No.		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<u>Working Capital Reserve (b)</u>												
1	Beginning Balance	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
2	Deposit from Operations	-	-	-	-	-	-	-	-	-	-	-
3	Ending Balance	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
<u>Budget Stabilization Fund (a)</u>												
4	Beginning Balance	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
5	Deposits / (Withdrawals)	-	-	-	-	-	-	-	-	-	-	-
6	Ending Balance	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
<u>ER&R Fund (a)</u>												
7	Beginning Balance	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
8	Transfers In	-	-	-	-	-	-	-	-	-	-	-
9	Ending Balance	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
<u>I&E Fund (c)</u>												
10	Beginning Balance	207.5	110.2	90.3	91.3	90.6	90.2	90.1	90.5	90.1	90.0	90.4
11	Budgeted Capital Outlay	(17.0)	(15.5)	(13.4)	(10.4)	(9.6)	(9.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
12	Transfer to Construction Fund	(106.8)	(28.7)	(18.2)	(17.9)	(20.2)	(26.1)	(25.8)	(30.9)	(26.4)	(33.1)	(36.8)
13	Subtotal prior to Revenue Transfer	83.6	66.0	58.7	63.0	60.9	55.0	54.3	49.6	53.6	46.9	43.6
14	Deposits from Revenues (c)	26.6	24.3	32.6	27.7	29.3	35.1	36.2	40.4	36.4	43.5	46.8
15	Ending Balance	110.2	90.3	91.3	90.6	90.2	90.1	90.5	90.1	90.0	90.4	90.4
<u>Total Revenue Generated Funds (d)</u>												
16	Beginning Balance	322.0	224.7	204.8	205.8	205.1	204.7	204.6	205.0	204.6	204.5	204.9
17	Net Sources and Uses	(97.3)	(19.9)	1.0	(0.6)	(0.5)	(0.0)	0.3	(0.4)	(0.0)	0.4	(0.0)
18	Ending Balance	224.7	204.8	205.8	205.1	204.7	204.6	205.0	204.6	204.5	204.9	204.9
19	Days Cash on Hand (e)	565	511	500	480	475	465	456	447	438	430	421
<u>Other Funds</u>												
20	Bond Reserve (excludes Surety)	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5
21	Construction Bond Fund	-	-	-	-	-	-	-	-	-	-	-
22	Construction Fund	188.3	114.8	10.6	128.5	10.8	200.2	9.8	152.4	11.1	117.0	11.6
23	Total Funds	417.4	324.1	220.8	338.1	219.9	409.4	219.3	361.4	220.2	326.5	221.0
24	Subtotal w/o Construction Funds	229.2	209.3	210.3	209.6	209.2	209.1	209.5	209.1	209.0	209.4	209.4

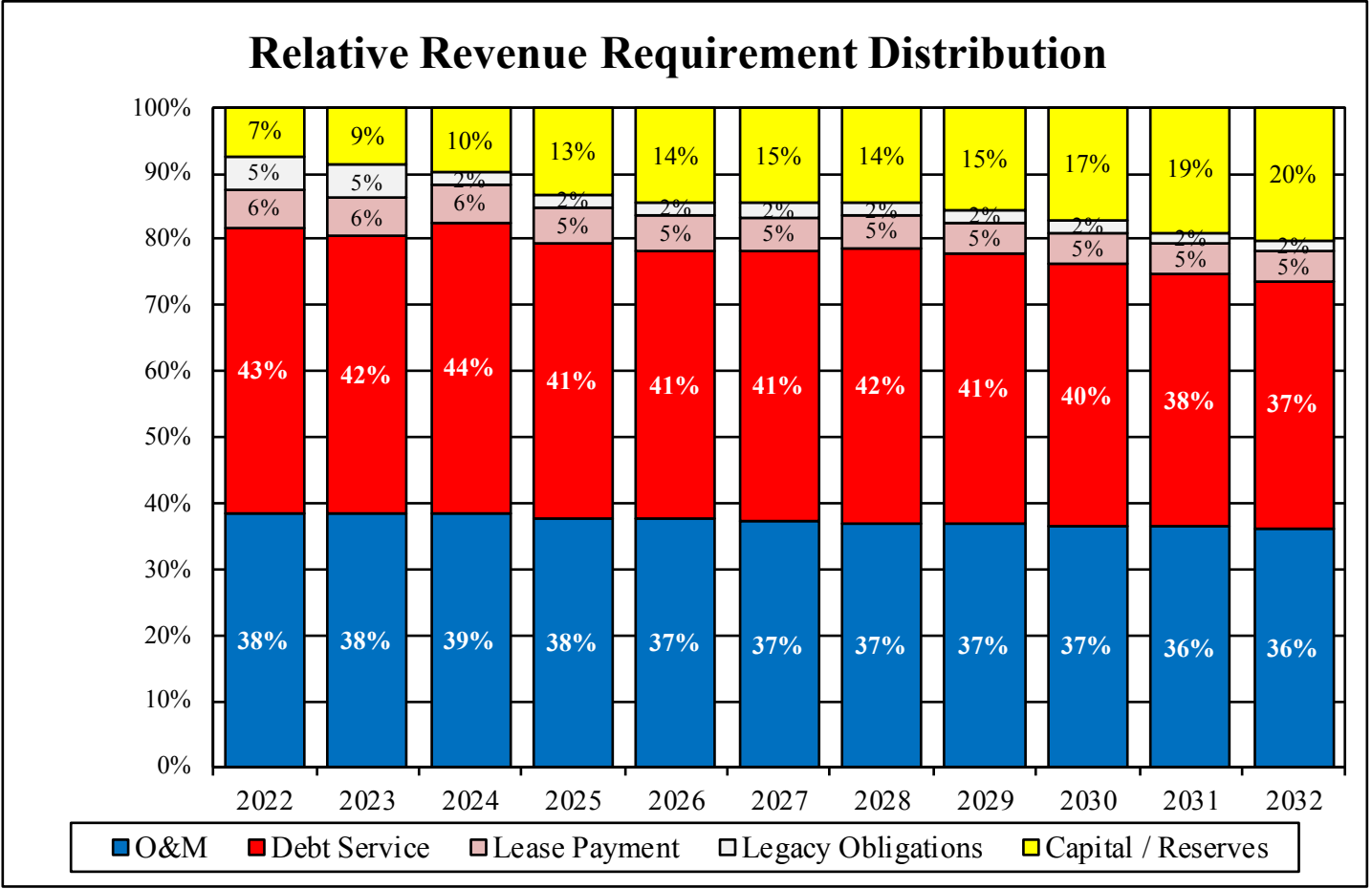
- (a) Technically includes "Combined System" amounts held by GLWA.
- (b) Represents Operating Reserve and amounts maintained in the Receiving Fund for subsequent MBO transfers.
- (c) Only includes GLWA Regional I&E Account. Does not include Lease Payment transferred to DWSD Local I&E Account.
- (d) Excludes MBO Funds that are funded and assumed to be fully expended each year, such as the Bond Interest and Redemption Funds, the Pension Obligation Payment Fund, and the WRAP Fund.
- (e) Excludes Budget Stabilization Fund amounts from Line 6.

Sewer Table 6												
Projected Cash and Investment Fund Balances - Wholesale System (\$ millions) (a)												
Line		Fiscal Year Ended June 30,										
No.		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	<u>Working Capital Reserve (b)</u>											
1	Beginning Balance	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0
2	Deposit from Operations	-	-	-	-	-	-	-	-	-	-	-
3	Ending Balance	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0
	<u>Budget Stabilization Fund (a)</u>											
4	Beginning Balance	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
5	Deposits / (Withdrawals)	-	-	-	-	-	-	-	-	-	-	-
6	Ending Balance	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
	<u>ER&R Fund (a)</u>											
7	Beginning Balance	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
8	Transfers In	-	-	-	-	-	-	-	-	-	-	-
9	Ending Balance	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
	<u>I&E Fund (c)</u>											
10	Beginning Balance	122.4	93.2	90.6	90.3	90.6	90.1	90.0	90.2	90.1	90.0	88.6
11	Budgeted Capital Outlay	(16.0)	(18.4)	(11.6)	(8.1)	(8.7)	(10.3)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
12	Transfer to Construction Fund	(48.0)	(26.4)	(38.2)	(58.8)	(66.8)	(68.3)	(69.6)	(77.6)	(89.2)	(103.2)	(72.8)
13	Subtotal prior to Revenue Transfer	58.5	48.3	40.8	23.3	15.1	11.5	10.4	2.6	(9.1)	(23.3)	5.8
14	Deposits from Revenues (c)	34.3	42.3	49.5	67.2	75.1	78.5	79.8	87.5	99.0	111.9	122.1
15	Other Deposits (d)	0.4	-	-	-	-	-	-	-	-	-	-
16	Ending Balance	93.2	90.6	90.3	90.6	90.1	90.0	90.2	90.1	90.0	88.6	127.9
	<u>Total Revenue Generated Funds (e)</u>											
17	Beginning Balance	281.4	252.2	249.6	249.3	249.6	249.1	249.0	249.2	249.1	249.0	247.6
18	Net Sources and Uses	(29.6)	(2.6)	(0.3)	0.3	(0.4)	(0.1)	0.2	(0.1)	(0.2)	(1.3)	39.3
19	Ending Balance	251.8	249.6	249.3	249.6	249.1	249.0	249.2	249.1	249.0	247.6	286.9
20	Days Cash on Hand (f)	497	477	463	461	453	445	437	428	420	409	466
	<u>Other Funds</u>											
21	Bond Reserve (excludes Surety)	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0	21.0
22	Construction Bond Fund	-	-	-	-	-	-	-	-	-	-	-
23	Construction Fund	21.3	24.6	36.7	40.1	18.0	17.6	50.7	41.4	11.3	5.1	(0.0)
24	Total Funds	791.0	772.5	770.3	771.8	740.9	732.8	757.8	739.7	700.7	682.8	773.8
25	Subtotal w/o Construction Funds	769.7	747.8	733.7	731.7	722.9	715.2	707.1	698.3	689.5	677.7	773.8

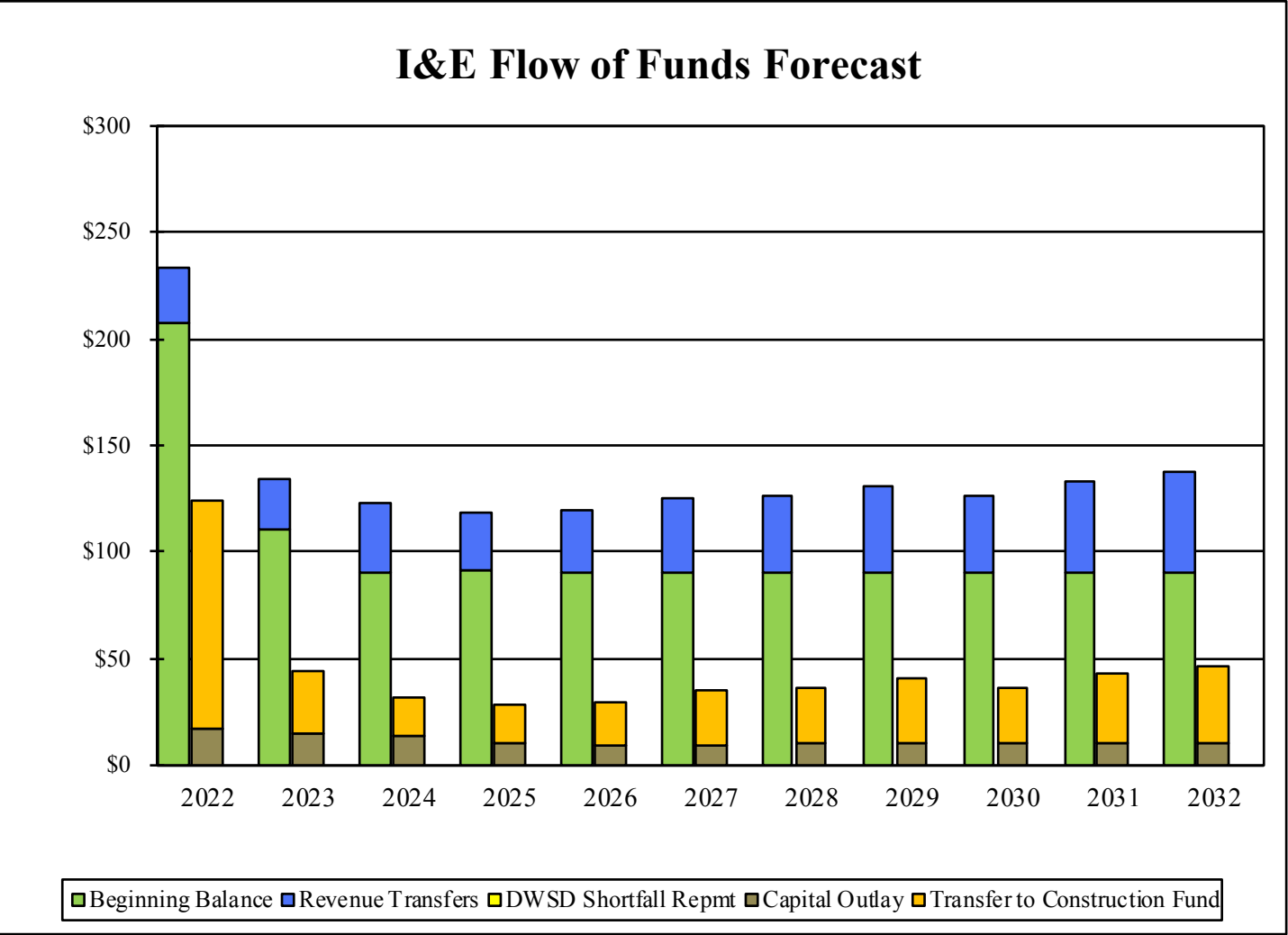
- (a) Technically includes "Combined System" amounts held by GLWA.
- (b) Represents Operating Reserve and amounts maintained in the Receiving Fund for subsequent MBO transfers.
- (c) Only includes GLWA Regional I&E Account. Does not include Lease Payment transferred to DWSD Local I&E Account.
- (d) Repayment of DWSD loan receivable.
- (e) Excludes MBO Funds that are funded and assumed to be fully expended each year, such as the Bond Interest and Redemption Funds, the Pension Obligation Payment Fund, and the WRAP Fund.
- (f) Excludes Budget Stabilization Fund amounts from Line 6.



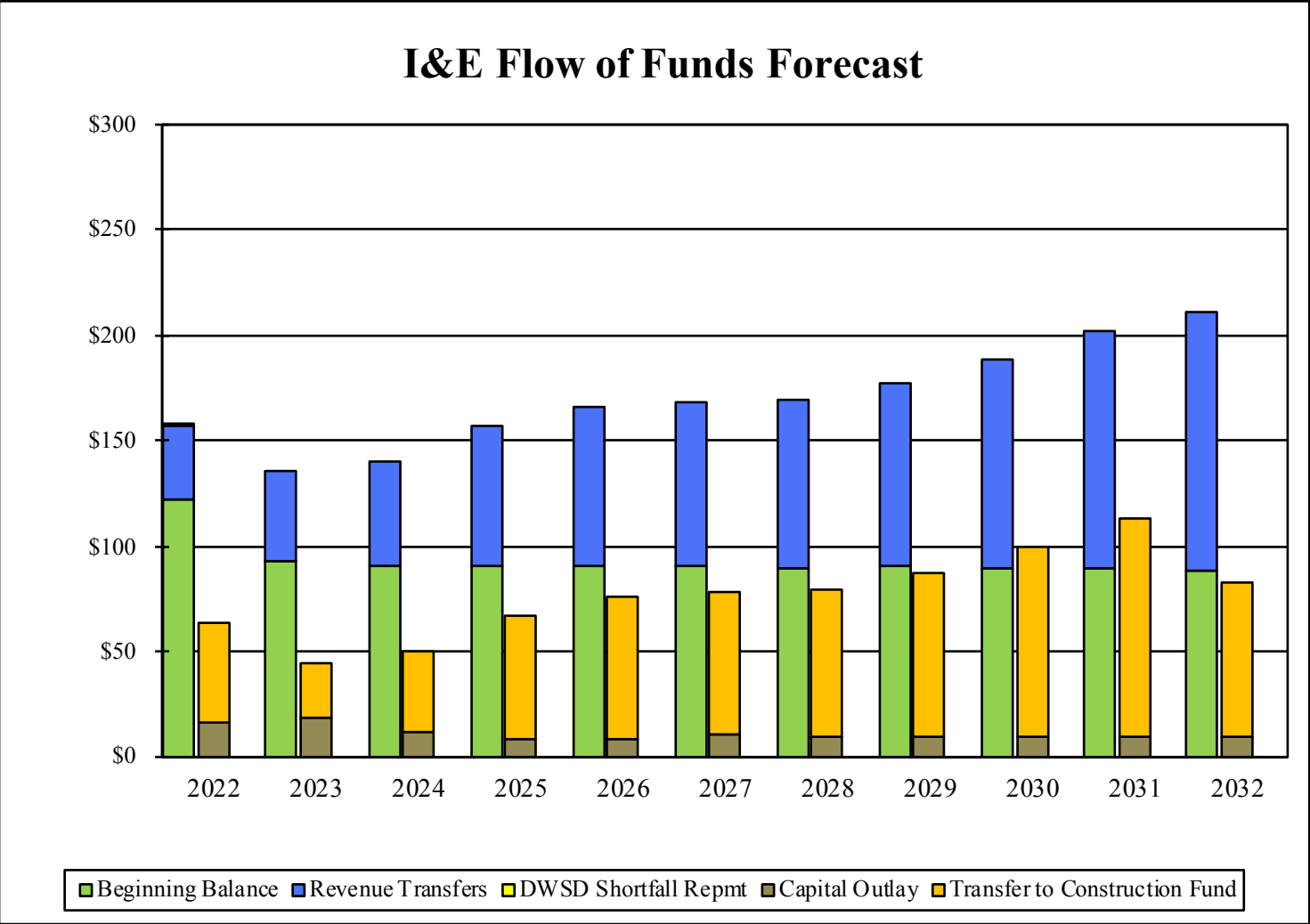
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>
O&M	143.9	144.8	148.7	154.3	155.6	159.2	162.3	165.6	168.9	172.3	175.7
Debt Service	135.1	150.3	159.2	170.6	181.0	185.6	195.7	202.9	218.9	224.3	233.9
Lease Payment	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
Legacy Obligations	14.0	14.1	5.5	6.3	6.4	6.3	6.2	6.2	6.3	6.3	6.4
Capital / Reserves	26.6	24.3	32.6	27.7	29.3	35.1	36.2	40.4	36.4	43.5	46.8
Total	342.1	356.1	368.5	381.4	394.8	408.6	422.9	437.7	453.0	468.9	485.3



	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>
O&M	181.3	187.1	192.4	193.6	196.8	200.0	204.0	208.1	212.3	216.5	220.8
Debt Service	205.0	205.6	220.7	212.5	214.2	221.0	229.3	231.4	229.8	227.2	227.5
Lease Payment	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
Legacy Obligations	24.8	24.9	9.4	11.2	11.2	10.9	10.7	10.7	10.7	10.7	10.7
Capital / Reserves	34.3	42.3	49.5	67.2	75.1	78.5	79.8	87.5	99.0	111.9	122.1
Total	472.9	487.3	499.5	512.0	524.8	537.9	551.4	565.1	579.3	593.7	608.6

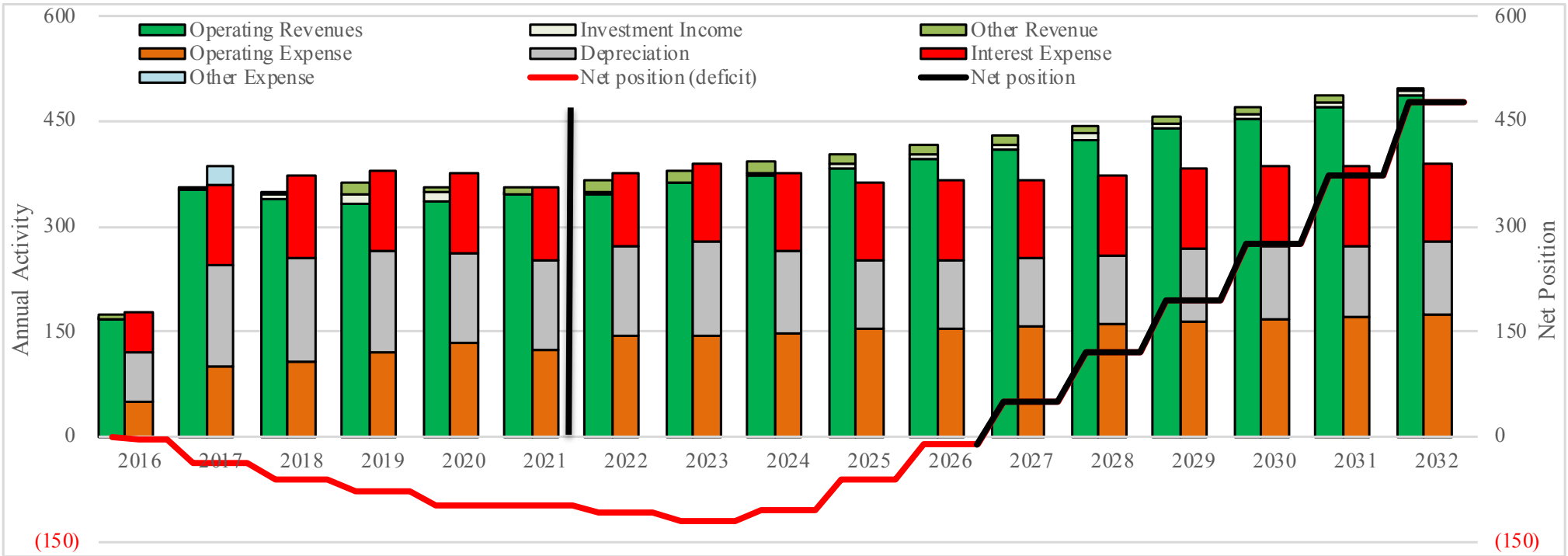


	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Beginning Balance	207.5	110.2	90.3	91.3	90.6	90.2	90.1	90.5	90.1	90.0	90.4
Capital Outlay	(17.0)	(15.5)	(13.4)	(10.4)	(9.6)	(9.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Transfer to Constr	(106.8)	(28.7)	(18.2)	(17.9)	(20.2)	(26.1)	(25.8)	(30.9)	(26.4)	(33.1)	(36.8)
Initial Balance	83.6	66.0	58.7	63.0	60.9	55.0	54.3	49.6	53.6	46.9	43.6
Revenue Transfers	26.6	24.3	32.6	27.7	29.3	35.1	36.2	40.4	36.4	43.5	46.8
Ending Balance	110.2	90.3	91.3	90.6	90.2	90.1	90.5	90.1	90.0	90.4	90.4



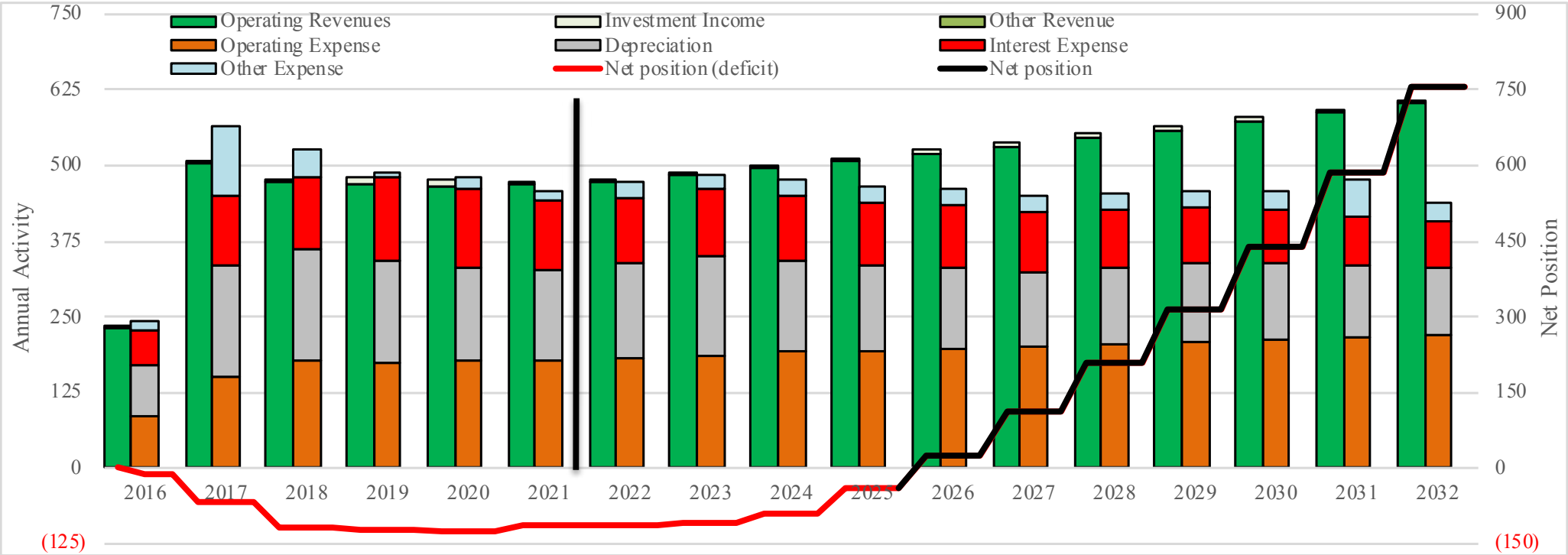
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Beginning Balance	122.4	93.2	90.6	90.3	90.6	90.1	90.0	90.2	90.1	90.0	88.6
Capital Outlay	(16.0)	(18.4)	(11.6)	(8.1)	(8.7)	(10.3)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Transfer to Constr	(48.0)	(26.4)	(38.2)	(58.8)	(66.8)	(68.3)	(69.6)	(77.6)	(89.2)	(103.2)	(72.8)
Initial Balance	58.5	48.3	40.8	23.3	15.1	11.5	10.4	2.6	(9.1)	(23.3)	5.8
Revenue Transfers	34.3	42.3	49.5	67.2	75.1	78.5	79.8	87.5	99.0	111.9	122.1
DWSD Shortfall Repmt	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ending Balance	93.2	90.6	90.3	90.6	90.1	90.0	90.2	90.1	90.0	88.6	127.9

Water Supply System - Reported and Forecasted Statement of Changes in Net Position (\$ millions)



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Act.	Act.	Act.	Act.	Act.	Act.	Est.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
1 Total operating revenues	167.7	351.7	338.3	331.6	334.3	344.6	347.2	361.8	373.4	384.2	395.5	409.3	423.6	438.4	453.5	469.4	485.8
2 Operating expenses	49.5	101.7	108.5	119.8	132.5	123.6	143.9	144.8	148.7	154.3	155.6	159.2	162.3	165.6	168.9	172.3	175.7
3 Depreciation/Amortization	71.3	144.1	146.1	144.1	130.7	126.8	129.2	135.3	117.0	97.5	97.5	94.6	97.2	102.0	101.4	99.5	101.4
4 Total operating expenses	120.8	245.9	254.6	264.0	263.3	250.5	273.1	280.2	265.7	251.9	253.2	253.8	259.5	267.6	270.3	271.7	277.2
5 Operating income	46.8	105.9	83.7	67.6	71.0	94.1	74.1	81.6	107.7	132.3	142.3	155.6	164.1	170.8	183.2	197.7	208.6
Nonoperating revenue (expenses)																	
6 Earnings on investments	0.4	1.8	6.1	14.8	13.7	0.8	1.6	1.1	2.2	5.1	7.3	7.0	8.1	8.4	7.7	7.8	7.3
7 Interest Expense - Bonded Debt	(56.5)	(113.7)	(118.2)	(114.2)	(111.3)	(106.3)	(104.2)	(110.7)	(108.9)	(110.9)	(112.2)	(112.9)	(113.8)	(115.4)	(116.8)	(115.5)	(113.8)
8 Other Non-Operating	5.2	6.4	4.4	15.3	7.0	10.5	17.2	16.6	15.7	14.7	13.6	12.4	11.1	9.8	7.7	5.6	3.5
9 Special Item	0.0	(32.8)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7 Change in net position	(4.1)	(32.4)	(24.0)	(16.4)	(19.5)	(0.9)	(11.3)	(11.4)	16.7	41.3	51.0	62.0	69.4	73.6	81.8	95.7	105.6
10 Net position (deficit), beginning of yea	0.0	(4.1)	(36.5)	(60.4)	(76.9)	(96.4)	(97.3)	(108.5)	(120.0)	(103.3)	(62.0)	(11.0)	51.0	120.4	194.0	275.8	371.5
11 Net position (deficit), end of year	(4.1)	(36.5)	(60.4)	(76.9)	(96.4)	(97.3)	(108.5)	(120.0)	(103.3)	(62.0)	(11.0)	51.0	120.4	194.0	275.8	371.5	477.1

Sewage Disposal System - Reported and Forecasted Statement of Changes in Net Position (\$ millions)



	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Act.	Act.	Act.	Act.	Act.	Act.	Est.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.	Proj.
1	Total operating revenues	230.5	505.8	473.6	469.5	466.6	471.4	486.2	497.2	507.4	517.9	531.0	544.4	558.2	572.5	587.2	601.7
2	Operating expenses	84.4	151.3	176.4	174.0	176.9	181.3	187.1	192.4	193.6	196.8	200.0	204.0	208.1	212.3	216.5	220.8
3	Depreciation/Amortization	86.0	185.6	187.3	168.5	152.9	156.9	161.8	151.5	139.9	136.0	125.0	127.9	131.3	127.8	117.0	112.0
4	Total operating expenses	170.4	336.9	363.6	342.6	329.9	338.2	348.8	343.9	333.5	332.8	325.0	332.0	339.4	340.1	333.5	332.8
5	Operating income	60.1	168.9	110.0	126.9	136.8	133.2	137.3	153.3	173.9	185.1	206.0	212.4	218.8	232.4	253.6	268.9
	Nonoperating revenue (expenses)																
6	Earnings on investments	1.1	2.2	5.3	11.8	11.7	1.6	1.2	2.6	5.2	7.3	7.3	8.1	7.8	7.0	6.7	6.9
7	Interest Expense - Bonded Debt	(56.5)	(113.7)	(118.2)	(136.8)	(132.6)	(109.3)	(111.2)	(107.4)	(104.2)	(100.9)	(98.7)	(96.0)	(91.9)	(88.0)	(82.1)	(76.2)
8	Other Non-Operating	(17.2)	(51.7)	(46.9)	(7.5)	(17.1)	(25.1)	(25.6)	(25.9)	(26.3)	(26.8)	(27.3)	(27.8)	(28.3)	(28.9)	(29.6)	(30.2)
9	Special Item	0.0	(61.5)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
7	Change in net position	(12.6)	(55.8)	(50.0)	(5.6)	(1.2)	0.4	1.8	22.5	48.6	64.7	87.4	96.7	106.3	122.5	148.7	169.4
10	Net position (deficit), beginning of yea	0.0	(12.6)	(68.4)	(118.3)	(123.9)	(112.9)	(112.4)	(110.6)	(88.1)	(39.5)	25.2	112.5	209.3	315.6	438.1	586.8
11	Net position (deficit), end of year	(12.6)	(68.4)	(118.3)	(123.9)	(125.2)	(112.4)	(110.6)	(88.1)	(39.5)	25.2	112.5	209.3	315.6	438.1	586.8	756.2

Proposed FY 2023+ Financial Plan - Top Ten Highlights

*GLWA Audit Committee Meeting
December 17, 2021*



What is GLWA's "Financial Plan"?

What is GLWA's financial plan?

The financial plan is a set of documents that transparently charts the financial course on a path of long-term sustainability.

Why focus on a long-term plan?

Decisions made decades ago impact today; decisions we make today impact future generations. This is the basis for achieving affordability.

What goes into a financial plan?

Extensive input, analysis, and collaboration by subject matter experts that span finance, engineering, legal, and operations, both internal and external to GLWA.

What are the Financial Plan documents?

- ✓ FY 2023 & FY 2024 Biennial Budget and Five Year Plan (FY 2023 – FY 2027)
- ✓ Ten Year Financial Plan through FY 2032
- ✓ FY 2023 – FY 2027 Five Year Capital Improvement Plan
- ✓ FY 2023 Water & Sewer Charges Report from The Foster Group

Top Ten Highlights



Proposed FY 2023+ Financial Plan – Key Highlights

1. Comprehensive Data Available
2. Commitment to GLWA's Values
3. Operations & Maintenance Budget – Dynamic Increases & Decreases
4. FY 2023 Charges Proposal – Water
5. FY 2023 Charges Proposal – Sewer
6. Ten Year Plan – Water System – Persistent Capital and O&M Pressures
7. Ten Year Plan – Sewer System – Achieving the long-term sustainability objective is within sight
8. Key Assumptions – Beyond Our Control
9. Key Assumptions - Things We Can Control
10. Yes, Our Sector has Challenges; We are Prepared to Address

#1 – Comprehensive Data Available

- ✓ Most complete budget **document** for decision making at this point in the fiscal year
- ✓ Matured organization with strong working relationship between Financial Planning & Analysis with operations and administration
- ✓ Five full fiscal years of audited financial history
- ✓ Stability of overall charge methodology

#2 - FY 2022 & FY 2023 Biennial Budget Overall: Commitment to GLWA's Values

- ✓ **The Promise:** Able to deliver an overall financial plan for FY 2023 and FY 2024 that holds revenue requirement increases below the 4% promise
- ✓ **Charges:** Resulting FY 2023 proposed charge adjustments reflect constraints within the goal to maintain stability for Member Partners
- ✓ **Sustainability & Affordability:** Facilitates progress towards long-term sustainability and affordability objectives
- ✓ **Quality:** Provides for progress on key initiatives that ensures the quality and reliability of our services and the impact on the environment

#3 Operations & Maintenance Budget – Dynamic Increases & Decreases

Overall FY 2023 GLWA operating budget meets objective of 2% annual increase compared to originally approved FY 2022 Budget

- ✓ Water **increase** is ~ 0.6%, Sewer **increase** ~ 3.2%
- ✓ Water Operations budget pressure from prior years somewhat stabilized with prior year adjustments
- ✓ Wastewater Operations budget savings in Contractual Services and Utilities
- ✓ Both systems: focus on human resources needs via apprenticeship programs and compensation scale to attract and retain talent

FY 2024 operating budget increase is 2.8%

- ✓ Less variation in Water / Sewer impacts
- ✓ Water increase 2.7%, Sewer increase 2.9%

Lower annual increases in subsequent years to result in average increase of 2.0 % for the five year financial plan period (FY 2023 thru FY 2027)

#4 - FY 2023 Charges Predictor – Water

Proposed FY 2023 Water System Charge Adjustment is a 3.7% increase

- ✓ System Charge Adjustment = the amount by which revenues from existing charges must be adjusted to meet budgeted revenue requirements
- ✓ Charge Adjustments for individual Member Partners will be largely uniform, as there are only 4 Member Partners whose units of service are changing
- ✓ This is projected to produce a \$12.65 million revenue increase and becomes the foundational assumption for the rest of the budgeted revenue requirements
- ✓ Resulting plan reflects:
 - ✓ An overall budgeted revenue requirement increase of \$12.0 million (3.5%)
 - ✓ A negative sales (volume) revenue budget variance of \$0.5 million
 - ✓ A negative investment earnings budget variance of \$0.1 million
 - ✓ Budgeted contributions to I&E are less than the original FY 2022 Budget by \$3.8 million
 - ✓ Capital Spend Rate assumption of 80%

#5 FY 2023 Charges Predictor – Sewer

Proposed FY 2023 Sewer System Charge Adjustment is a 3.66% increase

- ✓ System Charge Adjustment = the amount by which revenues from existing charges must be adjusted to meet budgeted revenue requirements
- ✓ No change in Sewer SHARES for FY 2023, so Charge Adjustments for individual Member Partners will be uniformly increased relative to the revenue requirement increase, but will vary based on the Highland Park matter below
- ✓ Resulting plan reflects:
 - ✓ An overall budgeted revenue requirement increase of \$11.9 million (2.5%)
 - ✓ Reinstatement of a Highland Park bad debt expense recovery from suburban wholesale Member Partners in the FY 2023 charges totaling \$5.4 million
 - ✓ Budgeted contributions to I&E are less than the original FY 2022 Budget by \$7.6 million
 - ✓ Capital Spend Rate assumption of 75%

#6 - Ten Year Plan – Water System – Continuing Capital and O&M Pressures

Over-delivers on The Promise with heavy caution on debt service

- ✓ Assuming future annual revenue requirement increases of 3.5% for Water and 2.5% for Sewer (less than the 4% Promise)
- ✓ Results in annual forecasted Water CIP requirements (at an 80% Spend Rate Assumption) that become more reliant on debt rather than I&E funding (i.e. Paygo)
- ✓ This results in a fairly static forecast for Water with respect to key metrics
- ✓ Debt service coverage ratios (from the Regional System revenues) and related metrics are projected to decline under these assumptions
- ✓ Increasing performance on capital improvement program delivery could result in needing a revenue adjustment assumption higher than 3.5% and additional debt service

#7 - Ten Year Plan – Sewer System – Achieving the long-term sustainability objective is within sight

Demonstrates achievement of desired, comprehensive planning objectives

- ✓ Assuming future annual revenue requirement increases of 2.5% (less than the 4% Promise)
- ✓ The average annual forecasted Sewer CIP requirements (at a 75% Spend Rate Assumption) become less reliant on debt and more on I&E funding (i.e. Paygo)
- ✓ This results in a forecast for the Sewer System in alignment with the desired strategy
- ✓ Debt service coverage ratios (from the Regional System revenues) and related metrics are projected to increase under these assumptions

#8 Key Assumptions – Beyond Our Control

- ✓ Pension funding needs for legacy closed General Retirement System pension plan
- ✓ Economic impact on investment portfolio
- ✓ Debt refunding opportunities
- ✓ Construction cost increases
- ✓ New regulatory requirements
- ✓ Labor market

#9 – Key Assumptions - Things We Can Control

- ✓ Manage the capital spending priorities
- ✓ Continue to seek other funding opportunities
- ✓ Manage the pace of change
- ✓ Smooth out charge and budget adjustments
- ✓ Strategic focus on operational and financial flexibility to navigate those things that are beyond our control

#10 - Yes, Our Sector has Challenges; We are Prepared to Address

- ✓ Maintenance intensive industry requiring continual reinvestment of capital
- ✓ Declining use of potable water and the associated reduced demand
- ✓ Regulatory concerns for both the Water and the Wastewater Systems
- ✓ Affordability





Financial Services Audit Committee Communication

Date: December 17, 2021

To: Great Lakes Water Authority Audit Committee

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

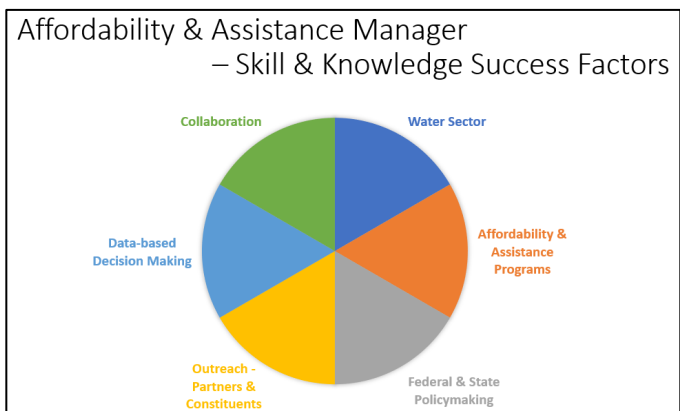
Re: CFO Update

Great News!

On December 9, 2021, we received notification that the current year's biennial budget (FY 2022 & FY 2023) received the Government Finance Officers Association's (GFOA) prestigious Distinguished Budget Presentation Award. This is the third year in a row that the Great Lakes Water Authority (GLWA) earned the Government Finance Officers Association's Distinguished Budget Presentation Award.

Affordability & Assistance Manager Hired

The Financial Services Area welcomes a new, but familiar team member. Ms. Madison Merzlyakov began her new role at GLWA as the Affordability & Assistance Manager as of November 29, 2021.



GLWA advertised the position in July and finalized interviews in early November. The position was posted on GLWA's website, LinkedIn, and announced or emailed to groups that might know interested and qualified candidates. We were very pleased with the response. The chart to the left was the basis for some of our interview questions.

The role of the Affordability & Assistance Program Manager is to serve as the internal and external resource for strategic policies and programs related to water affordability & assistance. This would include leading research and communication on behalf of GLWA for the water service sector as well as federal and state policy. The role will also be in a position to reduce reliance on outside consultants to support operating, engineering, planning, legal, and financial teams with needs related to affordability matters. We also look to this position to facilitate hub utility initiatives and partnerships on efforts related to affordability and assistance. Finally, and most important for the near term, is to manage the Water Residential Assistance Program (WRAP) to continue to rollout out program improvements and to increase its effectiveness.

As many may know, Madison has excelled as a Management Professional in the Member Partner Outreach program at GLWA for five years demonstrating the type of stakeholder engagement that will be a foundation for success in the new position. Madison holds a bachelors' degree in Civil Engineering from Michigan Technological University. Prior to GLWA, she worked for OHM as an engineer, interned with the Michigan Department of Transportation, and worked for Caterpillar Corporation in the marketing area.

Financial Services Vacancies and Opportunities

With recent staff vacancies, we have had the opportunities to realign financial functions to advance succession planning objectives as well as enhance internal skill sets to in-source key financial activities. Two positions are presently posted. The [Public Finance Manager](#) was posted on December 7, 2021 as well as the [Charges Outreach and Modeling Manager](#). The positions have been posted on the GLWA website and LinkedIn. Organizational Development is assisting us with posting these positions with professional associations and university job sites.

December 07, 2021

Nicolette Bateson
Chief Financial Officer & Treasurer
Great Lakes Water Authority
735 Randolph Suite 1608
Detroit, MI 48226

Dear Ms. Bateson:

We are pleased to inform you, based on the examination of your budget by a panel of independent reviewers, that your budget document has been awarded the Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA) for the current fiscal period. This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant achievement by your organization.

The Distinguished Budget Presentation Award is valid for one year. To continue your participation in the program, it will be necessary to submit your next annual budget document to GFOA within 90 days of the proposed budget's submission to the legislature or within 90 days of the budget's final adoption. Information about how to submit an application for the Distinguished Budget Program application is posted on GFOA's website.

Each program participant is provided with confidential comments and suggestions for possible improvements to the budget document. Your comments are enclosed. We urge you to carefully consider the suggestions offered by our reviewers as you prepare your next budget.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for its having achieved the award. Enclosed is a Certificate of Recognition for Budget Preparation for:

Financial Services Area

Continuing participants will receive a brass medallion that will be mailed separately. First-time recipients will receive an award plaque within eight to ten weeks. Enclosed is a camera-ready reproduction of the award for inclusion in your next budget. If you reproduce the camera-ready image in your next budget, it should be accompanied by a statement indicating continued compliance with program criteria. The following standardized text should be used:

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Great Lakes Water Authority, Michigan**, for its Annual Budget for the fiscal year beginning **July 01, 2021**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

A press release is enclosed.

Upon request, GFOA can provide a video from its Executive Director congratulating your specific entity for winning the Budget Award.

We appreciate your participation in this program, and we sincerely hope that your example will encourage others in their efforts to achieve and maintain excellence in governmental budgeting. The most current list of award recipients can be found on GFOA's website at www.gfoa.org. If we can be of further assistance, please contact the Technical Services Center at (312) 977-9700.

Sincerely,

A handwritten signature in black ink, reading "Michele Mark Levine". The signature is written in a cursive, flowing style.

Michele Mark Levine
Director, Technical Services Center

Enclosure

FOR IMMEDIATE RELEASE

December 07, 2021

For more information, contact:

Technical Services Center

Phone: (312) 977-9700

Fax: (312) 977-4806

E-mail: budgetawards@gfoa.org

(Chicago, Illinois)--Government Finance Officers Association is pleased to announce that **Great Lakes Water Authority, Michigan**, has received GFOA's Distinguished Budget Presentation Award for its budget.

The award represents a significant achievement by the entity. It reflects the commitment of the governing body and staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the entity had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well an entity's budget serves as:

- a policy document
- a financial plan
- an operations guide
- a communications device

Budget documents must be rated "proficient" in all four categories, and in the fourteen mandatory criteria within those categories, to receive the award.

When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for having achieved the award. This has been presented to **Financial Services Area**.

There are over 1,700 participants in the Budget Awards Program. The most recent Budget Award recipients, along with their corresponding budget documents, are posted quarterly on GFOA's website. Award recipients have pioneered efforts to improve the quality of budgeting and provide an excellent example for other governments throughout North America.

Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources and practical research for more than 21,000 members and the communities they serve.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Great Lakes Water Authority
Michigan**

For the Fiscal Year Beginning

July 01, 2021

Christopher P. Morill

Executive Director



**The Government Finance Officers Association
of the United States and Canada**

presents this

CERTIFICATE OF RECOGNITION FOR BUDGET PREPARATION

to

**Financial Services Area
Great Lakes Water Authority, Michigan**



The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards

Executive Director

Christopher P. Morill

Date: **December 07, 2021**

GLWA

Great Lakes Water Authority



Monthly Financial Report Binder

September 2021

**Presented to the
Great Lakes Water Authority
Audit Committee on December 17, 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:

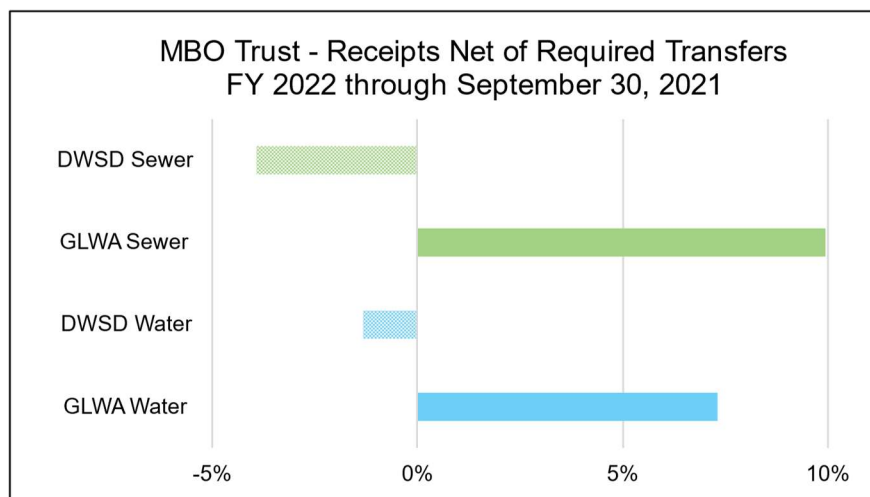
No Risk (green) - Potential (yellow) - Likely (red)

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. To address the wholesale water revenue shortfall, a first quarter budget amendment was approved for \$2.4 million.

As of September 30, 2021				
Metric	FY 2022 Budget	FY 2022 Actual	Variance from Financial Plan	Report Page Reference
Wholesale Water Billed Revenue (\$M)	\$94.0	\$89.3	-5%	47
Wholesale Water Billed Usage (mcf)	4,503,000	4,059,000	-10%	
Wholesale Sewer Billed Revenue (\$M)	\$67.8	\$67.8	0%	49
Wholesale Water Operations & Maintenance (\$M)	\$36.0	\$32.3	-10%	5
Wholesale Sewer Operations & Maintenance (\$M)	\$45.3	\$40.0	-12%	
Investment Income (\$M)	\$0.8	\$1.1	47%	37
Water Prorated Capital Spend w/SRA* (\$M)	\$33.8	\$38.2	13%	28
Sewer Prorated Capital Spend w/SRA* (\$M)	\$20.3	\$15.5	-24%	29

*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 54)



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 a

shortfall of \$330 thousand and DWSD Sewer reports a shortfall of \$2.8 million through September 2021. On August 26, 2021, the DWSD Board of Water Commissioners proactively adopted budget amendments to address potential shortfalls for FY 2022. These budget amendments will be reflected in the October 2021 report.

The current DWSD loan receivable balance for fiscal year 2018 is \$6.2 million.

Budget to Actual Analysis (page 3)

- FY 2022 information includes the first quarter budget amendments which were approved by the GLWA Board on December 8, 2021.
- The total Revenue Requirements are on target through September 2021.
- The total Operations & Maintenance expenses are at 22.2% of budget through September 2021.

Basic Financial Statements (page 9)

- The Basic Financial Statements are prepared on a full accrual basis and reflect preliminary, unaudited results.
- Operating income for September 2021 is \$31.0 million for the Water fund (32.8% of total revenues) and \$38.6 million for the Sewer fund (32.5 % of total revenues).
- Water Net Position increased by \$8.1 million, and Sewage Disposal Net Position increased by \$9.0 million for the year to date through September 2021.

Capital Improvement Plan Financial Summary (page 27)

- Water systems exceed the 75% Capital Spend Ratio assumption.
- Sewer systems did not meet the 75% Capital Spend Ratio assumption.

Master Bond Ordinance Transfers (page 30)

- For September, transfers of \$13.5 million and \$17.6 million were completed for the GLWA Water and Sewer funds, respectively.
- Also for September, transfers of \$4.6 million and \$8.3 million were completed for the DWSD Water and Sewer funds, respectively.

Cash Balances & Investment Income (page 36)

- Total cash & investments are \$433 million in the Water fund and \$410 million in the Sewer fund.
- The total combined cumulative investment income for FY 2022 through June is \$1.1 million.

DWSD Retail Revenues, Receivables & Collections (page 41)

- Water usage through September 30, 2021 is at 110.68% and revenues at 101.86% of budget.
- Sewer usage through September 30, 2021 is at 104.22% and revenues at 100.17% of budget.
- Combined accounts receivable balances for the water and sewer funds report an increase of \$40.7 million over the prior year.
- Past dues over 180 days make up 65.4% of the total accounts receivable balance. The current bad debt allowance covers 97% of past dues over 60 days.

GLWA Wholesale Billing, Receivables & Collections (page 46)

- GLWA accounts receivable past due balance net of Highland Park is 8.3% of the total accounts receivable balance, with the majority of that balance related to one water account dispute currently under discussion.
- The Highland Park past due balance is \$50.2 million. It includes \$38.4 million for wastewater treatment services, \$1.8 million for industrial waste control services, and \$10.0 million for water supply services. Highland Park has not made a payment for FY 2022 through September 2021. The GLWA Legal team is pursuing options for additional collections.

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 2022 information presented in these sections includes the first quarter budget amendments approved by the GLWA Board on December 8, 2021.

Adjustments related to the fiscal year end 2020 audit will affect the FY 2020 columns of the tables in the Budget to actual Analysis report.

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 September 2021, the pro-rata benchmark is 25.0% (3 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 2022 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 September 30, 2021, these payments total \$1.7 million for FY 2022.

2. **Investment Earnings:** For *both* systems, investment earnings are above the pro-rata benchmark for FY 2022; the *water* system is at 36.4%; while the *sewer* system

is at 32.6%. 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 2022 at 22.4%. The *sewer* system O&M expenses, at 22.1%, is also less than the pro-rata benchmark.
5. **Debt Service:** For both systems, debt service is on target with the pro-rata benchmark for FY 2022; the *water* system is at 25.1%; while the *sewer* system is at 25.3%. 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 2022.
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 2021, DWSD management successfully implemented a formal plan to end the year with positive net cash flows for both the DWSD *water* system and the DWSD *sewer* system. For FY 2022, the DWSD *water* system has a budgetary shortfall of \$330 thousand and the DWSD *sewer* system has a budgetary shortfall of \$2.8 million through September 30, 2021. GLWA and DWSD staff are meeting regularly to discuss steps to mitigate this shortfall as outlined in the 2018 MOU.
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.

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.

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

	FY2021 AMENDED BUDGET	FY 2021 THRU 9/30/2020	Percent Year-to- Date	FY 2022 BOARD ADOPTED BUDGET	FY 2022 AMENDED BUDGET	FY 2022 THRU 9/30/2021	Percent Year-to- Date
Water System							
Revenues							
Suburban Wholesale Customer Charges	\$ 317,034	\$ 91	0.0%	\$ 321,111	\$ 318,711	\$ 87,280	27.4%
Retail Service Charges	21,926	5,560	25.4%	21,697	21,697	5,424	25.0%
Investment Earnings	3,956	1,346	34.0%	1,047	1,547	564	36.4%
Other Revenues	229	7	3.2%	175	175	77	43.9%
Total Revenues	\$ 343,144	\$ 7,005	2.0%	\$ 344,031	\$ 342,131	\$ 93,345	27.3%
Revenue Requirements							
Operations & Maintenance Expense	\$ 134,127	\$ 33,168	24.7%	\$ 143,934	\$ 143,934	\$ 32,289	22.4%
General Retirement System Legacy Pension	6,048	1,512	25.0%	6,048	6,048	1,512	25.0%
Debt Service	137,436	34,435	25.1%	135,481	135,121	33,878	25.1%
General Retirement System Accelerated Pension	6,268	1,567	25.0%	6,268	6,268	1,567	25.0%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	1,669	413	24.8%	1,706	1,706	426	25.0%
Regional System Lease	22,500	5,625	25.0%	22,500	22,500	5,625	25.0%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending	-	1,118	0.0%	-	-	330	0.0%
Improvement & Extension Fund Transfer Pending	35,095	5,991	17.1%	28,094	26,554	7,024	26.4%
Total Revenue Requirements	\$ 343,144	\$ 83,828	24.4%	\$ 344,031	\$ 342,131	\$ 82,650	24.2%
Net Difference		\$ (76,824)				\$ 10,695	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ (78,781)				\$ 7,813	
Revenue Requirement Variance		1,958				2,882	
Overall Variance		\$ (76,824)				\$ 10,695	

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

	FY 2021 AMENDED BUDGET	FY 2021 THRU 9/30/2020	Percent Year-to- Date	FY 2022 BOARD ADOPTED BUDGET	FY 2022 AMENDED BUDGET	FY 2022 THRU 9/30/2021	Percent Year-to- Date
Sewer System							
Revenues							
Suburban Wholesale Customer Charges	\$ 272,454	\$ 67,150	24.6%	\$ 272,130	\$ 269,130	\$ 68,046	25.3%
Retail Service Charges	187,960	47,259	25.1%	188,662	188,662	47,166	25.0%
Industrial Waste Control Charges	7,685	1,963	25.5%	9,025	9,025	2,081	23.1%
Pollutant Surcharges	6,108	1,498	24.5%	4,189	4,189	1,285	30.7%
Investment Earnings	2,778	618	22.2%	1,023	1,523	497	32.6%
Other Revenues	2,195	157	7.2%	400	400	186	46.4%
Total Revenues	\$ 479,179	\$ 118,645	24.8%	\$ 475,429	\$ 472,929	\$ 119,261	25.2%
Revenue Requirements							
Operations & Maintenance Expense	\$ 182,296	\$ 42,156	23.1%	\$ 181,300	\$ 181,300	\$ 40,049	22.1%
General Retirement System Legacy Pension	10,824	2,706	25.0%	10,824	10,824	2,706	25.0%
Debt Service	201,780	50,806	25.2%	207,210	204,985	51,818	25.3%
General Retirement System Accelerated Pension	11,621	2,905	25.0%	11,621	11,621	2,905	25.0%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	2,415	601	24.9%	2,358	2,358	590	25.0%
Regional System Lease	27,500	6,875	25.0%	27,500	27,500	6,875	25.0%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending	-	4,830	0.0%	-	-	2,825	0.0%
Improvement & Extension Fund Transfer Pending	42,743	9,926	23.2%	34,617	34,342	8,654	25.2%
Total Revenue Requirements	\$ 479,179	\$ 120,805	25.2%	\$ 475,429	\$ 472,929	\$ 116,421	24.6%
Net Difference		\$ (2,161)				\$ 2,839	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ (1,150)				\$ 1,029	
Revenue Requirement Variance		(1,010)				1,811	
Overall Variance		\$ (2,161)				\$ 2,839	

Operations & Maintenance Budget – Major Budget Categories

The year-over-year benchmark ratio as of September 30, 2021, is 25.0% (three months). When comparing FY 2022 to FY 2021 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 2021 AMENDED BUDGET	FY 2021 ACTIVITY THRU 9/30/2020	Percent Year-to- Date	FY 2022 BOARD ADOPTED BUDGET	FY 2022 AMENDED BUDGET	FY 2022 ACTIVITY THRU 9/30/2021	Percent Year-to- Date
Water	\$ 70,820	\$ 18,243	25.8%	\$ 74,813	\$ 74,813	\$ 20,210	27.0%
Sewer	114,975	26,551	23.1%	111,971	111,971	26,580	23.7%
Centralized	100,339	23,947	23.9%	103,846	103,846	18,952	18.3%
Administrative	30,290	6,183	20.4%	34,603	34,603	6,595	19.1%
Employee Benefits	-	400	0.0%	-	-	-	0.0%
Total O&M Budget	\$ 316,424	\$ 75,324	23.8%	\$ 325,234	\$ 325,234	\$ 72,338	22.2%

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 22.2% which is reasonably within the pro-rata benchmark of 25.0%. This positive variance equates to a dollar amount of \$9.0 million. The expense category commentary is provided below for items highlighted on Table 3.

Personnel Costs: The overall category is slightly under the pro-rata benchmark; coming in at 23.1% through September 2021.

Utilities: The overall category is higher than the pro-rata benchmark; coming in at 28.3% through September 2021. Variances within this category, when they occur, are not unexpected as usage varies throughout the year.

- **Electric** is higher than the pro-rata benchmark, coming in at 30.3%. 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 22.7% which is lower than the benchmark of 25.0%. A review of the accounts has confirmed that the usage is variable throughout the year. The gas consumption at the Wastewater Recovery Facility (WRRF) is less than budget due to operational changes that have been put into place.
- **Sewage service** is slightly higher than the benchmark, coming in at 26.0%. Bills for a meter for a large line at the WRRF, which previously had been estimated, are now being received for actual readings.
- **Water service** is lower than the benchmark, coming in at 13.5%. Usage of this account varies throughout the year. A review of this category is being conducted.

Chemicals: This category is higher than the pro-rate benchmark; coming in at 27.5% through September 2021. Variances within this category are not unexpected as usage varies throughout the year. A review of this category is being conducted.

Supplies & Other: This category is lower than the benchmark; coming in at 14.1% through September 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. A review of this category is being conducted.

Contractual Services: The overall category is lower than the pro-rata benchmark; coming in at 22.0% through September 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 17.9% through September 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 on target with the benchmark; coming in at 24.5% through September 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 2022. A first quarter budget amendment was entered to adjust the shared services budget to this revised FY 2022 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 2021 AMENDED BUDGET	FY 2021 ACTIVITY THRU 9/30/2020	Percent Year-to- Date at 9/30/2020	FY 2021 ACTIVITY THRU 6/30/2021	Percent Year-to- Date at 6/30/2021	FY 2022 AMENDED BUDGET	FY 2022 PRORATED BUDGET (3 MONTHS)	FY 2022 ACTIVITY THRU 9/30/2021	Percent Year-to- Date	FY 2022 PRORATED BUDGET LESS FY 2022
Entity-wide										
Salaries & Wages	\$ 67,306	\$ 16,220	24.1%	\$ 64,910	25.0%	\$ 71,001	\$ 17,750	\$ 15,671	22.1%	\$ 2,079
Workforce Development	895	223	24.9%	829	26.8%	977	244	195	19.9%	50
Overtime	7,537	1,987	26.4%	7,365	27.0%	6,898	1,724	2,068	30.0%	(343)
Employee Benefits	26,806	6,419	23.9%	25,448	25.2%	26,829	6,707	6,274	23.4%	434
Transition Services	8,557	1,322	15.4%	8,392	15.7%	8,296	2,074	2,114	25.5%	(40)
Employee Benefits Fund	-	400	0.0%	-	0.0%	-	-	-	0.0%	-
<i>Personnel Costs</i>	<u>111,100</u>	<u>26,570</u>	<u>23.9%</u>	<u>106,945</u>	<u>24.8%</u>	<u>114,001</u>	<u>28,500</u>	<u>26,321</u>	<u>23.1%</u>	<u>2,180</u>
Electric	41,554	11,739	28.3%	41,982	28.0%	39,633	9,908	12,022	30.3%	(2,114)
Gas	5,924	882	14.9%	5,706	15.5%	5,566	1,391	1,264	22.7%	128
Sewage Service	2,297	436	19.0%	2,075	21.0%	2,079	520	540	26.0%	(20)
Water Service	2,608	672	25.7%	2,987	22.5%	3,120	780	421	13.5%	360
<i>Utilities</i>	<u>52,383</u>	<u>13,729</u>	<u>26.2%</u>	<u>52,749</u>	<u>26.0%</u>	<u>50,398</u>	<u>12,600</u>	<u>14,247</u>	<u>28.3%</u>	<u>(1,647)</u>
Chemicals	14,362	4,094	28.5%	13,982	29.3%	16,044	4,011	4,419	27.5%	(408)
Supplies & Other	35,595	8,214	23.1%	31,215	26.3%	39,617	9,904	5,593	14.1%	4,311
Contractual Services	99,977	24,626	24.6%	92,020	26.8%	104,835	26,209	23,058	22.0%	3,151
Capital Program Allocation	(3,447)	(777)	22.5%	(3,192)	24.4%	(3,471)	(868)	(621)	17.9%	(247)
Shared Services	(4,512)	(1,131)	25.1%	(2,567)	44.1%	(2,776)	(694)	(679)	24.5%	(15)
Unallocated Reserve	10,966	-	0.0%	-	0.0%	6,586	1,646	-	0.0%	1,646
Total Expenses	<u>\$ 316,424</u>	<u>\$ 75,324</u>	<u>23.8%</u>	<u>\$ 291,153</u>	<u>25.9%</u>	<u>\$ 325,234</u>	<u>\$ 81,308</u>	<u>\$ 72,338</u>	<u>22.2%</u>	<u>\$ 8,971</u>



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 2021 comparative amounts are presented in a draft format. Adjustments related to fiscal year end 2021 audit affect the basic financial statements. The results of these adjustments will be presented in the audited annual report.

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 September 30, 2021
(\$000)

	Water	Sewage Disposal	Total Business-type Activities	Comparative June 30, 2021
Assets				
Cash - unrestricted (a)	\$ 146,143	\$ 184,502	\$ 330,645	\$ 354,351
Cash - restricted (a)	22,602	26,950	49,552	162,646
Investments - unrestricted (a)	189,087	131,551	320,638	322,930
Investments - restricted (a)	56,331	85,156	141,487	70,225
Accounts Receivable	102,466	61,854	164,320	165,059
Due from (to) Other Funds (b)	(4,613)	4,613	-	-
Other Assets (c)	673,622	424,754	1,098,376	1,098,362
Cash Held FBO DWSD Advance (d)	-	(90)	(90)	-
Capital Assets, net of Depreciation	1,301,005	2,182,031	3,483,036	3,546,027
Land	293,158	124,354	417,512	417,512
Construction Work in Process (e)	236,665	206,964	443,629	395,973
Total assets	3,016,466	3,432,639	6,449,105	6,533,085
Deferred Outflows (f)	66,120	156,192	222,312	225,074
Liabilities				
Liabilities - Liabilities-ST	145,420	161,240	306,659	327,584
Due to (from) Other Funds (b)	-	-	-	-
Other Liabilities (h)	2,168	5,878	8,045	7,500
Cash Held FBO DWSD (d)	6,002	2,027	8,029	6,064
Liabilities - Long-Term (i)	2,966,815	3,478,716	6,445,531	6,529,068
Total liabilities	3,120,404	3,647,861	6,768,265	6,870,216
Deferred Inflows (f)	51,307	44,885	96,192	98,076
Total net position (j)	\$ (89,125)	\$ (103,915)	\$ (193,039)	\$ (210,132)
<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 2032 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 market value. Investments at June 30, 2021 are also reported at market value. The September 30, 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 September 2021 Financial Report Binder. Prior year ending balances are provided in the June 30, 2021 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 Three Months ended September 30, 2021
(\$000)

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business- Type Activities	Comparative June 30, 2021
Revenue						
Wholesale customer charges	\$ 88,943	94.2%	\$ 68,046	57.3%	\$ 156,989	\$ 589,992
Local system charges	5,424	5.7%	47,166	39.7%	52,590	209,885
Industrial waste charges		0.0%	2,081	1.8%	2,081	8,005
Pollutant surcharges		0.0%	1,285	1.1%	1,285	6,720
Other revenues	77	0.1%	186	0.2%	263	767
Total Revenues	94,445	100.0%	118,764	100.0%	213,209	815,369
Operating expenses						
Operations and Maintenance	32,689	34.6%	40,584	34.2%	73,273	301,740
Depreciation	30,775	32.6%	39,533	33.3%	70,308	274,044
Total operating expenses	63,464	67.2%	80,117	67.5%	143,581	575,783
Operating Income	30,981	32.8%	38,647	32.5%	69,628	239,586
Total Nonoperating (revenue) expense	22,840	24.2%	29,695	25.0%	52,535	228,140
Increase/(Decrease) in Net Position	8,141	8.6%	8,952	7.5%	17,093	11,445
Net Position (deficit), beginning of year	(97,266)		(112,867)		(210,132)	(221,578)
Net position (deficit), end of year	\$ (89,125)		\$ (103,915)		\$ (193,039)	\$ (210,132)
<i>Totals may be off due to rounding</i>						

Water Fund

- ✓ The increase in Water Fund Net Position is \$8.1 million.
- ✓ Wholesale water customer charges of \$88.9 million account for 94.2% of Water System revenues.
- ✓ Operating expenses of \$63.5 million represent 67.2% of total operating revenue. Depreciation is the largest operating expense at \$30.8 million or 48.5% of operating expense.
- ✓ Operating income after operating expenses (including depreciation) equals \$31.0 million or 32.8% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$19.6 million (this equates to the bonded debt interest expense less the offset from DWSD contractual obligation income).

Sewage Disposal Fund

- ✓ The increase in the Sewage Disposal Fund Net Position is \$9.0 million.
- ✓ Wholesale customer charges of \$68.0 million account for 57.3% 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 \$47.2 million account for 39.7% of total operating revenues. These are also billed at one-twelfth of the annual revenue requirement.
- ✓ Operating expenses of \$80.1 million represent 67.5% of total operating revenue. Depreciation is the largest operating expense at \$39.5 million or 49.3% of total operating expense.
- ✓ Operating income after operating expenses (including depreciation) equals \$38.6 million or 32.5% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$22.9 million (this equates to the bonded debt interest expense less the offset from DWSD contractual obligation income).

Supplemental Schedule of Operations & Maintenance Expenses – All Funds Combined

This Supplemental Schedule of Operations & Maintenance Expenses (O&M) schedule is shown below in Table 3. This accrual basis of operations and maintenance expense may vary from the revenue requirement basis presented in the *Budget to Actual Analysis* section of the September 2021 Financial Report Binder. Explanatory notes follow this schedule.

**Table 3 – Supplemental Schedule of Operations & Maintenance Expenses
– All Funds Combined
For the Three Months ended September 30, 2021
(\$000)**

	Water	Percent of Total	Sewage Disposal	Percent of Total	Total Business- Type Activities	Percent of Total
Operating Expenses						
Personnel						
Salaries & Wages	5,471	16.7%	12,508	30.8%	17,979	24.5%
Overtime	1,332	4.1%	736	1.8%	2,068	2.8%
Benefits	4,359	13.3%	1,915	4.7%	6,274	8.6%
Total Personnel	\$ 11,162	34.1%	\$ 15,159	37.4%	\$ 26,321	35.9%
Utilities						
Electric	7,574	23.2%	4,448	11.0%	12,022	16.4%
Gas	78	0.2%	1,186	2.9%	1,264	1.7%
Sewage	291	0.9%	249	0.6%	540	0.7%
Water	1	0.0%	420	1.0%	421	0.6%
Total Utilities	\$ 7,943	24.3%	\$ 6,304	15.5%	\$ 14,247	19.4%
Chemicals	1,553	4.8%	2,866	7.1%	4,419	6.0%
Supplies and other	1,967	6.0%	3,508	8.6%	5,475	7.5%
Contractual services	11,088	33.9%	13,054	32.2%	24,142	32.9%
Capital Adjustment	-	0.0%	-	0.0%	-	0.0%
Capital program allocation	(421)	-1.3%	(200)	-0.5%	(621)	-0.8%
Intergovernmental Agreement	(10)	0.0%	(20)	0.0%	(30)	0.0%
Shared services allocation	(593)	-1.8%	(86)	-0.2%	(679)	-0.9%
Operations and Maintenance Expenses	\$ 32,689	100.0%	\$ 40,584	100.0%	\$ 73,273	100.0%

Totals may be off due to rounding

- ✓ Core expenses for water and sewage disposal systems are utilities (19.4% of total O&M expenses) and chemicals (6.0% of total O&M expenses).
- ✓ Personnel costs (35.9% 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 (32.9%) includes:
 - Water System costs of sludge removal and disposal services at the Northeast, Southwest and Springwells Water Treatment Plants (approximately \$3.7 million);
 - Sewage Disposal System costs for the operation and maintenance of the biosolids dryer facility (approximately \$4.1 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 Three Months ended September 30, 2021
(\$000)

	Water	Sewage Disposal	Total Business- type Activities	Comparative June 30, 2021
Nonoperating (Revenue)/Expense				
Interest income contractual obligation	\$ (6,250)	\$ (4,253)	\$ (10,503)	\$ (43,087)
Interest income DWSD Shortfall	-	(61)	(61)	(635)
Investment earnings	(567)	(500)	(1,067)	(7,078)
Net incr (decr) in fair value of invstmt	1,500	1,006	2,505	5,818
Other nonoperating revenue	(82)	-8	(90)	476
Interest Expense				
Bonded debt	25,831	27,196	53,027	218,857
Lease obligation	4,278	5,228	9,506	38,332
Other obligations	1,160	416	1,577	6,296
Total interest expense	31,270	32,841	64,110	263,485
Other non-capital expense	-	-	-	-
Memorandum of Understanding	-	-	-	-
Capital Contribution	-	-	-	(5,960)
Amortization, issuance costs, debt	(3,913)	578	(3,335)	(12,966)
Amortization, raw water rights	892	-	892	3,567
Amortization, right to use asset	-	110	110	110
(Gain) loss on disposal of capital assets	(13)	(22)	(35)	365
Loss on impairment of capital assets	-	-	-	-
Water Residential Assistance Program	3	5	8	1,517
Legacy pension expense	-	-	-	22,528
Total Nonoperating (Revenue)/Expense	\$ 22,840	\$ 29,695	\$ 52,535	\$ 228,140

Totals may be off due to rounding

- ✓ 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,

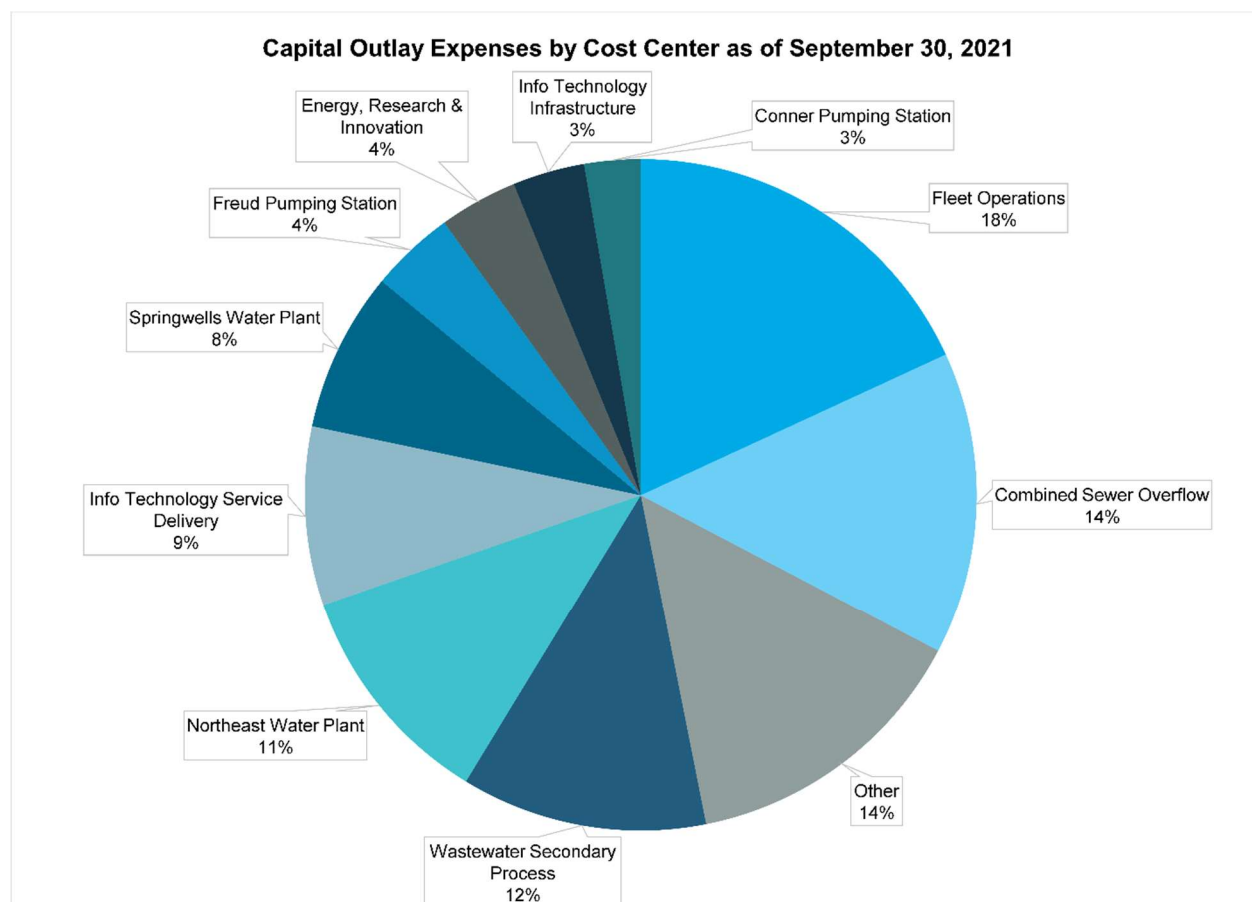
- ✓ respectively. FY 2021 market value adjustments for Water and Sewer totaled \$1.5 million and \$1.0 million, respectively.
- ✓ Interest expense, the largest category of nonoperating expenses, is made up of three components:
 - Bonded debt;
 - Lease obligation for the regional assets from the City 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 FY 2021 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 September 30, 2021, total capital outlay spend is \$2.1 million. Following this chart is a sample list of projects and purchases from the total spend of \$2.1 million:



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

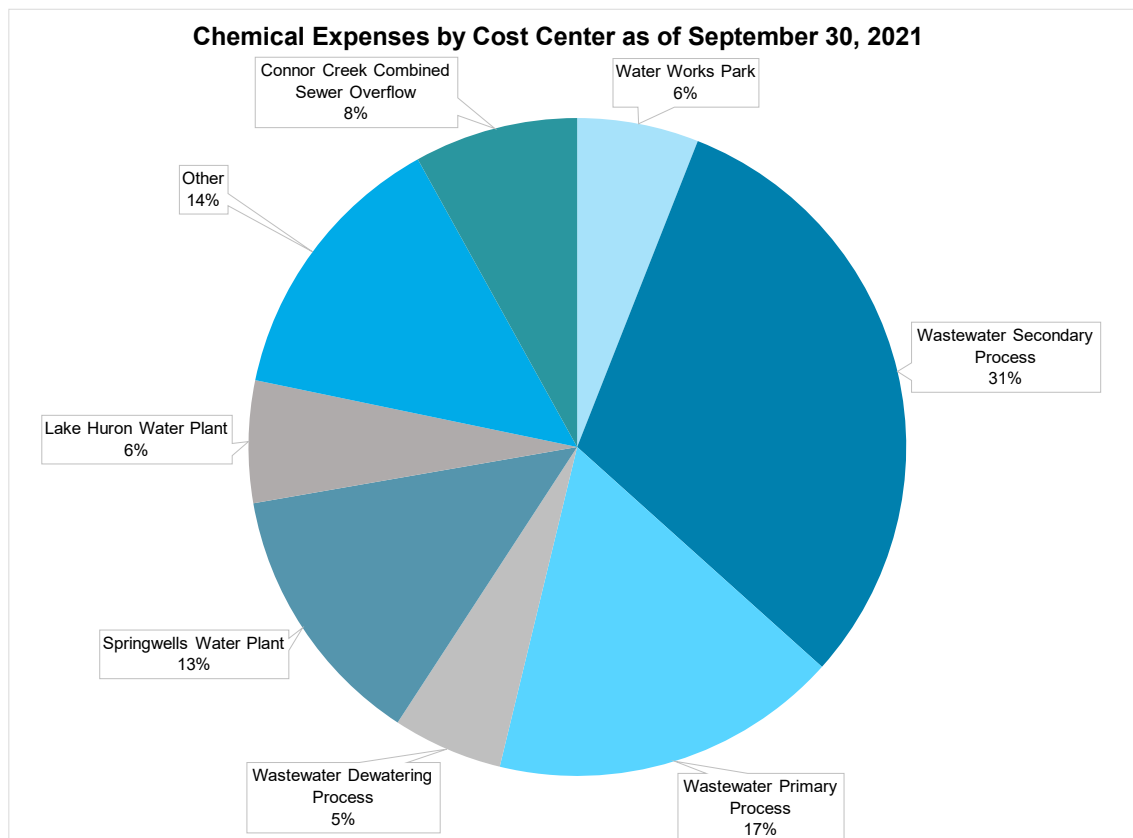
Water Operations: Turbidimeter at Northeast Water Plant (\$216k); high pressure water tank (\$65k); power inverter (\$57k); excitation motor retrofit (\$42k); vacuum regulator (\$40k) and compressor (\$27k).

Wastewater Operations: PQM Meters for CSO Facilities (\$305k); B-houses (\$152k); power quality monitors (\$85k); wastewater pump (\$51k); metering pump (\$33k) and pump assembly (\$20k).

Centralized & Administrative Facilities: Trucks and vehicles (\$379k); IT computers and hardware (\$181k); chemical monitoring equipment (\$78k); sewer meter support (\$41k) and fire hydrants (\$23k).

Chart 2 – Chemical Expenses – Water and Sewer System Combined

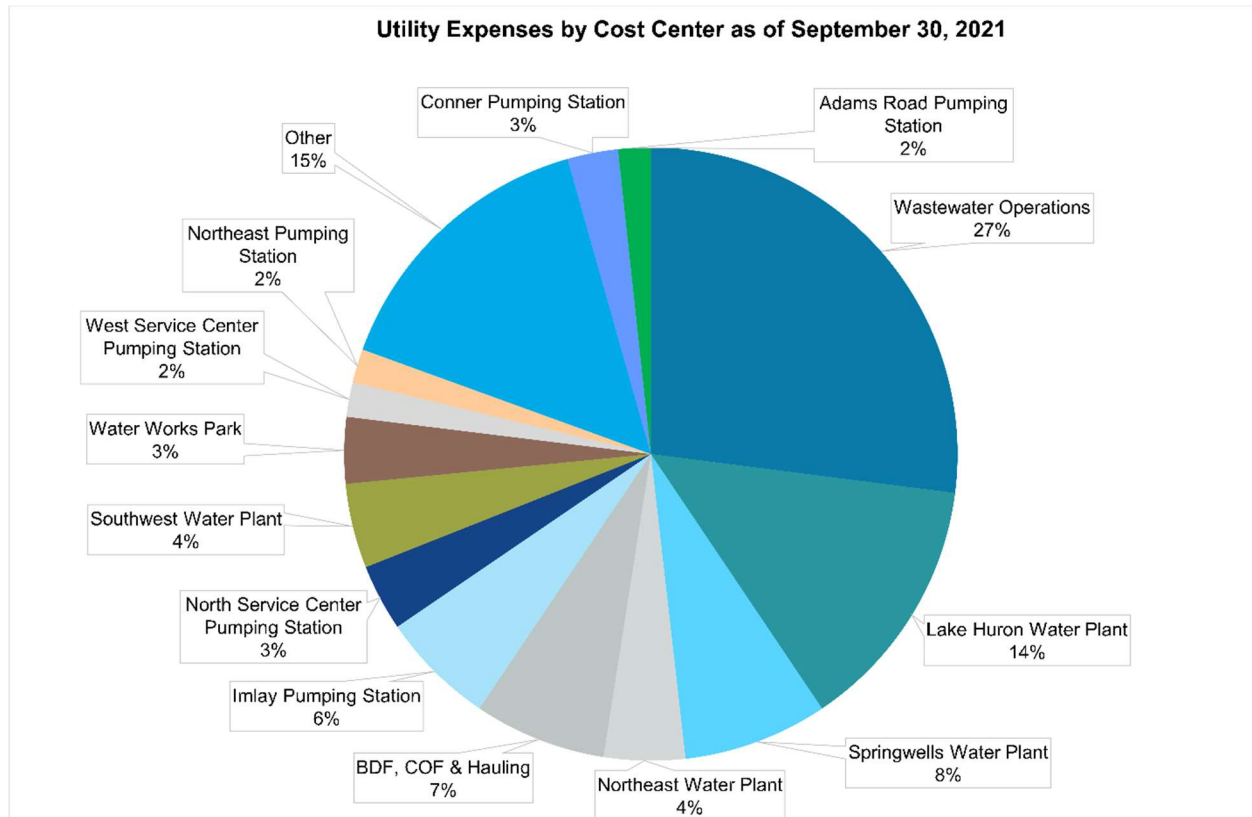
Chemical expenses are \$4.4 million through September 30, 2021. The allocation is shown in the chart below and remains consistent with prior periods.



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 \$14.2 million through September 30, 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 September 30, 2021 all reconciliations are up-to-date and complete.

There were no changes in accounts since August 2021.

Chart 1 – Bank Reconciliation Completion Status

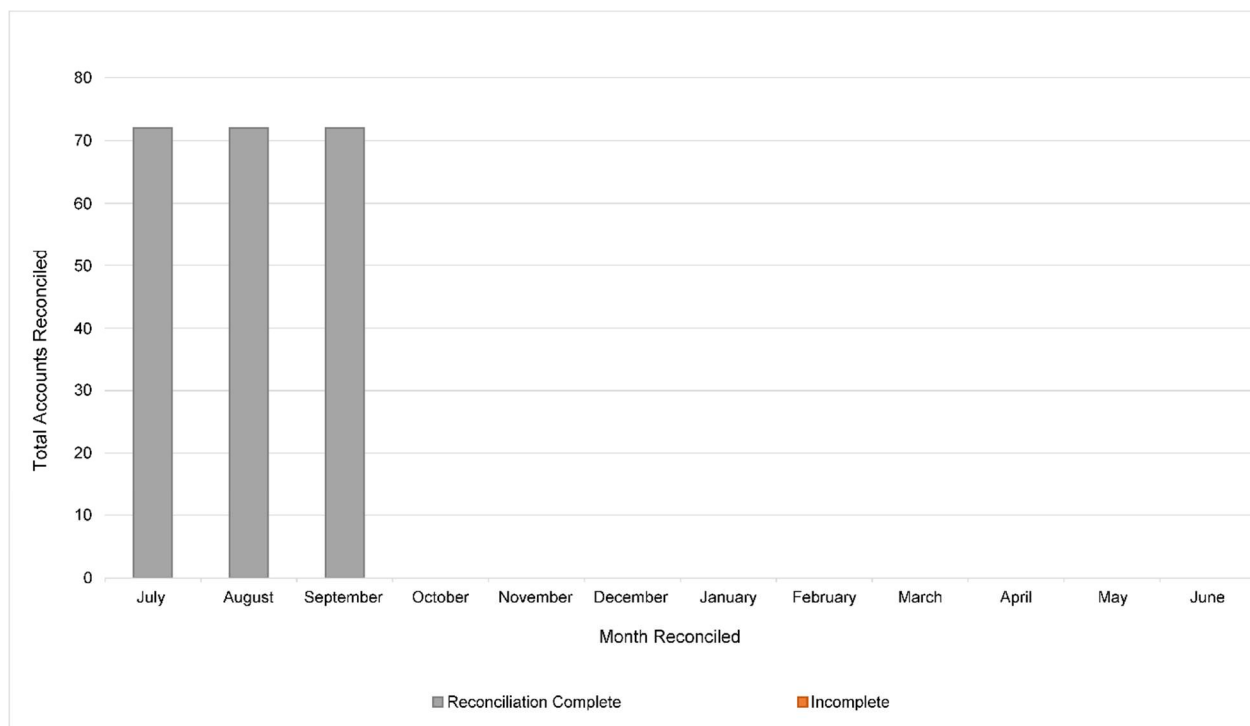


Table 1 – Fiscal Year 2022 GL Cash Account Rollforward

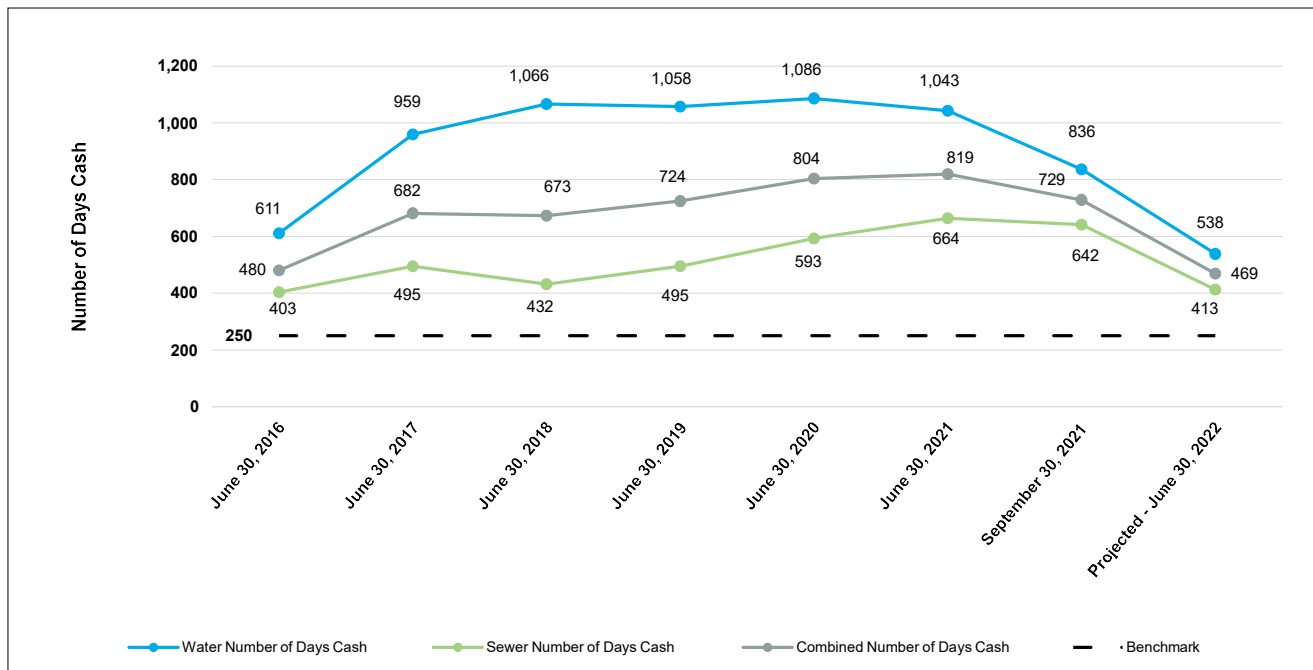
Total GL Cash accounts as of July 1, 2021	72
New GL Cash accounts	0
Inactivated GL Cash accounts	0
Total GL Cash accounts as of September 30, 2021	<u>72</u>

Financial Operations KPI - Liquidity

This key performance indicator shown in **Chart 1 – Historical Schedule of Days Cash on Hand – Liquidity – Regional System** and **Table 1 – Schedule of Days Cash on Hand – Liquidity – Regional System** below provides a measure of a utility's ability to meet expenses, cope with emergencies and navigate business interruptions. Liquidity is one of several key metrics monitored by bond rating agencies reflecting an organization's financial strength. A best practice benchmark for this key performance indicator is greater than 250 days cash on hand as shown by the dashed line in Chart 1 below.

Both GLWA Water and Sewer funds continue to exceed this target with Water at 836 and Sewer at 642 days cash on hand as of September 30, 2021. These balances remain strong for the regional system in large part due to the need to fund CIP projects with I&E funds but drop in the FY 2022 projection as these funds are depleted and GLWA transitions to a planned bond issue. The FY 2022 projection is calculated based on values from the GLWA FY 2022 – 2026 Budget & Five-Year Plan.

Chart 1 – Historical Schedule of Days Cash on Hand – Liquidity – Regional System



Note: The GLWA Annual Comprehensive Financial Reports are the source of all historic data referenced. Refer to these reports for detailed calculations by fiscal year.

Table 1 – Schedule of Days Cash on Hand – Liquidity – Regional System

	June 30, 2021	September 30, 2021	Projected June 30, 2022
Water Fund			
Cash and Investments - Unrestricted	\$ 353,308,000	\$ 335,230,000	\$ 217,600,000
Operating Expense			
Operating Expense (a)	\$ 250,476,000	\$ 69,100,000	\$ 276,400,000
Less: Depreciation	(123,272,000)	(31,333,000)	(125,333,000)
Less: Amortization of Intangible Asset	(3,567,000)	(892,000)	(3,567,000)
Net Operating Expense	\$ 123,638,000	\$ 36,875,000	\$ 147,500,000
Operating Expense per Day	\$ 339,000	\$ 401,000	\$ 404,000
Days Cash			
Number of Days Cash	1,043	836	538
Sewage Disposal Fund			
Cash and Investments - Unrestricted	\$ 323,973,000	\$ 316,053,000	\$ 205,000,000
Operating Expense			
Operating Expense (a)	\$ 328,983,000	\$ 82,025,000	\$ 328,100,000
Less: Depreciation	(150,772,000)	(36,700,000)	(146,800,000)
Less: Amortization of Intangible Asset	(110,000)	-	-
Net Operating Expense	\$ 178,101,000	\$ 45,325,000	\$ 181,300,000
Operating Expense per Day	\$ 488,000	\$ 493,000	\$ 497,000
Days Cash			
Number of Days Cash	664	642	413
Combined			
Cash and Investments - Unrestricted	\$ 677,281,000	\$ 651,282,000	\$ 422,600,000
Operating Expense			
Operating Expense (a)	\$ 579,460,000	\$ 151,125,000	\$ 604,500,000
Less: Depreciation	(274,044,000)	(68,033,000)	(272,133,000)
Less: Amortization of Intangible Asset	(3,677,000)	(892,000)	(3,567,000)
Net Operating Expense	\$ 301,740,000	\$ 82,200,000	\$ 328,800,000
Operating Expense per Day	\$ 827,000	\$ 893,000	\$ 901,000
Days Cash			
Number of Days Cash	819	729	469

(a) Current year operating expense is expressed as a proration of the annual budget for the purposes of this metric.



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 z1B) 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 Three Months Ended September 30, 2021

	Water	Sewer	Total
Net Revenue Requirement Budget Variance (a)	\$ 10,695	\$ 2,839	\$ 13,534
Budgetary categories adjustments to financial reporting basis			
Pension delayed accounting election adjustments			
Current year pension transfers/payments recorded as deferral (c)	2,860	5,119	7,979
Prior year pension contribution accounted for in current year (d)	-	-	-
Administrative prepaid adjustment (e)	-	-	-
Debt service (f)	14,297	28,875	43,172
Accelerated pension B&C notes obligation portion (g)	49	109	158
Regional System lease (h)	1,347	1,647	2,994
Right to use lease - warehouse (h)		86	86
WRAP (i)	423	585	1,008
DWSD short term allocation (j)	330	2,825	3,155
Operating Reserve Deposit (j)	-	-	-
Improvement & Extension Fund transfers (j)	6,624	8,000	14,624
Nonbudgeted financial reporting categories adjustments			
	(30,775)	(39,533)	(70,308)
Amortization (k)	3,021	(688)	2,333
Other nonoperating income (k)	82	8	90
Other nonoperating expense (k)	-	-	-
Gain(loss) on disposal of capital assets (k)	13	22	35
Raw water rights obligation (l)	672	-	672
Investment earnings for construction fund (m)	3	3	6
Interest on DWSD note receivable (n)	-	61	61
Investment earnings unrealized gain/loss (o)	(1,500)	(1,006)	(2,506)
Interlocal agreement reimbursements to improvement & extension fund (p)	-	-	-
Net Position Increase/(Decrease) per Financial Statements (b)	\$ 8,141	\$ 8,952	\$ 17,093

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 2022, the Water Improvement and Extension fund reflects \$400 thousand, and the Sewer Improvement and Extension fund reflects \$675 thousand in expenses relating to repairs paid for through the Water and Sewer Improvement and Extension funds, respectively. 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.



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 2022 board-approved CIP plan by twelve equal months. It should be noted that for operational purposes, GLWA utilizes Primavera P6 for refined monthly projections for cash management and project management.

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

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

As of September 2021, the Water system incurred nearly \$38 million of construction costs to date. This is 85% of the fiscal year 2022 CIP through September and 113% of the financial plan which is labeled as the FY 2022 CIP w/SRA in the chart below.

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

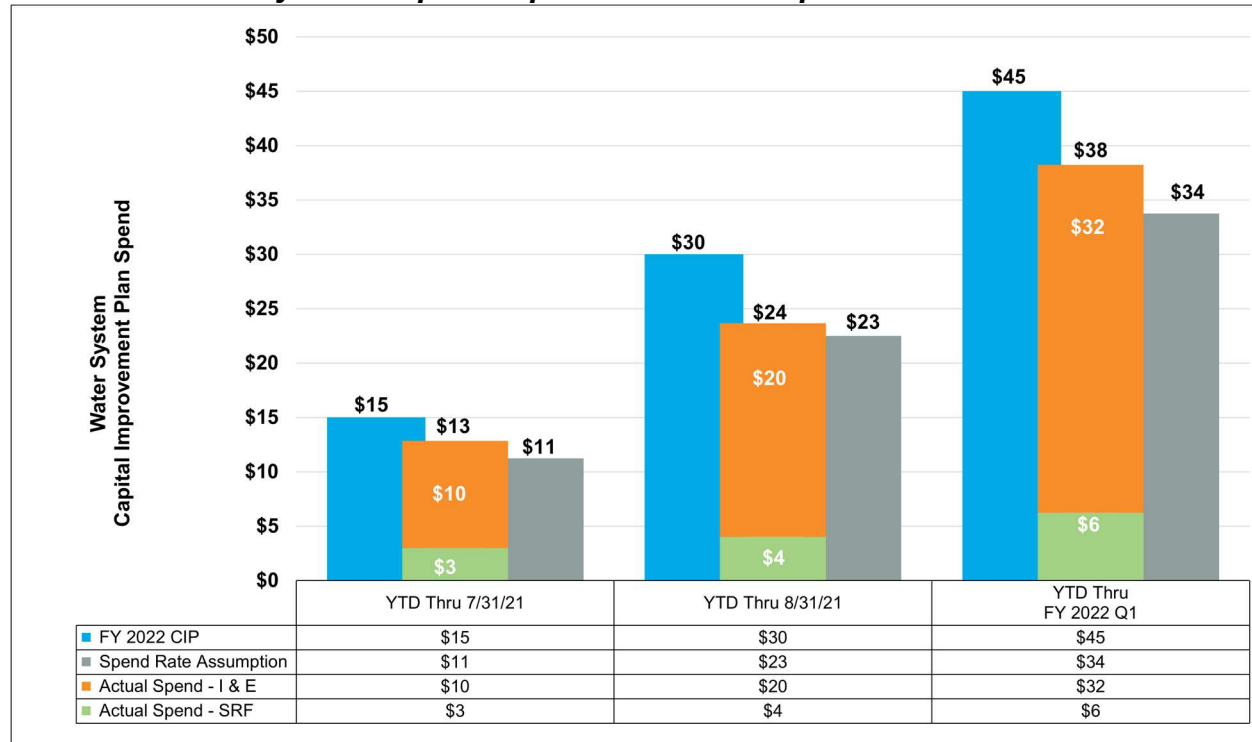
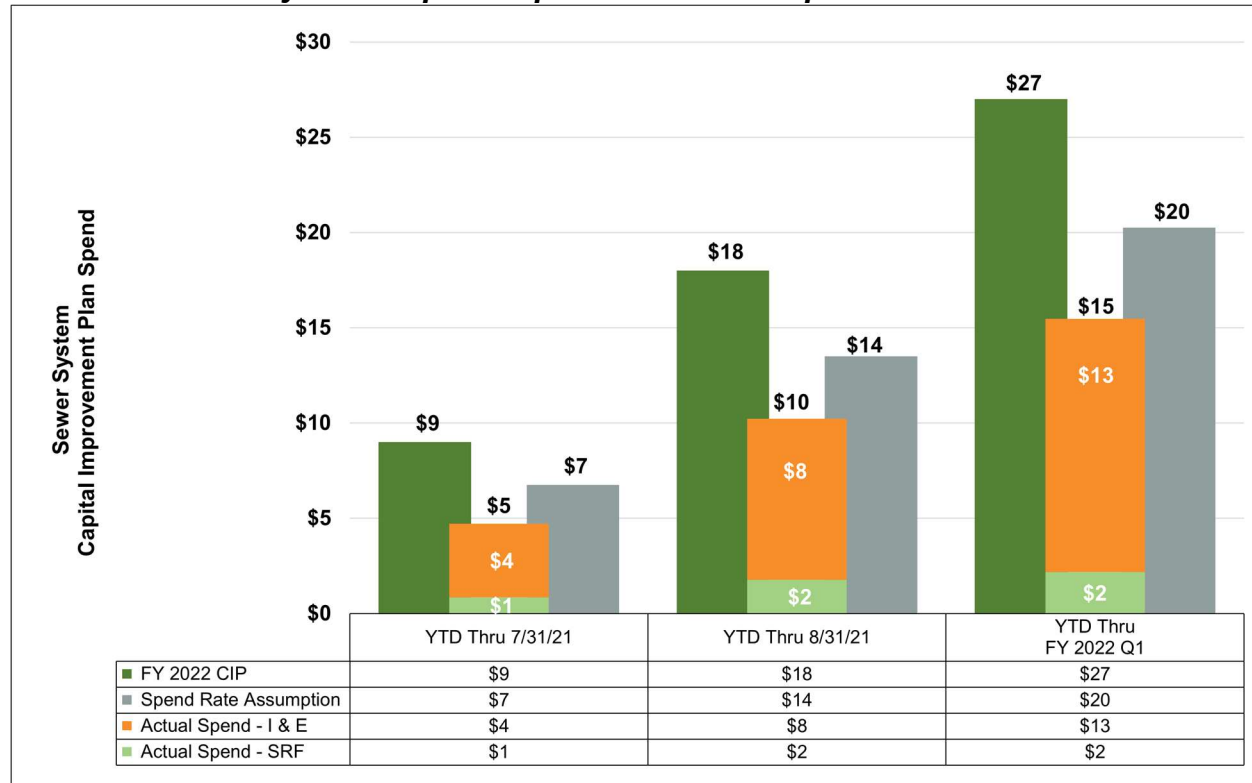


Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date

As of September 2021, the Sewer system incurred nearly \$15 million of construction costs to date. This is 57% of the fiscal year 2022 CIP through September and 76% of the financial plan which is labeled as the FY 2022 CIP w/SRA in the chart below.

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 2022 Water MBO Transfers reflects the required transfers for FY 2022 completed through September 2, 2021. MBO transfers for water totaling \$40.8 million have been transferred to GLWA accounts.

Table 2 – GLWA FY 2022 Sewer MBO Transfers reflects the required transfers for FY 2022 completed through September 2, 2021. MBO transfers for sewer totaling \$52.7 million have been transferred to GLWA accounts.

Table 3 – GLWA MBO Transfer History reflects historical transfers for FY 2016 through FY 2022 to date.

Table 1 – GLWA FY 2022 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 2022							
July 2021	\$11,994,483	\$504,000	\$921,308	\$198,050	-	-	\$13,617,841
August 2021	11,994,483	504,000	921,308	198,050	-	-	13,617,841
September 2021	11,994,483	504,000	831,488	198,050	-	-	13,528,021
Total FY 2022	\$35,983,449	\$1,512,000	\$2,674,104	\$594,150	\$ -	\$ -	\$40,763,703

Table 2 – GLWA FY 2022 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 2022							
July 2021	\$15,108,317	\$902,000	\$1,223,950	\$322,392	-	-	\$17,556,659
August 2021	15,108,317	902,000	1,223,950	322,392	-	-	17,556,659
September 2021	15,108,317	902,000	1,223,950	322,392	-	-	17,556,659
Total FY 2022	\$45,324,951	\$2,706,000	\$3,671,850	\$967,176	\$ -	\$ -	\$52,669,977

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	134,127,300	6,048,000	10,695,700	2,324,200	-	-	153,195,200
Total FY 2022 (3 months)	35,983,449	1,512,000	2,674,104	594,150	-	-	40,763,703
Life to Date	\$723,007,761	\$37,778,300	\$66,051,279	\$13,180,054	\$2,686,900	\$606,000	\$843,310,294

	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	182,296,000	10,824,000	14,687,500	3,764,300	-	-	211,571,800
Total FY 2022 (3 months)	45,324,951	2,706,000	3,671,850	967,176	-	-	52,669,977
Life to Date	\$1,068,429,943	\$67,678,800	\$90,474,459	\$18,428,372	\$8,246,100	\$779,600	\$1,254,037,274

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 2022 Water MBO Transfers reflects the required transfers for FY 2022 completed through September 2, 2021. MBO transfers for Water totaling \$13.7 million have been transferred to accounts held by DWSD. For FY 2022, DWSD has requested that \$6,690,600 of the lease payment be utilized to offset a portion of debt service.

Table 5 – DWSD FY 2022 Sewer MBO Transfers reflects the required transfers for FY 2022 completed through September 2, 2021. MBO transfers for Sewer totaling \$24.9 million have been transferred to accounts held by DWSD.

Table 6 – DWSD Water MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2022 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 2022 Water MBO Transfers

	WATER			
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Water</u>
FY 2022				
July 2021	\$2,887,383	\$356,000	\$1,317,450	\$4,560,833
August 2021	2,887,383	356,000	1,317,450	4,560,833
September 2021	2,887,383	356,000	1,317,450	4,560,833
Total FY 2022	\$8,662,149	\$1,068,000	\$3,952,350	\$13,682,499

Table 5 – DWSD FY 2022 Sewer MBO Transfers

	SEWER			
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Sewer</u>
FY 2022				
July 2021	\$5,769,417	\$238,000	\$2,291,667	\$8,299,084
August 2021	5,769,417	238,000	2,291,667	8,299,084
September 2021	5,769,417	238,000	2,291,667	8,299,084
Total FY 2022	\$17,308,251	\$714,000	\$6,875,001	\$24,897,252

Table 6 – DWSD Water MBO and Lease Payment Transfer History

Transfers to DWSD				
WATER				
	Operations & Maintenance	Operations & Maintenance Pension	Lease Payment (I&E Fund)	Total Water
FY 2016 *				
MBO/Lease Requirement	\$26,185,600	\$4,262,700	\$22,500,000	\$52,948,300
Offset to Debt Service	-	-	(2,326,900)	(2,326,900)
Net MBO Transfer	26,185,600	4,262,700	20,173,100	50,621,400
FY 2017				
MBO/Lease Requirement	33,596,400	4,262,400	22,500,000	60,358,800
Offset to Debt Service	-	-	-	-
Net MBO Transfer	33,596,400	4,262,400	22,500,000	60,358,800
FY 2018				
MBO/Lease Requirement	35,059,704	4,272,000	22,500,000	61,831,704
Offset to Debt Service	-	-	(1,875,000)	(1,875,000)
Net MBO Transfer	35,059,704	4,272,000	20,625,000	59,956,704
FY 2019				
MBO/Lease Requirement	35,484,300	4,272,000	22,500,000	62,256,300
Offset to Debt Service	-	-	(3,972,200)	(3,972,200)
Net MBO Transfer	35,484,300	4,272,000	18,527,800	58,284,100
FY 2020				
MBO/Lease Requirement	34,662,400	4,272,000	22,500,000	61,434,400
Offset to Debt Service	-	-	(3,548,000)	(3,548,000)
Net MBO Transfer	34,662,400	4,272,000	18,952,000	57,886,400
FY 2021				
MBO/Lease Requirement	35,833,900	4,272,000	22,500,000	62,605,900
Offset to Debt Service	-	-	(8,278,300)	(8,278,300)
Net MBO Transfer	35,833,900	4,272,000	14,221,700	54,327,600
FY 2022 (3 months)				
MBO/Lease Requirement	8,662,149	1,068,000	5,625,000	15,355,149
Offset to Debt Service	-	-	(1,672,650)	(1,672,650)
Net MBO Transfer	8,662,149	1,068,000	3,952,350	13,682,499
Life-to-Date				
MBO/Lease Requirement	209,484,453	26,681,100	140,625,000	376,790,553
Offsets	-	-	(21,673,050)	(21,673,050)
Total Water	209,484,453	26,681,100	118,951,950	355,117,503

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				
MBO/Lease Requirement	69,915,700	2,856,000	27,500,000	100,271,700
Offset to Debt Service	-	-	(3,257,200)	(3,257,200)
Total MBO Transfer	69,915,700	2,856,000	24,242,800	97,014,500
FY 2022 (3 months)				
MBO/Lease Requirement	17,308,251	714,000	6,875,001	24,897,252
Offset to Debt Service	-	-	-	-
Total MBO Transfer	17,308,251	714,000	6,875,001	24,897,252
Life-to-Date				
MBO/Lease Requirement	328,163,263	17,861,800	171,875,001	517,900,064
Offsets	(7,100,000)	-	(41,863,064)	(48,963,064)
Total Sewer	321,063,263	17,861,800	130,011,937	468,937,000

* 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

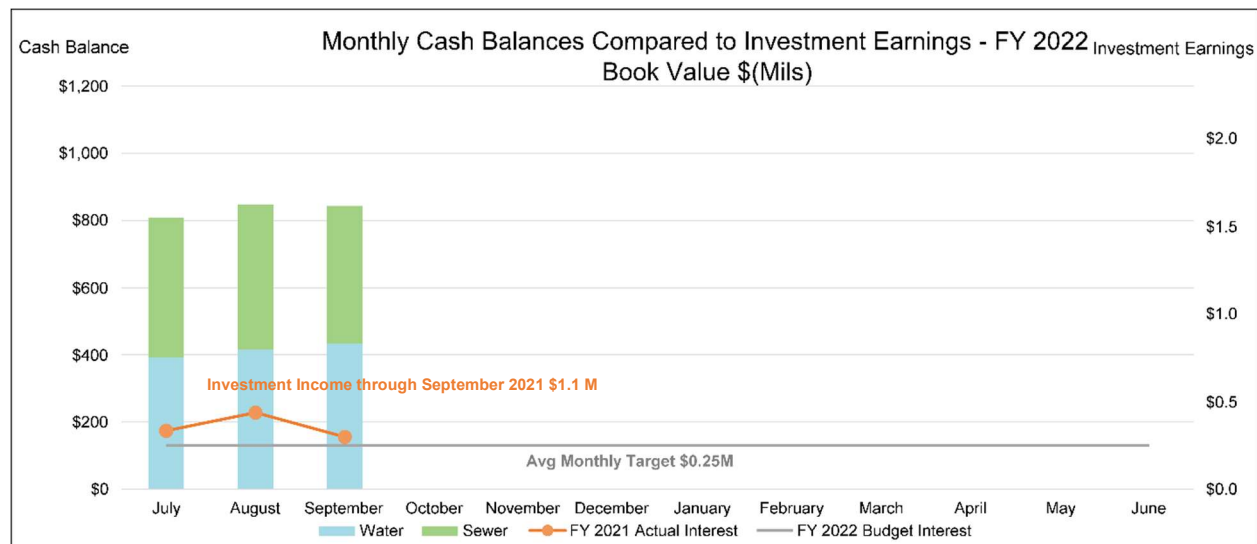
Monthly Cash Balances Compared to Investment Income

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 September 2021, GLWA earned investment income of \$0.3 million and the cumulative FY 2022 earnings through September is \$1.1 million. Total investment income reported includes earnings from revenue requirement funds as well as construction bond funds.

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 September 2021



\$(Mils)	July	August	September	October	November	December	January	February	March	April	May	June
Water	\$391	\$416	\$433	-	-	-	-	-	-	-	-	-
Sewer	\$417	\$432	\$410	-	-	-	-	-	-	-	-	-
Total	\$808	\$848	\$843	-	-	-	-	-	-	-	-	-
Investment Income	\$0.3	\$0.4	\$0.3	-	-	-	-	-	-	-	-	-

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:

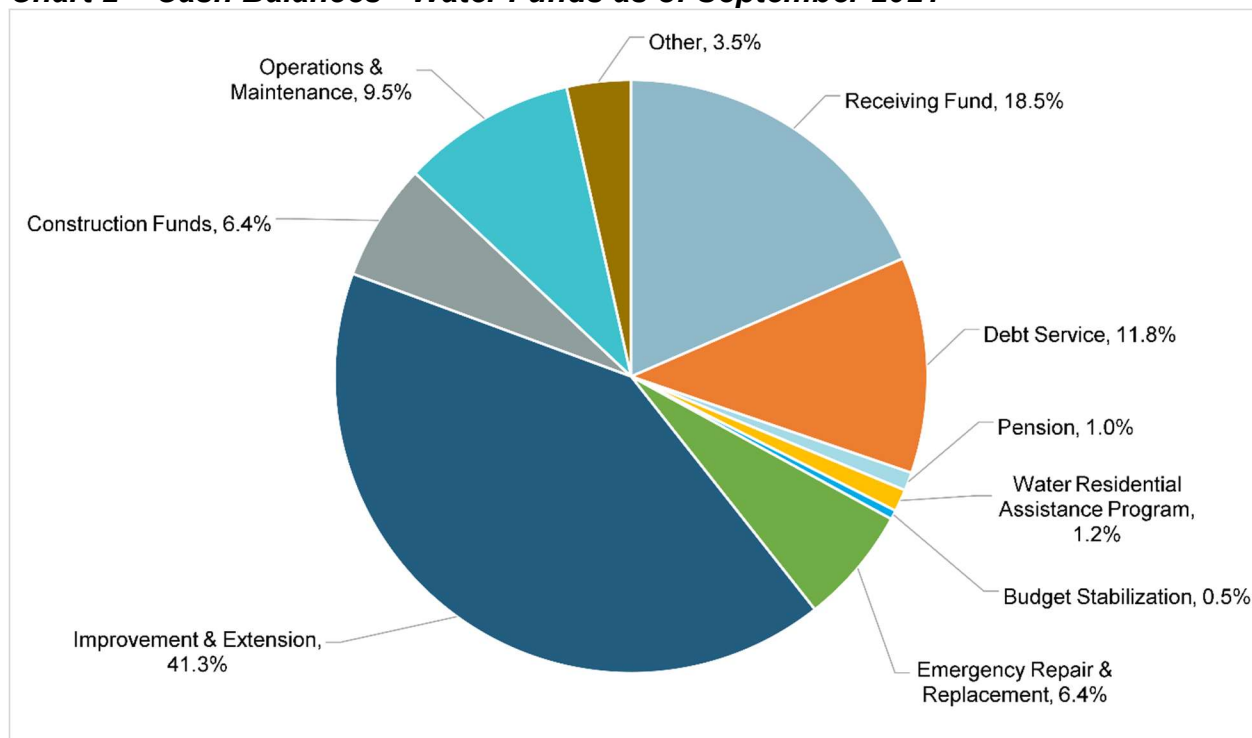
- Bond Proceeds – funds raised from debt issuance used for costs of repairs, construction, and improvements of the regional system
- Operations & Maintenance (O&M) – funds used to meet the operational and maintenance requirements of the regional system
- Other – retainage funds held on behalf of contractors 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 September 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 September 30, 2021 is \$433 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.

It should be noted existing proceeds from revenue bonds are depleted. This means that all capital projects will now be funded with Improvement & Extension (I&E) funds, except for SRF funded projects. It is expected that the I&E funds supplemented with SRF low-interest loan funding will be sufficient to fund the capital program through FY 2022 including an allowance to provide flexibility in the timing of future bond issues.

Chart 2 – Cash Balances - Water Funds as of September 2021

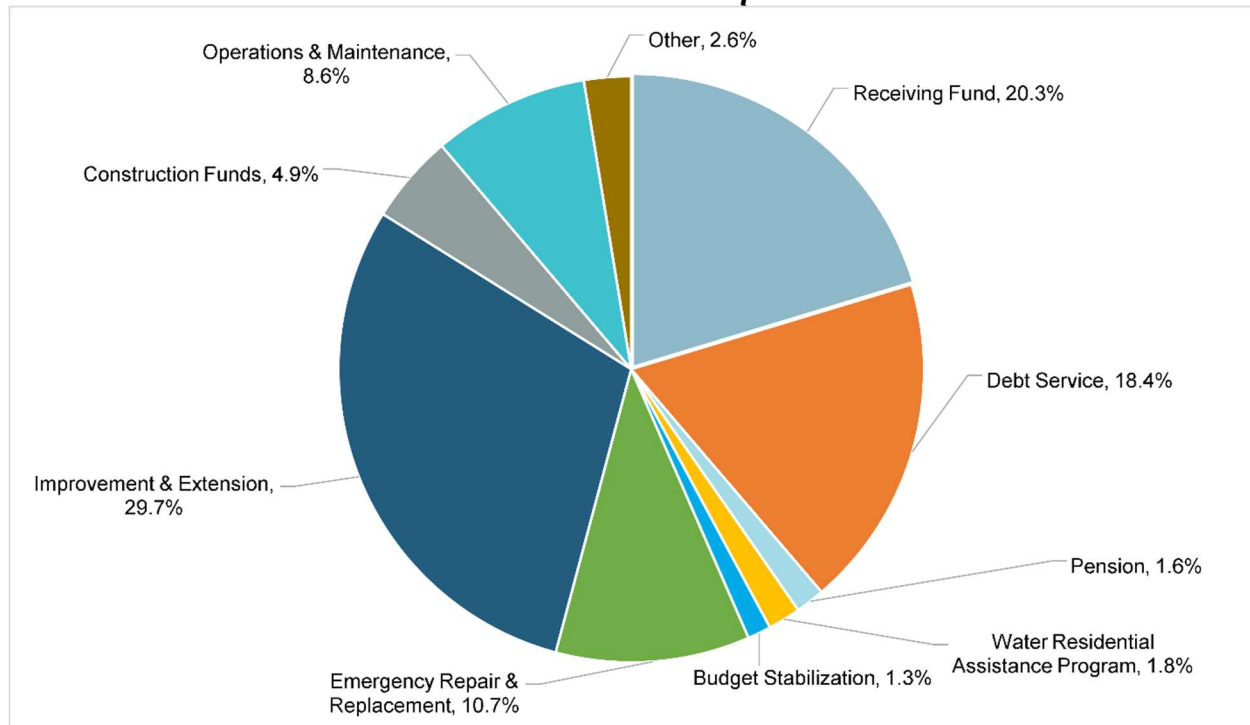


Note: Due to rounding totals may not equal 100%.

Chart 3 – Cash Balances - Sewer Funds as of September 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 September 30, 2021 is \$410 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.

It should be noted existing proceeds from revenue bonds are depleted. This means that all capital projects will now be funded with Improvement & Extension (I&E) funds, except for SRF funded projects. It is expected that the I&E funds supplemented with SRF low-interest loan funding will be sufficient to fund the capital program through FY 2022 including an allowance to provide flexibility in the timing of future bond issues.

Chart 3 – Cash Balances - Sewer Funds as of September 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 2022 water usage and billed revenue which are provided by DWSD staff. As of September 30, 2021, the DWSD usage was at 110.68% of the budget and billed revenue was at 101.86% 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 2022 - Original Budget		FY 2022 - Actual		FY 2022 - Variance		FY 2021 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	245,000	9,963,800	266,704	10,064,683	21,704	100,883	265,796	9,747,518
August	235,000	9,697,500	264,644	9,994,589	29,644	297,089	250,308	9,378,385
September	210,000	9,032,500	232,348	9,169,300	22,348	136,800	218,840	8,544,457
October	195,000	8,633,500					197,362	7,978,833
November	195,000	8,633,500					194,648	7,952,436
December	195,000	8,633,500					197,125	7,985,955
January	190,000	8,500,500					190,289	7,827,536
February	190,000	8,500,500					191,180	7,895,496
March	200,080	8,768,700					205,631	8,242,563
April	210,000	9,032,500					214,288	8,438,333
May	210,000	9,032,500					214,232	8,519,154
June	240,000	9,830,500					243,301	9,249,694
Total	2,515,080	108,259,500	763,696	29,228,572	73,696	534,772	2,583,000	101,760,360
Subtotals ytd	690,000	28,693,800	763,696	29,228,572	73,696	534,772		
Achievement of Budget			110.68%	101.86%				

(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
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%
February	6,426,553	8,281,985	(1,855,432)	-22.40%
March	8,458,827	6,948,308	1,510,519	21.74%
April	7,536,272	5,956,105	1,580,167	26.53%
May	7,365,204	8,109,469	(744,265)	-9.18%
June	8,917,831	7,821,791	1,096,040	14.01%
July	8,387,705	8,017,490	370,215	4.62%
August	8,588,507	7,135,456	1,453,051	20.36%
September	8,041,683	9,031,966	(990,283)	-10.96%
Rolling, 12-Month Total	98,899,567	95,663,863		
Rolling, 12-Month Average	8,241,631	7,971,989		

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 2022 sewer billed revenue which are provided by DWSD staff. As of September 30, 2021, the DWSD usage was at 104.22% of the budget and billed revenue was at 100.17% 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 2022 - Original Budget		FY 2022 - Actual		FY 2022 - Variance		FY 2021 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	233,100	30,779,300	219,791	29,462,804	(13,309)	(1,316,496)	252,929	29,802,377
August	225,700	30,357,000	249,522	31,231,624	23,822	874,624	240,390	29,261,344
September	198,500	28,805,000	215,748	29,401,234	17,248	596,234	206,880	27,232,400
October	186,000	28,091,700					188,816	26,230,683
November	186,000	28,091,700					184,240	25,933,888
December	186,000	28,091,700					187,397	26,628,891
January	178,700	27,675,200					179,115	26,098,738
February	184,600	28,011,800					185,696	26,370,674
March	192,030	28,435,800					197,486	27,090,940
April	199,600	28,867,800					203,684	27,447,662
May	200,100	28,896,300					204,107	27,765,537
June	228,500	30,516,800					231,627	29,058,129
Total	2,398,830	346,620,100	685,061	90,095,662	27,761	154,362	2,462,367	328,921,263
Subtotals ytd	657,300	89,941,300	685,061	90,095,662		154,362		
Achievement of Budget/Goal			104.22%	100.17%				

(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
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%
February	22,777,467	22,682,982	94,485	0.42%
March	25,002,508	19,325,377	5,677,131	29.38%
April	21,196,170	17,105,146	4,091,024	23.92%
May	21,888,687	23,639,652	(1,750,965)	-7.41%
June	32,508,249	22,558,827	9,949,422	44.10%
July	24,185,252	20,652,159	3,533,093	17.11%
August	25,036,198	22,395,220	2,640,978	11.79%
September	22,635,796	26,463,387	(3,827,591)	-14.46%
Rolling 12-Month Total	295,557,068	268,092,465		
Rolling, 12-Month Average	24,629,756	22,341,039		

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 September 30, 2021 with comparative totals from September 30, 2020. This table does not include past due accounts that have been transferred to the City of Detroit for collection as tax liens.

DWSD regularly adjusts the bad debt allowance to cover the past due balance over 180 days. To the extent this allowance is adjusted, and bad debt expense is recognized in the DWSD budget, it does not impact GLWA.

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	209,812	\$ 622.18	\$ 14,906,000 11.4%	\$ 7,973,000 6.1%	\$ 23,419,000 17.9%	\$ 84,241,000 64.5%	\$ 130,540,000 100.0%
Commercial	21,164	1,605.64	9,157,000 26.9%	3,276,000 9.6%	5,350,000 15.7%	16,198,000 47.7%	33,982,000 100.0%
Industrial	3,476	5,481.47	4,942,000 25.9%	1,771,000 9.3%	3,480,000 18.3%	8,860,000 46.5%	19,054,000 100.0%
Tax Exempt	3,662	950.95	546,000 15.7%	182,000 5.2%	498,000 14.3%	2,256,000 64.8%	3,482,000 100.0%
Government	55,785	318.12	3,122,000 17.6%	1,641,000 9.2%	3,517,000 19.8%	9,467,000 53.3%	17,747,000 100.0%
Drainage	40,891	829.40	2,823,000 8.3%	1,637,000 4.8%	5,189,000 15.3%	24,267,000 71.6%	33,915,000 100.0%
Subtotal - Active Accounts	334,790	\$ 713.04	\$ 35,495,000 14.9%	\$ 16,480,000 6.9%	\$ 41,455,000 17.4%	\$ 145,289,000 60.9%	\$ 238,719,000 100.0%
Inactive Accounts	302,236	106.26	(46,000) (0.1%)	35,000 0.1%	392,000 1.2%	31,735,000 98.8%	32,116,000 100.0%
Total	637,026	\$ 425.16	\$ 35,449,000 13.1%	\$ 16,515,000 6.1%	\$ 41,847,000 15.5%	\$ 177,024,000 65.4%	\$ 270,835,000 100.0%
% of Total A/R							
Water Fund	232,426	219.29	\$ 7,990,000	\$ 3,670,000	\$ 7,536,000	\$ 31,774,000	\$ 50,970,000
Sewer Fund	273,418	804.14	\$ 27,459,000	\$ 12,845,000	\$ 34,311,000	\$ 145,251,000	\$ 219,865,000
Total September 30, 2021 (a)	637,026	425.16	\$ 35,449,000	\$ 16,515,000	\$ 41,847,000	\$ 177,024,000	\$ 270,835,000
Water Fund- Allowance							\$ (40,255,000)
Sewer Fund- Allowance							\$ (171,350,000)
Total Bad Debt Allowance							\$ (211,604,000)
Comparative - September 2020	618,357	372.13	\$ 33,341,000	\$ 16,493,000	\$ 33,697,000	\$ 146,581,000	\$ 230,111,000
Difference (a) - (b)	18,669	53.02	\$ 2,108,000	\$ 22,000	\$ 8,150,000	\$ 30,444,000	\$ 40,724,000



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 2022 water billed usage and revenues. As of September 30, 2021, the billed usage was at 90.14% of budget and billed revenue at 94.97% of budget. Billings and usage from the City of Flint are included as they were assumed in the FY 2022 Budget.

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 2021 to FY 2022 reflects the increased usage billed and collected for FY 2021.

Table 1 – FY 2022 Wholesale Water Billings Report

WHOLESALE WATER CHARGES								
Month (1)	FY 2022 - Original Charges		FY 2022 - Actual		FY 2022 - Variance		FY 2021 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	1,677,100	33,302,700	1,342,686	29,642,785	(334,414)	(3,659,915)	1,862,791	33,583,619
August	1,509,200	31,598,500	1,417,142	30,604,230	(92,058)	(994,270)	1,622,324	31,230,027
September	1,316,400	29,141,000	1,298,750	29,065,588	(17,650)	(75,412)	1,313,440	27,836,560
October	1,034,000	26,280,800					1,070,660	25,454,840
November	896,800	25,001,500					956,542	24,390,303
December	972,100	25,612,000					981,770	24,600,202
January	972,000	25,650,600					969,483	25,235,130
February	884,400	24,852,700					920,467	24,794,259
March	979,500	25,678,200					1,001,073	25,450,418
April	914,000	25,117,700					954,308	25,140,003
May	1,059,200	26,721,900					1,181,186	27,569,969
June	1,374,300	30,029,900					1,424,230	30,066,884
Total	13,589,000	328,987,500	4,058,578	89,312,603	(444,122)	(4,729,597)	14,258,274	325,352,214
Subtotals ytd	4,502,700	94,042,200	4,058,578	89,312,603	(444,122)	(4,729,597)		
Achievement of Budget			90.14%	94.97%				

(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 rights under the Flint Raw Water Contract in Table 1A

Table 2 - Wholesale Water Collections

Water				
Month	Current Year	Prior Year	Variance	Ratio
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%
February	25,694,176	24,629,768	1,064,408	4.32%
March	20,854,506	25,017,989	(4,163,483)	-16.64%
April	23,545,123	17,856,644	5,688,479	31.86%
May	24,878,479	24,811,582	66,897	0.27%
June	25,403,968	27,098,783	(1,694,815)	-6.25%
July	23,709,847	25,080,575	(1,370,728)	-5.47%
August	31,668,492	26,241,018	5,427,474	20.68%
September	23,849,618	26,078,015	(2,228,397)	-8.55%
Rolling 12-Month Total	311,441,730	300,610,294		
Rolling, 12-Month Average	25,953,478	25,050,858		

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 2022 sewer billed revenue. As of September 30, 2021 the billed revenue is at 100.00% of budget.

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 2021 to FY 2022 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 2022 Wholesale Sewer Billings Report

WHOLESALE SEWER CHARGES								
Month (1)	FY 2022 - Original Charges		FY 2022 - Actual		FY 2022 - Variance		FY 2021 - Actuals	
	Volume (2)	Revenue	Volume (2)	Revenue	Volume (2)	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	N/A	22,615,000	N/A	22,615,000	N/A	-	N/A	22,323,183
August	N/A	22,615,000	N/A	22,615,000	N/A	-	N/A	22,323,183
September	N/A	22,615,000	N/A	22,615,000	N/A	-	N/A	22,323,183
October	N/A	22,615,000	N/A		N/A		N/A	22,323,183
November	N/A	22,615,000	N/A		N/A		N/A	22,323,183
December	N/A	22,615,000	N/A		N/A		N/A	22,323,183
January	N/A	22,615,000	N/A		N/A		N/A	22,633,025
February	N/A	22,615,000	N/A		N/A		N/A	22,633,025
March	N/A	22,615,000	N/A		N/A		N/A	22,633,025
April	N/A	22,615,000	N/A		N/A		N/A	22,633,025
May	N/A	22,615,000	N/A		N/A		N/A	22,633,025
June	N/A	22,615,000	N/A		N/A		N/A	22,633,025
Total		271,380,000		67,845,000		-		269,737,248
Subtotals ytd		67,845,000		67,845,000		-		
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
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%
February	16,872,900	23,284,737	(6,411,837)	-27.54%
March	22,368,124	21,108,100	1,260,024	5.97%
April	28,128,933	10,024,575	18,104,358	180.60%
May	15,972,800	21,189,047	(5,216,247)	-24.62%
June	28,523,650	28,598,467	(74,817)	-0.26%
July	21,842,125	22,297,737	(455,612)	-2.04%
August	22,191,725	25,354,280	(3,162,555)	-12.47%
September	26,706,558	19,593,613	7,112,945	36.30%
Rolling 12-Month Total	269,628,504	257,833,770		
Rolling, 12-Month Average	22,469,042	21,486,148		

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 September 30, 2021, Highland Park had a delinquent balance of \$50.2 million, including \$38.4 million for wastewater treatment services, \$1.8 million for industrial waste control services, and \$10.0 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 2022 through September 30, 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
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
February 2021 Billing	95,775	478,900	4,032	578,707
February 2021 Payments	-	-	-	-
February 28, 2021 Balance	9,332,943	35,559,799	1,753,534	46,646,276
March 2021 Billing	95,121	478,900	4,060	578,081
March 2021 Payments	-	(220,241)	-	(220,241)
March 31, 2021 Balance	9,428,064	35,818,458	1,757,594	47,004,116
April 2021 Billing	96,950	478,900	4,051	579,901
April 2021 Payments	-	(224,583)	-	(224,583)
April 30, 2021 Balance	9,525,014	36,072,775	1,761,645	47,359,434
May 2021 Billing	94,839	478,900	4,065	577,804
May 2021 Payments	-	-	-	-
May 31, 2021 Balance	9,619,853	36,551,675	1,765,710	47,937,238
June 2021 Billing	99,337	478,900	4,053	582,290
June 2021 Payments	-	-	-	-
June 30, 2021 Balance	9,719,190	37,030,575	1,769,763	48,519,528
July 2021 Billing	102,730	478,900	3,972	585,602
July 2021 Payments	-	-	-	-
July 31, 2021 Balance	9,821,920	37,509,475	1,773,735	49,105,130
August 2021 Billing	109,067	446,400	4,067	559,534
August 2021 Payments	-	-	-	-
August 31, 2021 Balance	9,930,987	37,955,875	1,777,802	49,664,664
September 2021 Billing	110,440	446,400	4,062	560,902
September 2021 Payments	-	-	-	-
September 30, 2021 Balance	10,041,427	38,402,275	1,781,864	50,225,566

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 September 30, 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 \$5.17 million of the current water past due balance.

The sewer accounts do not have any past due accounts net of Highland Park. The IWC past due balance relates to one member partner with a small balance that was paid in full by October 15.

Pollutant surcharge past dues relate in large part to two vendor accounts one of which was paid in full by October 12. The other is experiencing payment processor issues that are slowly being resolved. GLWA staff continue to stay in close communication with the remaining, smaller account holders that are past due. The pollutant surcharge balance over 105 days includes \$28 thousand related to a bankruptcy that is currently pending further court action.

Table 6 - Wholesale Accounts Receivable Aging Report Summary

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 58,117,657.92	\$ 42,999,850.83	\$ 1,201,845.54	\$ 805,164.06	\$ 13,110,797.49
Sewer	\$ 53,791,758.67	\$ 15,835,883.51	\$ 446,400.00	\$ 478,900.00	\$ 37,030,575.16
IWC	\$ 2,335,424.38	\$ 561,494.91	\$ 4,166.72	\$ 4,052.84	\$ 1,765,709.91
Pollutant Surcharge	\$ 504,385.26	\$ 447,604.58	\$ 17,097.26	\$ 6,429.55	\$ 33,253.87
Total	\$ 114,749,226.23	\$ 59,844,833.83	\$ 1,669,509.52	\$ 1,294,546.45	\$ 51,940,336.43
	100.00%	52.15%	1.45%	1.13%	45.26%

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

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 48,076,231.44	\$ 42,780,344.63	\$ 1,099,115.73	\$ 705,826.59	\$ 3,490,944.49
Sewer	\$ 15,389,483.51	\$ 15,389,483.51	\$ -	\$ -	\$ -
IWC	\$ 553,560.26	\$ 553,365.30	\$ 194.96	\$ -	\$ -
Pollutant Surcharge	\$ 504,385.26	\$ 447,604.58	\$ 17,097.26	\$ 6,429.55	\$ 33,253.87
Total	\$ 64,523,660.47	\$ 59,170,798.02	\$ 1,116,407.95	\$ 712,256.14	\$ 3,524,198.36
	100.00%	91.70%	1.73%	1.10%	5.46%

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. Fiscal year 2022 reflects three months of activity to date.

Water fund receipts exceeded required disbursements by 8% through September 30, 2021 compared to the four-year historical average ratio of required receipts exceeding disbursements by 13% since July 1, 2017.

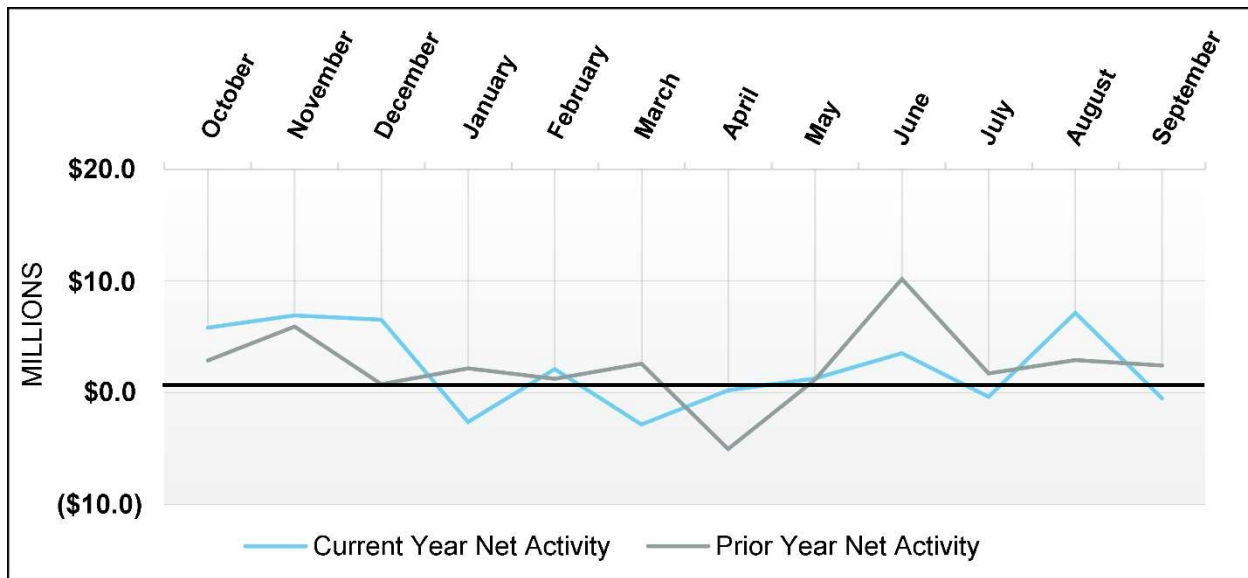
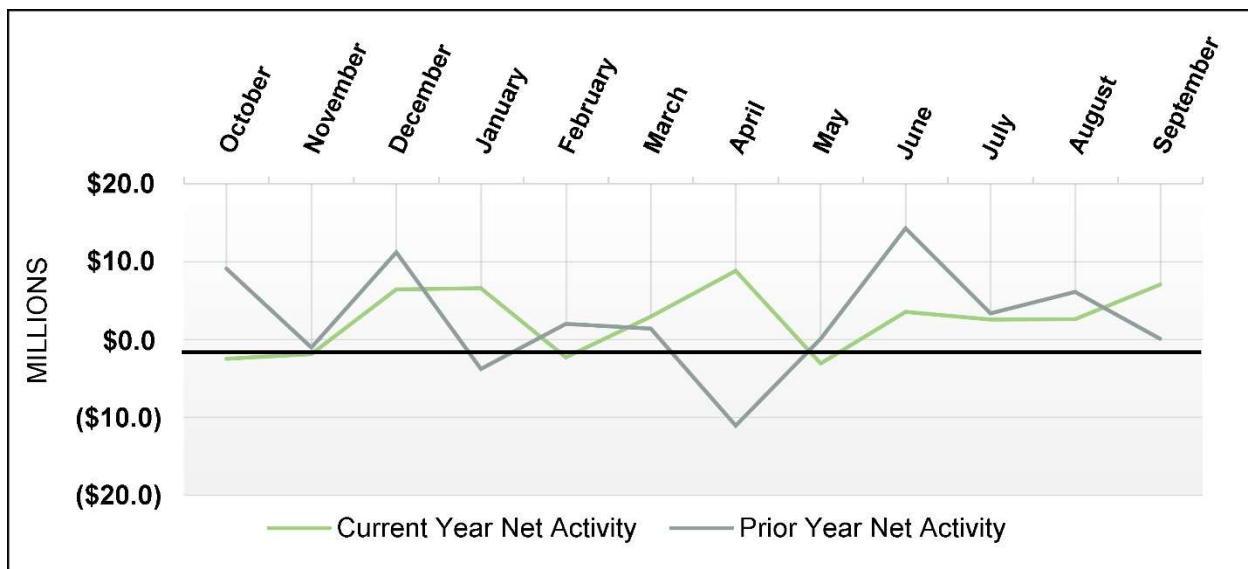
Sewer fund receipts exceeded required disbursements by 11% through September 30, 2021 compared to a four-year historical average ratio of required receipts exceeding disbursements by 6% since July 1, 2017.

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 2018	FY 2019	FY 2020	FY 2021	FY 2022 Thru Sep 30
Water					
1 Receipts	\$ 338,452,001	\$ 336,594,234	\$ 332,606,196	\$ 336,642,021	\$ 85,228,714
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	338,452,001	336,594,234	332,606,196	336,642,021	85,228,714
4 Disbursements	(297,064,810)	(289,230,481)	(296,190,425)	(308,713,407)	(78,991,807)
5 Receipts Net of Required	41,387,191	47,363,753	36,415,771	27,928,614	6,236,907
6 I&E Transfer	(25,739,700)	(47,695,000)	(25,719,751)	(31,991,687)	(6,839,662)
7 Net Receipts	\$ 15,647,491	\$ (331,247)	\$ 10,696,020	\$ (4,063,073)	\$ (602,755)
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	114%	116%	112%	109%	108%
Sewer					
9 Receipts	\$ 476,269,761	\$ 467,743,744	\$ 490,461,356	\$ 472,871,853	\$ 122,392,517
10 MOU Adjustments	-	-	-	-	-
11 Adjusted Receipts	476,269,761	467,743,744	490,461,356	472,871,853	122,392,517
12 Disbursements	(458,903,335)	(453,406,636)	(445,604,952)	(436,600,883)	(110,218,665)
13 Receipts Net of Required	17,366,426	14,337,108	44,856,404	36,270,970	12,173,852
14 I&E Transfer	(22,698,100)	(22,547,700)	(19,096,200)	(40,504,727)	(14,757,188)
15 DWSD Shortfall Advance	(24,113,034)	-	-	-	-
16 Shortfall Repayment (principal)	-	9,367,355	17,542,669	18,206,431	2,049,291
17 Net Receipts	\$ (29,444,708)	\$ 1,156,763	\$ 43,302,873	\$ 13,972,674	\$ (534,045)
18 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	104%	103%	110%	108%	111%
Combined					
19 Receipts	\$ 814,721,762	\$ 804,337,978	\$ 823,067,552	\$ 809,513,874	\$ 207,621,231
20 MOU Adjustments	-	-	-	-	-
21 Adjusted Receipts	814,721,762	804,337,978	823,067,552	809,513,874	207,621,231
22 Disbursements	(755,968,145)	(742,637,117)	(741,795,377)	(745,314,290)	(189,210,472)
23 Receipts Net of Required	58,753,617	61,700,861	81,272,175	64,199,584	18,410,759
24 I&E Transfer	(48,437,800)	(70,242,700)	(44,815,951)	(72,496,414)	(21,596,850)
25 Shortfall Advance	(24,113,034)	-	-	-	-
26 Shortfall Repayment	-	9,367,355	17,542,669	18,206,431	2,049,291
27 Net Receipts	\$ (13,797,217)	\$ 825,516	\$ 53,998,893	\$ 9,909,601	\$ (1,136,800)
28 <i>Ratio of Receipts to Required Disbursements (Line 21/Line 22)</i>	108%	108%	111%	109%	110%

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. Fiscal year 2022 reflects three months of activity to date.

Water fund receipts fell short of required disbursements by 1% through September 30, 2021 compared to a four-year historical average ratio of required receipts exceeding disbursements by 3% since July 1, 2017.

Sewer fund receipts fell short of required disbursements by 4% through September 30, 2021 compared to a four-year historical average ratio of required receipts falling short of disbursements by 2% since July 1, 2017.

Table 3 – 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 4 – 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.

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

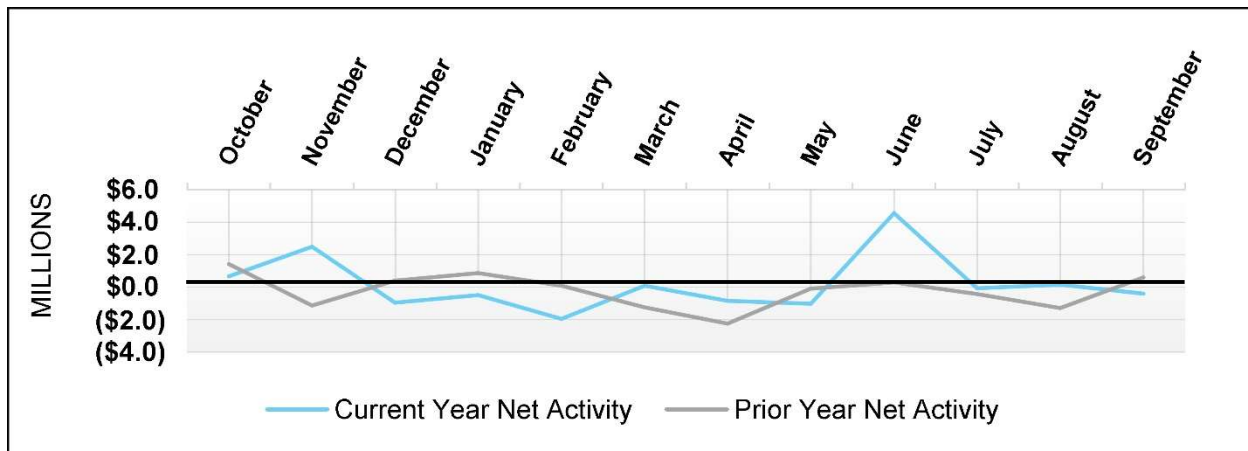
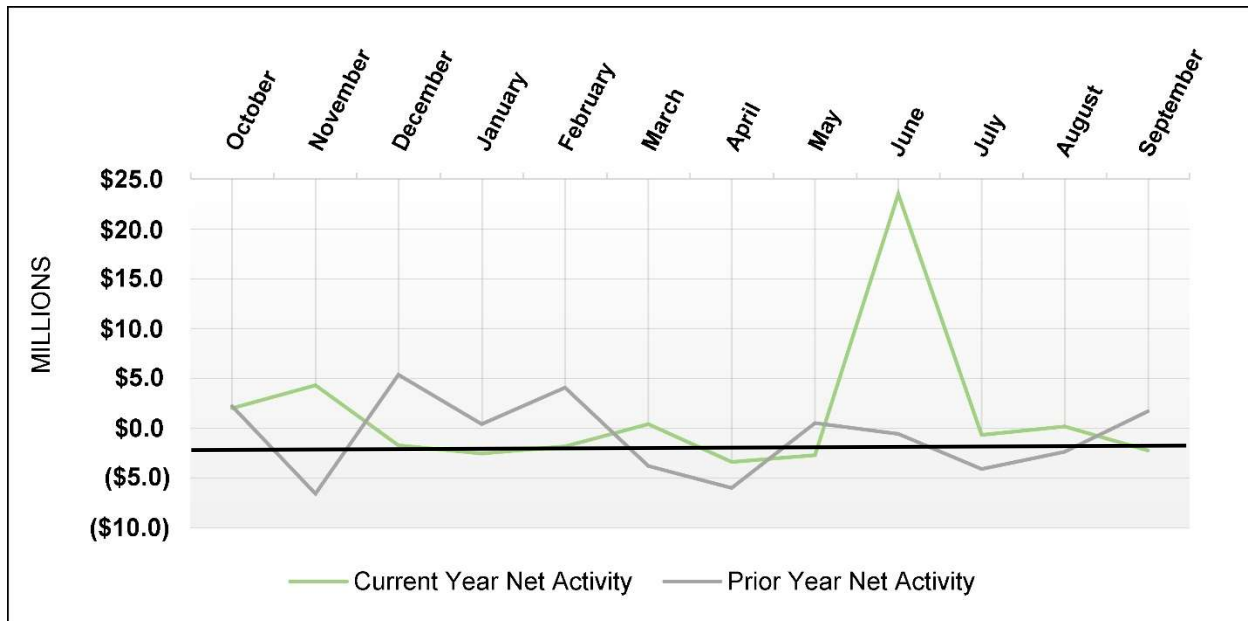
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 Thru Sep 30
Water					
1 Receipts	\$ 101,233,147	\$ 99,868,219	\$ 96,885,723	\$ 102,067,423	\$ 25,017,978
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	101,233,147	99,868,219	96,885,723	102,067,423	25,017,978
4 Disbursements	(93,049,457)	(97,694,600)	(97,823,097)	(100,707,200)	(25,347,498)
5 Receipts Net of Required	8,183,690	2,173,619	(937,374)	1,360,223	(329,520)
6 I&E Transfer	-	(8,407,080)	-	-	-
7 Net Receipts	\$ 8,183,690	\$ (6,233,461)	\$ (937,374)	\$ 1,360,223	\$ (329,520)
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	109%	102%	99%	101%	99%
Sewer					
9 Receipts	\$ 242,104,791	\$ 265,339,797	\$ 264,689,559	\$ 308,210,767	\$ 71,857,324
10 MOU Adjustments	-	6,527,200	-	-	-
11 Adjusted Receipts	242,104,791	271,866,997	264,689,559	308,210,767	71,857,324
12 Disbursements	(266,217,825)	(271,018,306)	(275,507,374)	(295,100,771)	(74,682,176)
13 Receipts Net of Required	(24,113,034)	848,691	(10,817,815)	13,109,996	(2,824,852)
14 I&E Transfer	-	-	-	-	-
15 Shortfall Advance from GLWA	24,113,034	-	-	-	-
16 Net Receipts	\$ -	\$ 848,691	\$ (10,817,815)	\$ 13,109,996	\$ (2,824,852)
17 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	91%	100%	96%	104%	96%
Combined					
18 Receipts	\$ 343,337,938	\$ 365,208,016	\$ 361,575,282	\$ 410,278,190	\$ 96,875,302
19 MOU Adjustments	-	6,527,200	-	-	-
20 Adjusted Receipts	343,337,938	371,735,216	361,575,282	410,278,190	96,875,302
21 Disbursements	(359,267,282)	(368,712,906)	(373,330,471)	(395,807,971)	(100,029,674)
22 Receipts Net of Required	(15,929,344)	3,022,310	(11,755,189)	14,470,219	(3,154,372)
23 I&E Transfer	-	(8,407,080)	-	-	-
24 Shortfall Advance from GLWA	24,113,034	-	-	-	-
25 Net Receipts	\$ 8,183,690	\$ (5,384,770)	\$ (11,755,189)	\$ 14,470,219	\$ (3,154,372)
26 <i>Ratio of Receipts to Required Disbursements (Line 20/Line 21)</i>	96%	101%	97%	104%	97%

Table 3 – 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
02-02-21	Payment for February 2021	672,237	11,003,551
03-03-21	Payment for March 2021	674,035	10,329,517
04-05-21	Payment for April 2021	675,837	9,653,679
05-04-21	Payment for May 2021	677,644	8,976,035
06-03-21	Payment for June 2021	679,457	8,296,578
07-02-21	Payment for July 2021	681,274	7,615,305
08-03-21	Payment for August 2021	683,095	6,932,209
09-03-21	Payment for September 2021	684,922	6,247,287
		17,865,747	6,247,287

Table 4 – 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
02-02-21	Payment for February 2021	672,237	31,223	703,460
03-03-21	Payment for March 2021	674,035	29,425	703,460
04-05-21	Payment for April 2021	675,837	27,623	703,460
05-04-21	Payment for May 2021	677,644	25,816	703,460
06-03-21	Payment for June 2021	679,457	24,003	703,460
07-02-21	Payment for July 2021	681,274	22,186	703,460
08-03-21	Payment for August 2021	683,095	20,365	703,460
09-03-21	Payment for September 2021	684,922	18,538	703,460
		17,865,747	1,127,674	18,993,420

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 5 – Combined Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year. Fiscal year 2022 reflects three months of activity to date.

Water fund net receipts exceeded required disbursements by 6% through September 30, 2021 compared to the four-year historical average ratio of required receipts exceeding disbursements by 10% since July 1, 2017.

Sewer fund receipts exceeded required disbursements by 5% through September 30, 2021 compared to a four-year historical average ratio of required receipts exceeding disbursements by 3% since July 1, 2017.

Table 5 – Combined Net Cash Flows from Trust Receipts & Disbursements

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022 Thru Sep 30
Water					
1 Receipts	\$ 439,685,148	\$ 436,462,453	\$ 429,491,919	\$ 438,709,444	\$ 110,246,692
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	439,685,148	436,462,453	429,491,919	438,709,444	110,246,692
4 Disbursements	(390,114,267)	(386,925,081)	(394,013,522)	(409,420,607)	(104,339,305)
5 Receipts Net of Required	49,570,881	49,537,372	35,478,397	29,288,837	5,907,387
6 I&E Transfer	(25,739,700)	(56,102,080)	(25,719,751)	(31,991,687)	(6,839,662)
7 Net Receipts	\$ 23,831,181	\$ (6,564,708)	\$ 9,758,646	\$ (2,702,850)	\$ (932,275)
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	113%	113%	109%	107%	106%
Sewer					
9 Receipts	\$ 718,374,552	\$ 733,083,541	\$ 755,150,915	\$ 781,082,620	\$ 194,249,841
10 MOU Adjustments	-	6,527,200	-	-	-
11 Adjusted Receipts	718,374,552	739,610,741	755,150,915	781,082,620	194,249,841
12 Disbursements	(725,121,160)	(724,424,942)	(721,112,326)	(731,701,654)	(184,900,841)
13 Receipts Net of Required	(6,746,608)	15,185,799	34,038,589	49,380,966	9,349,000
14 I&E Transfer	(22,698,100)	(22,547,700)	(19,096,200)	(40,504,727)	(14,757,188)
15 Shortfall Advance	-	-	-	-	-
16 Shortfall Repayment (principal)	-	9,367,355	17,542,669	18,206,431	2,049,291
17 Net Receipts	\$ (29,444,708)	\$ (7,361,901)	\$ 32,485,058	\$ 27,082,670	\$ (3,358,897)
18 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	99%	102%	105%	107%	105%
Combined					
19 Receipts	\$1,158,059,700	\$1,169,545,994	\$1,184,642,834	\$1,219,792,064	\$ 304,496,533
20 MOU Adjustments	-	6,527,200	-	-	-
21 Adjusted Receipts	1,158,059,700	1,176,073,194	1,184,642,834	1,219,792,064	304,496,533
22 Disbursements	(1,115,235,427)	(1,111,350,023)	(1,115,125,848)	(1,141,122,261)	(289,240,146)
23 Receipts Net of Required	42,824,273	64,723,171	69,516,986	78,669,803	15,256,387
24 I&E Transfer	(48,437,800)	(78,649,780)	(44,815,951)	(72,496,414)	(21,596,850)
25 Shortfall Advance	-	-	-	-	-
26 Shortfall Repayment	-	9,367,355	17,542,669	18,206,431	2,049,291
27 Net Receipts	\$ (5,613,527)	\$ (4,559,254)	\$ 42,243,704	\$ 24,379,820	\$ (4,291,172)
28 <i>Ratio of Receipts to Required Disbursements (Line 21/Line 22)</i>	104%	106%	106%	107%	105%

APPENDIX

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$261,788.25	\$261,788.25	\$0.00	\$0.00	\$0.00
ALMONT VILLAGE	\$22,374.13	\$22,374.13	\$0.00	\$0.00	\$0.00
ASH TOWNSHIP	\$76,550.79	\$76,550.79	\$0.00	\$0.00	\$0.00
BELLEVILLE	\$29,725.48	\$29,725.48	\$0.00	\$0.00	\$0.00
BERLIN TOWNSHIP	\$73,845.11	\$73,845.11	\$0.00	\$0.00	\$0.00
BROWNSTOWN TOWNSHIP	\$363,727.35	\$363,727.35	\$0.00	\$0.00	\$0.00
BRUCE TOWNSHIP	\$42,916.34	\$42,916.34	\$0.00	\$0.00	\$0.00
BURTCHVILLE TOWNSHIP	\$38,252.94	\$38,252.94	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$1,085,391.91	\$1,085,391.91	\$0.00	\$0.00	\$0.00
CENTER LINE	\$85,472.71	\$85,472.71	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$455,554.89	\$455,554.89	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$732,636.87	\$732,636.87	\$0.00	\$0.00	\$0.00
COMMERCE TOWNSHIP	\$733,900.26	\$733,900.26	\$0.00	\$0.00	\$0.00
DEARBORN	\$6,784,743.77	\$1,619,197.99	\$968,774.70	\$705,826.59	\$3,490,944.49
DEARBORN HEIGHTS	\$667,450.02	\$667,450.02	\$0.00	\$0.00	\$0.00
EASTPOINTE	\$139,423.03	\$139,423.03	\$0.00	\$0.00	\$0.00
ECORSE	\$113,136.48	\$113,136.48	\$0.00	\$0.00	\$0.00
FARMINGTON	\$188,499.70	\$188,499.70	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$1,738,349.40	\$1,738,349.40	\$0.00	\$0.00	\$0.00
FERNDAL	\$88,034.35	\$88,034.35	\$0.00	\$0.00	\$0.00
FLAT ROCK	\$119,422.92	\$119,422.92	\$0.00	\$0.00	\$0.00
FLINT	\$419,014.83	\$419,014.83	\$0.00	\$0.00	\$0.00
FRASER	\$114,471.83	\$114,471.83	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
GARDEN CITY	\$146,747.96	\$146,747.96	\$0.00	\$0.00	\$0.00
GIBRALTAR	\$30,884.25	\$30,884.25	\$0.00	\$0.00	\$0.00
GROSSE ILE TOWNSHIP	\$209,493.20	\$209,493.20	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$137,719.29	\$137,719.29	\$0.00	\$0.00	\$0.00
GROSSE POINTE SHORES	\$76,051.62	\$76,051.62	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$125,950.80	\$125,950.80	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$208,197.06	\$139,852.45	\$68,344.61	\$0.00	\$0.00
HARPER WOODS	\$75,190.77	\$75,190.77	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$160,209.93	\$160,209.93	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$63,478.31	\$63,478.31	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$10,041,426.48	\$219,506.20	\$102,729.81	\$99,337.47	\$9,619,853.00
HURON TOWNSHIP	\$149,856.81	\$149,856.81	\$0.00	\$0.00	\$0.00
IMLAY CITY	\$145,248.79	\$145,248.79	\$0.00	\$0.00	\$0.00
IMLAY TOWNSHIP	\$3,124.98	\$3,124.98	\$0.00	\$0.00	\$0.00
INKSTER	\$141,868.95	\$141,868.95	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$56,174.20	\$56,174.20	\$0.00	\$0.00	\$0.00
LAPEER	\$146,775.93	\$146,775.93	\$0.00	\$0.00	\$0.00
LENOX TOWNSHIP	\$51,987.53	\$51,987.53	\$0.00	\$0.00	\$0.00
LINCOLN PARK	\$211,071.80	\$211,071.80	\$0.00	\$0.00	\$0.00
LIVONIA	\$1,176,793.82	\$1,176,793.82	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$1,227,770.58	\$1,227,770.58	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$192,193.35	\$192,193.35	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MAYFIELD TOWNSHIP	\$4,204.62	\$4,204.62	\$0.00	\$0.00	\$0.00
MELVINDALE	\$60,557.59	\$60,557.59	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$35,736.35	\$35,736.35	\$0.00	\$0.00	\$0.00
NOCWA	\$4,258,569.27	\$4,258,569.27	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$75,421.90	\$75,421.90	\$0.00	\$0.00	\$0.00
NORTHVILLE TOWNSHIP	\$602,895.89	\$602,895.89	\$0.00	\$0.00	\$0.00
NOVI	\$1,873,744.12	\$1,873,744.12	\$0.00	\$0.00	\$0.00
OAK PARK	\$246,998.23	\$246,998.23	\$0.00	\$0.00	\$0.00
OAKLAND CO DR COM	\$22,358.57	\$22,358.57	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$109,345.22	\$109,345.22	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$457,411.22	\$457,411.22	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$293,117.90	\$293,117.90	\$0.00	\$0.00	\$0.00
RIVER ROUGE	\$189,781.62	\$128,413.13	\$61,368.49	\$0.00	\$0.00
RIVERVIEW	\$82,861.40	\$82,861.40	\$0.00	\$0.00	\$0.00
ROCKWOOD	\$30,618.39	\$30,618.39	\$0.00	\$0.00	\$0.00
ROMEO	\$55,308.33	\$54,680.40	\$627.93	\$0.00	\$0.00
ROMULUS	\$775,189.88	\$775,189.88	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$462,908.74	\$462,908.74	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$35,661.26	\$35,661.26	\$0.00	\$0.00	\$0.00
SHELBY TOWNSHIP	\$1,513,403.50	\$1,513,403.50	\$0.00	\$0.00	\$0.00
SOCWA	\$4,478,027.25	\$4,478,027.25	\$0.00	\$0.00	\$0.00
SOUTH ROCKWOOD	\$10,821.93	\$10,821.93	\$0.00	\$0.00	\$0.00
SOUTHGATE	\$194,720.13	\$194,720.13	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ST. CLAIR CNTY-GREENWOOD ENE	\$181,937.60	\$181,937.60	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$564,888.28	\$564,888.28	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$1,544,557.93	\$1,544,557.93	\$0.00	\$0.00	\$0.00
SUMPTER TOWNSHIP	\$65,528.33	\$65,528.33	\$0.00	\$0.00	\$0.00
SYLVAN LAKE	\$21,948.83	\$21,948.83	\$0.00	\$0.00	\$0.00
TAYLOR	\$436,843.31	\$436,843.31	\$0.00	\$0.00	\$0.00
TRENTON	\$160,942.96	\$160,942.96	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$1,338,951.32	\$1,338,951.32	\$0.00	\$0.00	\$0.00
UTICA	\$52,943.62	\$52,943.62	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$365,723.97	\$365,723.97	\$0.00	\$0.00	\$0.00
WALLED LAKE	\$147,213.42	\$147,213.42	\$0.00	\$0.00	\$0.00
WARREN	\$1,943,366.37	\$1,943,366.37	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$266,623.84	\$266,623.84	\$0.00	\$0.00	\$0.00
WAYNE	\$285,482.49	\$285,482.49	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (C-O)	\$2,139,103.07	\$2,139,103.07	\$0.00	\$0.00	\$0.00
WESTLAND	\$1,169,986.35	\$1,169,986.35	\$0.00	\$0.00	\$0.00
WIXOM	\$247,554.24	\$247,554.24	\$0.00	\$0.00	\$0.00
WOODHAVEN	\$164,010.82	\$164,010.82	\$0.00	\$0.00	\$0.00
YCUA	\$1,997,488.09	\$1,997,488.09	\$0.00	\$0.00	\$0.00
TOTAL WATER ACCOUNTS	\$58,117,657.92	\$42,999,850.83	\$1,201,845.54	\$805,164.06	\$13,110,797.49

GLWA Aged Accounts Receivable- SEWER ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CENTER LINE	\$85,799.50	\$85,799.50	\$0.00	\$0.00	\$0.00
DEARBORN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EVERGREEN-FARMINGTON	\$2,980,500.00	\$2,980,500.00	\$0.00	\$0.00	\$0.00
FARMINGTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$332,800.00	\$332,800.00	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$38,402,275.16	\$446,400.00	\$446,400.00	\$478,900.00	\$37,030,575.16
MELVINDALE	\$129,500.00	\$129,500.00	\$0.00	\$0.00	\$0.00
OAKLAND COUNTY GWK DD	\$3,819,000.00	\$3,819,000.00	\$0.00	\$0.00	\$0.00
OMID	\$5,947,784.01	\$5,947,784.01	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ROUGE VALLEY	\$29,700.00	\$29,700.00	\$0.00	\$0.00	\$0.00
SOUTH MACOMB SANITATION DIST	\$2,064,400.00	\$2,064,400.00	\$0.00	\$0.00	\$0.00
WAYNE COUNTY-AREA #3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL SEWER ACCOUNTS	\$53,791,758.67	\$15,835,883.51	\$446,400.00	\$478,900.00	\$37,030,575.16

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$1,573.49	\$1,573.49	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O)	\$11,412.96	\$11,412.96	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O) ADMIN	\$1,984.97	\$1,984.97	\$0.00	\$0.00	\$0.00
AUBURN HILLS (E-F)	\$384.09	\$384.09	\$0.00	\$0.00	\$0.00
BERKLEY	\$3,147.06	\$3,147.06	\$0.00	\$0.00	\$0.00
BEVERLY HILLS	\$994.74	\$994.74	\$0.00	\$0.00	\$0.00
BINGHAM FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BIRMINGHAM (E-F)	\$2,431.98	\$2,431.98	\$0.00	\$0.00	\$0.00
BIRMINGHAM (SEOC)	\$5,658.69	\$5,658.69	\$0.00	\$0.00	\$0.00
BLOOMFIELD HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BLOOMFIELD TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$84.96	\$84.96	\$0.00	\$0.00	\$0.00
CENTER LINE	\$3,667.44	\$3,667.44	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$12,561.69	\$12,561.69	\$0.00	\$0.00	\$0.00
CITY OF FARMINGTON (E-F)	\$594.98	\$400.02	\$194.96	\$0.00	\$0.00
CITY OF FERNDAL	\$8,867.70	\$8,867.70	\$0.00	\$0.00	\$0.00
CITY OF ROCHESTER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLARKSTON (C-O) ADMIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLAWSON	\$3,070.95	\$3,070.95	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$26,305.74	\$26,305.74	\$0.00	\$0.00	\$0.00
DEARBORN	\$72,601.86	\$72,601.86	\$0.00	\$0.00	\$0.00
DEARBORN HEIGHTS	\$10,317.33	\$10,317.33	\$0.00	\$0.00	\$0.00
DETROIT METRO WC AIRPORT	\$106.20	\$106.20	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
EASTPOINTE	\$6,426.87	\$6,426.87	\$0.00	\$0.00	\$0.00
FARMINGTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FRASER	\$4,938.30	\$4,938.30	\$0.00	\$0.00	\$0.00
GARDEN CITY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$2,079.75	\$2,079.75	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$1,177.05	\$1,177.05	\$0.00	\$0.00	\$0.00
GROSSE POINTE SHORES	\$348.48	\$348.48	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$103.93	\$103.93	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$1,888.59	\$1,888.59	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$3,251.49	\$3,251.49	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$1,781,864.12	\$8,129.61	\$3,971.76	\$4,052.84	\$1,765,709.91
HUNTINGTON WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDEPENDENCE (C-O) ADMIN	\$1,283.45	\$1,283.45	\$0.00	\$0.00	\$0.00
INKSTER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LAKE ORION	\$800.04	\$800.04	\$0.00	\$0.00	\$0.00
LATHRUP	\$1,400.07	\$1,400.07	\$0.00	\$0.00	\$0.00
LENOX TOWNSHIP	\$647.82	\$647.82	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
LIVONIA	\$40,292.28	\$40,292.28	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MELVINDALE	\$3,501.06	\$3,501.06	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NOVI	\$17,646.90	\$17,646.90	\$0.00	\$0.00	\$0.00
OAK PARK	\$7,173.81	\$7,173.81	\$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)	\$4,191.36	\$4,191.36	\$0.00	\$0.00	\$0.00
ORION TOWNSHIP (C-O) ADMIN	\$484.67	\$484.67	\$0.00	\$0.00	\$0.00
OXFORD TOWNSHIP	\$1,095.63	\$1,095.63	\$0.00	\$0.00	\$0.00
OXFORD VILLAGE	\$1,253.16	\$1,253.16	\$0.00	\$0.00	\$0.00
PLEASANT RIDGE	\$272.58	\$272.58	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$3,883.38	\$3,883.38	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$136.29	\$136.29	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$24,965.32	\$24,965.32	\$0.00	\$0.00	\$0.00
ROCHESTER HILLS	\$18,517.74	\$18,517.74	\$0.00	\$0.00	\$0.00
ROMULUS	\$922.17	\$922.17	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$14,590.11	\$14,590.11	\$0.00	\$0.00	\$0.00
ROYAL OAK	\$13,804.23	\$13,804.23	\$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 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
SHELBY TOWNSHIP	\$14,662.68	\$14,662.68	\$0.00	\$0.00	\$0.00
SOUTHFIELD (E-F)	\$55,605.41	\$55,605.41	\$0.00	\$0.00	\$0.00
SOUTHFIELD (SEOC)	\$7,836.33	\$7,836.33	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$12,097.95	\$12,097.95	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$31,831.68	\$31,831.68	\$0.00	\$0.00	\$0.00
TROY (E-F)	\$382.32	\$382.32	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$37,601.88	\$37,601.88	\$0.00	\$0.00	\$0.00
UTICA	\$3,035.55	\$3,035.55	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$2,097.45	\$2,097.45	\$0.00	\$0.00	\$0.00
VILLAGE OF FRANKLIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$1,476.18	\$1,476.18	\$0.00	\$0.00	\$0.00
WATERFORD TOWNSHIP DPW (ADM)	\$3,115.71	\$3,115.71	\$0.00	\$0.00	\$0.00
WAYNE	\$4,996.71	\$4,996.71	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (E-F)	\$12,786.48	\$12,786.48	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP. (C-O) P	\$486.78	\$486.78	\$0.00	\$0.00	\$0.00
WESTLAND	\$22,703.79	\$22,703.79	\$0.00	\$0.00	\$0.00
TOTAL IWC ACCOUNTS	\$2,335,424.38	\$561,494.91	\$4,166.72	\$4,052.84	\$1,765,709.91

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
3M COMPANY (MINNESOTA MINING	\$2,656.78	\$2,656.78	\$0.00	\$0.00	\$0.00
A & R PACKING CO., LLC	\$2,018.74	\$2,018.74	\$0.00	\$0.00	\$0.00
AACTRON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ACADEMY PACKING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ACME RUSTPROOF	\$40.76	\$40.76	\$0.00	\$0.00	\$0.00
ADORING PET FUNERAL HOME	\$49.86	\$49.86	\$0.00	\$0.00	\$0.00
AEVITAS SPECIALITY SERVICES	\$601.81	\$601.81	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALL CHEM CORP, LLC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALPHA STAMPING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AMERICAN WASTE TECH INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AMERITI MFG. CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
APPLIED TECHNOLOGY INDUSTRIE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ATWATER IN THE PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AUTOMOTIVE FINISH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AXLE BREWING COMPANY, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B. NEKTAR MEADERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BAFFIN BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BARON INDUSTRIES	\$710.41	\$710.41	\$0.00	\$0.00	\$0.00
BARTZ BAKERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BATCH BREWING COMPANY	\$920.14	\$0.00	\$91.29	\$0.00	\$828.85
BAYS MICHIGAN CORPORATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
BEIRUT BAKERY, INC.	\$37.00	\$0.00	\$0.00	\$0.00	\$37.00
BETTER MADE SNACK FOOD	\$13,685.77	\$13,685.77	\$0.00	\$0.00	\$0.00
BLACK LOTUS BREWING CO.	\$61.25	\$0.00	\$0.00	\$0.00	\$61.25
BOZEK'S MARKET	\$90.65	\$90.65	\$0.00	\$0.00	\$0.00
BREW DETROIT	\$6,468.25	\$6,468.25	\$0.00	\$0.00	\$0.00
BROADWAY MKT CORNED BEEF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BROOKS BREWING, LLC.	\$32.22	\$0.00	\$32.22	\$0.00	\$0.00
BROWN IRON BREWHOUSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CADILLAC STRAITS BREWING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CANTON BREW WORKS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CAPITAL REPRODUCTIONS	\$20.06	\$8.94	\$0.00	\$11.12	\$0.00
CF BURGER CREAMERY	\$15,637.09	\$15,637.09	\$0.00	\$0.00	\$0.00
CHILANGO'S BAKERY	\$1,960.76	\$22.73	\$16.45	\$26.31	\$1,895.27
CINTAS CORP. - MACOMB TWP.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$19,398.91	\$19,398.91	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$7,282.54	\$7,282.54	\$0.00	\$0.00	\$0.00
CITY LAUNDRY, INC.	\$4.50	\$4.50	\$0.00	\$0.00	\$0.00
CLASSIC CONTAINER CORP.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COCA-COLA REFRESHMENTS USA,	\$34,101.94	\$34,101.94	\$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 09/30/21

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.	\$667.87	\$667.87	\$0.00	\$0.00	\$0.00
DARLING INGREDIENTS, INC.	\$6,883.68	\$6,883.68	\$0.00	\$0.00	\$0.00
DAVE'S SAUSAGE FACTORY 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN BREWING	\$ (78.52)	\$0.00	\$0.00	\$0.00	\$ (78.52)
DEARBORN SAUSAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN SAUSAGE CO., INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT BEER CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT LINEN SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT METRO WC AIRPORT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT RIVERTOWN BREWERY CC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT SAUSAGES CO INC	\$24.91	\$13.27	\$5.82	\$5.82	\$0.00
DETRONIC INDUSTRIES, INC.	\$149.60	\$149.60	\$0.00	\$0.00	\$0.00
DIFCO LABORATORIES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DIVERSIFIED CHEM TECH. INC.	\$104.10	\$104.10	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$4,154.69	\$4,154.69	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$1,735.24	\$1,735.24	\$0.00	\$0.00	\$0.00
DOWNEY BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E.W. GROBBEL'S SONS, INC.	\$3,382.81	\$3,382.81	\$0.00	\$0.00	\$0.00
EASTERN MARKET BREWING COMP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ENVIROSOLIDS, L.L.C.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$864.31	\$864.31	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
EQ DETROIT, INC.	\$4,897.07	\$4,897.07	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$189.13	\$189.13	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ETON ST BREWERY- GRIFFIN CLF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EXTRUDE HONE CORPORATION	\$ (93.22)	\$0.00	\$ (93.22)	\$0.00	\$0.00
EXTRUDEHODE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FARMINGTON BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FAYGO BEVERAGES, INC.	\$16,428.53	\$16,428.53	\$0.00	\$0.00	\$0.00
FIVES CINETIC CORP.	\$5,841.07	\$0.00	\$0.00	\$5,841.07	\$0.00
FOUNDERS BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FRESH-PAK	\$897.86	\$897.86	\$0.00	\$0.00	\$0.00
FRESH-PAK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
G2O ENERGY, LLC	\$453.29	\$453.29	\$0.00	\$0.00	\$0.00
GENERAL LINEN SUPPLY CO.	\$2,678.79	\$2,678.79	\$0.00	\$0.00	\$0.00
GLOBAL TITANIUM, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$16.89	\$0.00	\$16.89	\$0.00	\$0.00
GREAT BARABOO BREWING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HACIENDA MEXICAN FOODS	\$3,226.31	\$1,117.25	\$756.74	\$559.58	\$792.74
HENKEL CORPORATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HOME STYLE FOOD INC.	\$723.94	\$723.94	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
HOMEGROWN BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HOODS CLEANERS	\$211.33	\$0.00	\$0.00	\$0.00	\$211.33
HOUGHTON INTERNATIONAL INC.	\$ (284.47)	\$0.00	\$ (284.47)	\$0.00	\$0.00
HOUGHTON INTERNATIONAL INC.	\$87.77	\$87.77	\$0.00	\$0.00	\$0.00
HOUGHTON INTERNATIONAL INC.	\$ (10,151.86)	\$0.00	\$ (10,151.86)	\$0.00	\$0.00
HUNTINGTON CLEANERS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
IDP, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDUSTRIAL METAL COATING	\$934.32	\$934.32	\$0.00	\$0.00	\$0.00
INTRASTATE DISTRIBUTORS	\$776.90	\$776.90	\$0.00	\$0.00	\$0.00
ISLAMIC SLAUGHTER HOUSE	\$1,326.68	\$1,326.68	\$0.00	\$0.00	\$0.00
ITALIAN BUTTER BREAD STICKS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
JAMEX BREWING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
KAR NUT PRODUCTS	\$1,291.81	\$1,291.81	\$0.00	\$0.00	\$0.00
KOWALSKI SAUSAGES, CO.	\$1,145.18	\$1,145.18	\$0.00	\$0.00	\$0.00
KUHNHENN BREWING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$ (206.23)	\$ (206.23)	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$47.16	\$47.16	\$0.00	\$0.00	\$0.00
LEAR CORPORATION DBA EAGLE C	\$2,813.92	\$2,813.92	\$0.00	\$0.00	\$0.00
LIBERTY STREET PROD. BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LIFE TECHNOLOGIES	\$55,654.48	\$31,181.39	\$24,473.09	\$0.00	\$0.00
LILY'S SEAFOOD GRILL & BREWE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MACDERMID, INC.	\$1,498.19	\$1,498.19	\$0.00	\$0.00	\$0.00
MCCLURE'S PICKLES	\$1,320.06	\$1,320.06	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MCNICHOLS POLISHING & ANODIZ	\$28.61	\$28.61	\$0.00	\$0.00	\$0.00
MELLO MEATS INC, - KUBISCH S	\$66.33	\$66.33	\$0.00	\$0.00	\$0.00
METROPOLITAN BAKERY	\$845.76	\$845.76	\$0.00	\$0.00	\$0.00
MIBA HYDRAMECHANICA CORP.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MICHIGAN DAIRY	\$133,430.61	\$133,430.61	\$0.00	\$0.00	\$0.00
MICHIGAN PROD. MACHINING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MICHIGAN SOY PRODUCTS CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MIDWEST WIRE PRODUCTS, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MILANO BAKERY	\$1,166.63	\$1,166.63	\$0.00	\$0.00	\$0.00
MILTON CHILI CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MINNIE MARIE BAKERS, INC	\$2,514.54	\$2,514.54	\$0.00	\$0.00	\$0.00
MISTER UNIFORM & MAT RENTALS	\$ (14.35)	\$0.00	\$0.00	\$ (14.35)	\$0.00
MOTOR CITY BREWING WORKS	\$168.25	\$0.00	\$165.58	\$0.00	\$2.67
NATIONAL CHILI COMPANY	\$459.69	\$459.69	\$0.00	\$0.00	\$0.00
NEAPCO DRIVELINES	\$1,914.82	\$1,914.82	\$0.00	\$0.00	\$0.00
NORTH CENTER BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTHERN LAKES SEAFOOD & MEA	\$40.75	\$40.75	\$0.00	\$0.00	\$0.00
OAKWOOD BAKERY	\$149.57	\$149.57	\$0.00	\$0.00	\$0.00
PARKER'S HILLTOP BREWER & SE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PELLERITO FOODS INC.	\$2.02	\$2.02	\$0.00	\$0.00	\$0.00
PEPSI COLA, INC.	\$8,425.94	\$8,425.94	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
PERDUE PREMIUM MEAT COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PERSONAL UNIFORM SERVICE, IN	\$77.28	\$46.59	\$30.69	\$0.00	\$0.00
PETRO ENVIRON TECH, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PINE TREE ACRES, INC.	\$19,892.83	\$19,892.83	\$0.00	\$0.00	\$0.00
PLATING SPEC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
POWER VAC OF MICHIGAN, INC.	\$262.39	\$262.39	\$0.00	\$0.00	\$0.00
PREMIER PLATING, LLC	\$1,950.89	\$1,950.89	\$0.00	\$0.00	\$0.00
PRODUCTION SPRING, LLC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
QUALA SERVICES, LLC	\$69.69	\$69.69	\$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	\$440.60	\$0.00	\$0.00	\$0.00	\$440.60
ROCHESTER MILLS BEER COMPANY	\$179.66	\$0.00	\$179.66	\$0.00	\$0.00
ROCHESTER MILLS PROD BREWERY	\$3,432.18	\$0.00	\$1,819.45	\$0.00	\$1,612.73
ROYAL OAK BREWERY	\$ (367.68)	\$0.00	\$0.00	\$0.00	\$ (367.68)
RTT	\$27,772.36	\$0.00	\$0.00	\$0.00	\$27,772.36
SEAFARE FOODS, INC.	\$352.60	\$352.60	\$0.00	\$0.00	\$0.00
SHERWOOD BREWING COMPANY	\$38.93	\$0.00	\$38.93	\$0.00	\$0.00
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	\$ (46.07)	\$0.00	\$0.00	\$0.00	\$ (46.07)
SWEETHEART BAKERY, INC.	\$93.40	\$93.40	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
TOM LAUNDRY CLEANERS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TRAFFIC JAM & SNUG	\$ (31.16)	\$0.00	\$0.00	\$0.00	\$ (31.16)
TURRI'S ITALIAN FOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TURRI'S ITALIAN FOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
U-METCO, INC.	\$296.32	\$296.32	\$0.00	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$57,002.67	\$57,002.67	\$0.00	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$3,471.93	\$3,471.93	\$0.00	\$0.00	\$0.00
UNIQUE LINEN SERVICES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNITED FISH DISTRIBUTORS	\$2.74	\$2.74	\$0.00	\$0.00	\$0.00
UNITED LINEN SERVICE, LLC.	\$215.91	\$215.91	\$0.00	\$0.00	\$0.00
UNITED MEAT & DELI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
URBANREST BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
US ECOLOGY MICHIGAN	\$260.92	\$260.92	\$0.00	\$0.00	\$0.00
US ECOLOGY ROMULUS, INC.	\$3,746.49	\$3,746.49	\$0.00	\$0.00	\$0.00
USHER OIL SERVICES	\$2,523.68	\$2,523.68	\$0.00	\$0.00	\$0.00
VALICOR ENVIROMENTAL SERVICE	\$412.19	\$412.19	\$0.00	\$0.00	\$0.00
VAUGHAN INDUSTRIES, INC.	\$59.72	\$59.72	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS	\$8,491.09	\$8,491.09	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS, INC.	\$293.99	\$293.99	\$0.00	\$0.00	\$0.00
VERNOR FOOD PRODUCTS	\$ (36.26)	\$0.00	\$0.00	\$0.00	\$ (36.26)
WIGLEY'S MEAT PROCESS	\$499.68	\$499.68	\$0.00	\$0.00	\$0.00
WINTER SAUSAGE MFG. CO.	\$926.41	\$926.41	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 09/30/21

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
WINTER SAUSAGE MFG. CO.	\$198.99	\$198.99	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO	\$4,640.45	\$4,640.45	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO.	\$2,509.48	\$2,509.48	\$0.00	\$0.00	\$0.00
WOODWARD AVENUE BREWERS	\$144.24	\$0.00	\$0.00	\$0.00	\$144.24
TOTAL POLLUTANT SURCHARGE ACCOUNTS	\$504,385.26	\$447,604.58	\$17,097.26	\$6,429.55	\$33,253.87

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	1,185,506	5,702,000	47,423	6,934,929
FY 2021 Payments	-	(2,783,552)	-	(2,783,552)
				-
June 30, 2021 Balance	\$ 9,719,190	\$ 37,030,575	\$ 1,769,763	\$ 48,519,528
FY 2022 Billings (3 Months)	322,237	1,371,700	12,101	1,706,038
FY 2022 Payments (3 Months)	-	-	-	-
				-
Balance as of September 30, 2021	\$ 10,041,427	\$ 38,402,275	\$ 1,781,864	\$ 50,225,566



Financial Services Audit Committee Communication

Date: December 17, 2021

To: Great Lakes Water Authority Audit Committee

From: Megan Savage, 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 and a Phase II launch on July 1, 2021.

Analysis: This month we present new tables to recap B.I.D. Program activity from the date of the program launch on February 1, 2021 through November 30, 2021 for procurements that exceed \$1 million.

As of November 30, 2021 – B.I.D. Eligible Procurements

	Awarded	In Evaluation Phase	Active (Advertised)	Total
Procurements Requiring B.I.D. Submittals	6	10	12	28
Total Number of Diversity Plans Submitted	21	41	n/a	62

Scored Criteria for Awarded Procurements – Percent of Procurements Awarded that Met B.I.D. Criteria (Percent of Number of Awards)	
Michigan Location	67%
Member Partner Service Area	67%
Disadvantaged Service Area Territory	50%

Non-Scored Criteria - Disadvantaged, Minority-owned, Women-owned, and Small Businesses (Percent of Number of Awards)	
Awarded	33%

Overall Dollars Awarded	
Total Number of Eligible Procurements	Six contracts totaling \$125.1 million
Firms that met all four criteria	Two contracts totaling \$11.6 million
Firms that met three criteria	Four contracts totaling \$113.5 million

In addition, other activities this month to expand awareness of the B.I.D. Program and to foster the development of effective diversity plans included the following.

- Finalized the B.I.D. Program Vendor Diversity Plan form. This document identifies key fields of requested information that will help vendors submit effective Diversity Plans and will be used for future B.I.D. Program-eligible solicitation responses.
- Presented the B.I.D. Program at the Michigan Department of Transportation (MDOT) Bonding and Education Session on December 1, 2021. Over 40 individuals participated in the virtual event, including small businesses and prime contractors.
- Continued attendance of the B.I.D. Program Liaison at all Pre-Bid and Pre-Proposal solicitation meetings to overview the B.I.D. Program requirements and answer any questions from vendors/contractors.

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

- Developing contract language for B.I.D. Program requirements.
- Evaluating the insurance and bonding requirements for small, minority-owned, and disadvantaged business enterprises.
- Identifying meaningful reporting and performances measures.

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: December 17, 2021

To: Great Lakes Water Authority Audit Committee

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

Re: FY 2022 Q1 Construction Work-in-Progress Report through September 30, 2021
(Unaudited)

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

Analysis: The attached documents summarize the FY 2022 Q1 CWIP positions and provides a detailed snapshot to inform decision makers and stakeholders.

Proposed Action: Receive and file this report.



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

As of September 30, 2021

For questions, please contact:

Andrew Sosnoski, CCIFP

Construction Accounting and Financial Reporting Manager

Phone: 313.999.2585

Email: Andrew.Sosnoski@glwater.org

Issued 12.10.2021



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 Detailed Construction Work-in-Progress Rollforward 17

 FY 2022 Project Amendment Summary 22

December 17, 2021**To Our Stakeholders:**

The contents of this report represent the financial presentation of construction work-in-progress activity for the Great Lakes Water Authority (GLWA) as of September 30, 2021. The information in this report presents a detailed snapshot and is important as we track the execution of the FY 2022–2026 Capital Improvement Plan (CIP) and look to inform decision makers as we evaluate the draft FY 2023–2027 CIP.

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

Report Contents and Organization

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

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

Summary Construction Work-in-Progress Rollforward by Jurisdiction: This table provides a summary of the planned and actual project activity by the jurisdictions identified within the FY 2022 – 2026 Board Approved CIP Plan.

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

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

Financial Information

All project amounts are unaudited. This means that direct contractor costs are generally included in these totals with most pay estimates entered through September 30, 2021. There may, however, be some pay estimates that lag. The totals do not include indirect overhead.

Budget vs. Plan

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

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

WATER SYSTEM

Executive Summary

The rate of spend is a key performance indicator. The development of the FY 2022-2026 and related CIP Plan for FY 2022 were based on anticipation of FY 2022 activity resulting in 75% of planned spend. The Water System spend for the period ending September 30, 2021, is 85.3% of the FY 2021 board approved CIP, 85.0% of the FY 2022 board approved CIP with project amendments, and 113.8% of the FY 2022 Capital Spending Rate Assumption (SRA). Detailed analysis of the projects for which FY 2022 Board Approved CIP was amended from \$179,210,481 to \$179,978,933 is provided in the subsequent Project Amendment Summary section of this report.

Water System Projects					FY 2021	FY 2021 Activity	FY 2021 Percentage	FY 2022	FY 2022 Prorated (Three Months)	FY 2022 Activity (Unaudited)	FY 2022 Percentage			
FY 2021 Board Approved CIP					\$	147,564,000	\$	131,687,819			89.2%			
FY 2021 Board Approved CIP With Project Amendments						149,084,720		131,687,819			88.3%			
FY 2021 Capital Spend Rate Assumption (SRA)						110,673,000		131,687,819			119.0%			
FY 2022 Board Approved CIP								\$	179,210,481	\$	44,802,620	\$	38,236,664	85.3%
FY 2022 Board Approved CIP With Project Amendments									179,978,933	\$	44,994,733		38,236,664	85.0%
FY 2022 Capital Spend Rate Assumption (SRA)									134,407,861	\$	33,601,965		38,236,664	113.8%

Construction Work-in-Progress Rollforward Summary By Jurisdiction

The purpose of the construction work-in-progress (CWIP) summary rollforward by jurisdiction is to provide a high-level overview of the financial status of the projects identified within the current board approved CIP by their jurisdiction. Within the FY 2022 – 2026 Board Approved CIP Plan, projects are identified and categorized as either City of Detroit, Wayne County - Outside Detroit, Lapeer County, Macomb County, Oakland County, Saint Clair County or Multiple Counties and reflected accordingly in this report.

\$235.9 million is in CWIP as of September 30, 2021 as shown in the table beginning on the next page.

The order of the report on the subsequent page is in ascending by jurisdiction alphabetically.

Water System
Construction Work-in-Progress Quarterly Report
As of September 30, 2021

Great Lakes Water Authority
Water System Construction Work-in-Progress (CWIP) FY 2022 Rollforward Summary By Jurisdiction
Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Jurisdiction	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance September 30, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	CWIP Balance September 30, 2021
City of Detroit	\$ 603,366,840	\$ 58,438,128	\$ 37,084,101	\$ 37,571,302	\$ 15,706,332	\$ 74,144,461
Lapeer County	5,937,124	1,154,458	3,962,267	3,962,267	104,827	1,259,285
Mutiple Counties	386,207,886	40,301,434	17,176,543	15,617,734	3,414,978	36,531,557
Oakland County	276,954,686	19,579,122	55,618,942	55,810,594	4,106,575	23,685,696
Saint Clair County	199,416,920	13,545,671	10,660,756	11,633,756	1,002,196	14,547,867
Wayne County - Outside Detroit	881,825,559	71,834,216	54,707,871	55,383,279	13,901,756	85,735,972
Grand Total	\$ 2,353,709,015	\$ 204,853,029	\$ 179,210,481	\$ 179,978,933	\$ 38,236,664	\$ 235,904,837

Construction Work-in-Progress Rollforward

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

As part of our project life cycle review the CA&FR team identifies when it is appropriate for projects to be capitalized. Projects are to be capitalized when they have been completed in totality or are inclusive of identifiable assets that have been placed in service. Capitalization of project cost occurred in the FY 2022 1st quarter for the following projects:

<u>Project</u>	<u>Contract</u>	<u>Description</u>
170801	1900744	Reservoir Inspection, Design and Rehabilitation

\$235.9 million is in CWIP as of September 30, 2021, as shown in the table beginning on the next page.

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

Great Lakes Water Authority
Water System Construction Work-in-Progress (CWIP) FY 2022 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Water System
Construction Work-in-Progress Quarterly Report
As of September 30, 2021

Project	Project Name	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance September 30, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	Life to Date Capitalization / Expense through September 30, 2021	CWIP Balance September 30, 2021	Life to Date Activity Through September 30, 2021	Life to Date Activity / Total Project Plan Estimate
111002	LHWTP Backflow Replacement	\$ 8,705,313	\$ -	\$ -	\$ -	\$ -	\$ 8,717,768	\$ -	\$ 8,717,768	100%
111004	Electrical Tunnel Rehabilitation at Lake Huron WTP	3,892,689	-	-	-	-	3,892,299	-	3,892,299	100%
111006	Replacement of Filter Instrumentation and Raw Water Flow Metering Improvements at Lake Huron WTP-Raw Sludge Clarifier and Raw Sludge Pumping System Improvements	16,789,745	1,273,880	5,196,046	5,196,046	3,279	-	1,277,159	1,277,159	8%
111007	LHWTP Architectural Programming - Lab	1,196,283	-	-	-	-	-	-	-	0%
111009	Lake Huron WTP-35 MGD HLP, Flow Meters	30,480,734	1,726,061	1,061,103	1,061,103	115,548	-	1,841,610	1,841,610	6%
111010	Lake Huron Water Treatment Plant - Filtration and Pretreatment Improvements	42,206,783	-	-	-	-	-	-	-	0%
111011	Lake Huron WTP Pilot Plant	3,247,998	198,694	1,719,487	1,719,487	114,747	-	313,441	313,441	10%
112002	Low Lift Pumping Plant Caisson Rehabilitation at Northeast WTP	1,172,880	-	-	-	-	1,169,962	-	1,169,962	100%
112003	NE WTP High Lift Pumping Electrical	71,545,621	223,875	173,058	173,058	71,246	-	295,120	295,120	0%
112005	Northeast Water Treatment Plant - Replacement of Covers for Process Water Conduits	1,088,655	937,879	4,892	4,892	-	-	937,879	937,879	86%
112006	Northeast Water Treatment Plant Flocculator Replacements	11,316,013	254,450	2,521,861	2,521,861	5,246	-	259,695	259,695	2%
113002	High Lift Pump Discharge Valve Actuators Replacement at Southwest WTP	6,728,375	-	501,031	501,031	-	5,798,535	-	5,798,535	86%
113003	Replacement of Butterfly Valves	21,811,953	110	-	-	-	-	110	110	0%
113007	Architectural and Building Mechanical	3,167,022	-	-	-	-	-	-	-	0%
114001	Springwells Water Treatment Plant 1958 Filter Rehabilitation and Auxiliary Facilities	80,828,071	-	-	-	-	99,764,892	-	99,764,892	123%
114002	Springwells Water Treatment Plant - Low Lift and High Lift Pump Station	224,221,541	12,944,042	16,546,006	16,546,006	1,930,839	-	14,874,880	14,874,880	7%

Great Lakes Water Authority
 Water System Construction Work-in-Progress (CWIP) FY 2022 Rollforward
 Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Water System
Construction Work-in-Progress Quarterly Report
 As of September 30, 2021

Project	Project Name	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance September 30, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	Life to Date Capitalization / Expense through September 30, 2021	CWIP Balance September 30, 2021	Life to Date Activity Through September 30, 2021	Life to Date Activity / Total Project Plan Estimate
114003	Water Production Flow Metering Improvements at NE, SW, and SPW WTP	8,155,919	0	-	-	1,048	8,167,884	1,048	8,168,932	100%
114005	Springwells WTP Admin Building Improvements	9,259,571	1,178,639	3,660,252	3,660,252	6,971	-	1,185,609	1,185,609	13%
114006	Replacement of Rapid Mix Units at Springwells WTP 1958 Process Train	-	10,674	-	-	-	1,021,039	10,674	1,031,712	0%
114007	Powder Activated Carbon Systems	4,020,591	-	-	-	-	-	-	-	0%
114008	1930 Sedimentation Basin Sluice Gates, Guides & Hoists Improvements at Springwells WTP	13,923,254	11,142,286	2,484,952	2,484,952	34,815	-	11,177,101	11,177,101	80%
114010	Yard Piping Improvements	200,471,687	531,529	1,568,415	1,568,415	239,790	-	771,318	771,318	0%
114011	Steam, Condensate Return, and Compressed Air Piping Improvements at Springwells WTP	25,540,354	18,464,648	5,373,516	5,373,516	2,822,502	-	21,287,149	21,287,149	83%
114012	Springwells Water Treatment Plant 1930 Filter Building-Roof Replacement	3,911,148	-	-	-	-	3,911,148	-	3,911,148	100%
114013	Springwells Reservoir Fill Line Improvements	4,923,914	-	-	-	-	4,706,751	-	4,706,751	96%
114017	Springwells Water Treatment Plant Flocculator Drive Replacement	12,358,115	189,943	370,545	370,545	135,437	-	325,380	325,380	3%
114018	Springwells Water Treatment Plant - Service Building Electrical Substation and Miscellaneous Improvements	1,544,706	-	80,013	80,013	-	-	-	-	0%
115003	Comprehensive Condition Assessment at Waterworks Park WTP	514,004	-	-	-	-	-	-	-	0%
115004	Water Works Park WTP Chlorine System Upgrade	6,892,656	9,563	-	-	-	6,957,032	9,563	6,966,596	101%
115005	WWP WTP Building Ventilation Improvements	4,923,595	563,444	522,778	522,778	137,447	-	700,891	700,891	14%
115006	Water Works Park Site/Civil Improvements	5,881,718	-	-	-	-	-	-	-	0%
115007	Water Works Park High Lift Pumping Station Modernization	88,946,247	-	280,105	280,105	-	-	-	-	0%

Great Lakes Water Authority
Water System Construction Work-in-Progress (CWIP) FY 2022 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Water System
Construction Work-in-Progress Quarterly Report
 As of September 30, 2021

Project	Project Name	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance September 30, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	Life to Date Capitalization / Expense through September 30, 2021	CWIP Balance September 30, 2021	Life to Date Activity Through September 30, 2021	Life to Date Activity / Total Project Plan Estimate
116002	Pennsylvania, Springwells and Northeast Raw Water Supply Tunnel Improvements based on	94,880,203	25,947,664	8,359,585	8,359,585	5,334,359	4,685,231	31,282,023	35,967,254	38%
116005	Belle Isle Seawall Rehabilitation	1,831,677	-	318,843	318,843	-	-	-	-	0%
116006	Belle Isle Intake System Rehabilitation and Improvements	350,000	-	-	-	-	-	-	-	0%
122003	New Waterworks Park to Northeast Transmission Main	143,217,044	21,324,515	14,593,187	14,593,187	5,949,746	-	27,274,261	27,274,261	19%
122004	96-inch Main Relocation, Isolation Valves Installations, and New Parallel Main	144,852,077	9,673,781	2,576,909	2,576,909	998,259	-	10,672,039	10,672,039	7%
122005	Replacement Schoolcraft Watermain	15,325,893	6,260,526	7,606,560	7,606,560	5,295,132	-	11,555,657	11,555,657	75%
122007	Design and Construction of a new Newburgh Road 24" Main along Newburgh Road between Ch	22,154,359	1,805	26,909	26,909	-	-	1,805	1,805	0%
122011	Park-Merriman Water Main-Final Phase	9,600,066	295,202	7,836	7,836	24,956	6,435,948	320,157	6,756,105	70%
122012	36-inch Water Main in Telegraph Road	9,870,398	-	-	-	-	9,986,284	-	9,986,284	101%
122016	Downriver Transmission Loop	37,067,100	1,620,310	664,877	664,877	233,187	-	1,853,497	1,853,497	5%
122017	7 Mile/Nevada Transmission Main Rehab and Carrie/Nevada Flow Control Station	60,188,759	1,454,251	1,943,731	1,943,731	1,384,612	-	2,838,863	2,838,863	5%
122018	Garland, Hurlbut, Bewick Water Transmission System Rehabilitation	54,102,536	-	1,530,061	1,530,061	-	-	-	-	0%
132003	Isolation Gate Valves for Line Pumps for West Service Center Pumping Station	1,961,708	-	-	-	-	1,742,479	-	1,742,479	89%
132006	Pressure and Control Improvements at the Electric, Ford Road, Michigan, and West Chica	3,363,699	-	-	-	1,731	3,226,045	1,731	3,227,776	96%
132007	Energy Management: Freeze Protection Pump Installation at Imlay Pumping Station	5,187,314	927,112	3,962,267	3,962,267	104,827	-	1,031,940	1,031,940	20%
132008	Needs Assessment Study for all Water Booster Pumping Stations	1,675,441	-	-	-	-	-	-	-	0%
132010	West Service Center/Duval Rd Division Valve Upgrades	45,142,158	9,058,202	17,149,461	17,149,461	3,408,846	-	12,467,048	12,467,048	28%
132012	Ypsilanti PS Improvements	35,393,046	515,125	584,384	584,384	50,398	-	565,523	565,523	2%

Great Lakes Water Authority
 Water System Construction Work-in-Progress (CWIP) FY 2022 Rollforward
 Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Water System
Construction Work-in-Progress Quarterly Report
 As of September 30, 2021

Project	Project Name	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance September 30, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	Life to Date Capitalization / Expense through September 30, 2021	CWIP Balance September 30, 2021	Life to Date Activity Through September 30, 2021	Life to Date Activity / Total Project Plan Estimate
132014	Adams Road Booster Pumping Improvements	52,864,694	83,262	203,019	203,019	-	-	83,262	83,262	0%
132015	Newburgh BPS	45,044,000	444,073	733,037	733,037	184	-	444,257	444,257	1%
132016	North Service Center BPS Improvements	68,255,116	363,478	673,058	673,058	4,519	-	367,997	367,997	1%
132018	Schoolcraft BPS	47,317	47,317	-	-	-	-	47,317	47,317	100%
132019	Wick Road BPS - Switchgear	9,358,231	56,912	-	-	-	-	56,912	56,912	1%
132020	Franklin BPS - Isolation Gate Valves	2,544,535	93,160	-	-	-	-	93,160	93,160	4%
132021	Imlay BPS - Replace VFDs, Pumps & Motors	749,810	227,346	-	-	-	-	227,346	227,346	30%
132022	Joy Road BPS - Replace Reservoir Pumps	39,613,214	71,380	276,909	276,909	-	-	71,380	71,380	0%
132025	Northwest Booster Station Yard Piping Improvements	-	20,306	-	-	-	-	20,306	20,306	0%
132026	Franklin Pumping Station Valve Replacement	1,006,467	-	-	-	-	975,327	-	975,327	97%
170102	Water Production Plant Flow Metering Improvements at NE, SP & SW WTP	372,374	373,640	-	-	-	-	373,640	373,640	100%
170109	Inspection of Raw Water Intakes and Tunnels	1,656,069	-	-	-	-	-	-	-	0%
170120	Phosphoric Acid Feed System Improvements at Southwest WTP	1,625	-	-	-	-	634,509	-	634,509	39047%
170200	As Needed Construction Materials, Environmental Media and Special Allowance	1,427,227	-	146	146	-	-	-	-	0%
170301	Water Plant Automation	-	1,755,142	-	-	-	-	1,755,142	1,755,142	0%
170303	WWP WTP Power Monitoring Installation	1,700,000	203,628	514,474	514,474	366,246	-	569,874	569,874	34%
170304	WWP WTP SCADA Upgrade	-	13,947	-	-	20,650	-	34,596	34,596	0%
170400	Water Transmission Improvement Program	33,171,211	-	1,033,961	1,033,961	-	-	-	-	0%
170401	Emergency Bypass Around Ypsilanti Station	1,661,231	-	-	-	-	2,633,282	-	2,633,282	159%
170502	Transmission System Valve Assessment and Rehabilitation/Replacement A	-	-	-	-	123	7,689,584	123	7,689,707	0%
170503	Transmission System Valve Assessment	10,071,663	2,110,241	1,304,975	1,304,975	32,525	-	2,142,766	2,142,766	21%

Great Lakes Water Authority
 Water System Construction Work-in-Progress (CWIP) FY 2022 Rollforward
 Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Water System
Construction Work-in-Progress Quarterly Report
 As of September 30, 2021

Project	Project Name	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance September 30, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	Life to Date Capitalization / Expense through September 30, 2021	CWIP Balance September 30, 2021	Life to Date Activity Through September 30, 2021	Life to Date Activity / Total Project Plan Estimate
170504	Repair of WTM, Valves, & Priority Repair	-	-	-	190,000	-	-	-	-	0%
170600	Water Transmission Main Asset	8,438,215	-	24,218	24,218	-	-	-	-	0%
170800	Reservoir Inspection, Design and Rehabilitation Program	23,827,344	-	321,527	321,527	-	-	-	-	0%
170900	Suburban Water Meter Pit Rehabilitation and Meter Replacement Program	40,718,957	-	1,159,000	1,159,000	-	-	-	-	0%
170901	Suburban Water Meter Pit Rehabilitation and Meter Replacement	10,616,499	8,531,114	2,838,297	2,838,297	527,705	-	9,058,819	9,058,819	85%
170902	Brownstown Meter Pit Rehabilitation	1,245,254	219,873	593,887	593,887	-	-	219,873	219,873	18%
171500	Roof Replacement - Var Facilities Program	22,710,989	-	10,764	10,764	-	-	-	-	0%
171501	Roof Replacements - Var Facilities Program	3,484,352	-	-	-	-	3,354,843	-	3,354,843	96%
331003	Masonry Replacement and Rehabilitation	25,000,000	-	-	-	-	-	-	-	0%
341001	Security Infrastructure Improvements	9,169,807	8,139,352	567,392	567,392	646,088	1,138,691	8,785,440	9,924,131	108%
351001	Water Facility Lighting Renovations	699,523	6,667	37,632	37,632	-	-	6,667	6,667	1%
380600	General Engineering Services Allowance	55,126	-	-	-	-	-	-	-	0%
380700	As-needed Engineering Services for Concrete Testing, Geotechnical Soil Borings, other Testing Services, and Related Services Allowance	2,130,722	-	455,655	455,655	-	-	-	-	0%
381000	Energy Management: Electric Metering Improvement Program	2,623,926	-	-	-	-	-	-	-	0%
Grand Total		\$ 2,353,709,015	\$ 204,853,029	\$ 179,210,481	\$ 179,978,933	\$ 38,236,664	\$ 194,152,195	\$ 235,904,837	\$ 430,057,033	21%
					Project Amendments: \$ 768,453					

FY 2022 Project Amendment Summary

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

The award of CIP contracts and the related execution thereof may result in deviation from the amount and timing of planned spend. Acknowledging the aforementioned deviation, project amendments are prepared to fund the related increase or decrease either to or from the Capital Reserve to amend the current fiscal year board approved Capital Improvement Plan accordingly and to inform decision makers in the development of future Capital Improvement Plans. Similar to the project amendments prepared for the Capital Reserve, project amendments are also prepared for contracts that are planned or funded by way of the CIP Program and Allowance accounts. As additional contracts are awarded, and other project information becomes available additional project amendments to and from the Capital Reserve will be prepared to amend the board approved FY 2022 Capital Improvement Plan.

\$768,482 of Capital Reserve project amendments have been prepared as of September 30, 2021, as shown in the table on the next page along with project amendments detailing the assignment of funding within Program and Allowance accounts.

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

**Great Lakes Water Authority
Water System Project Amendment Summary
Unaudited Activity For the Fiscal Quarter Ended September 30, 2021**

**Water System
Construction Work-in-Progress Quarterly Report**
As of September 30, 2021

Project	Project Name	Capital Reserve	Program / Allowance	Grand Total
111012	LHWTP-Flocculation Improvements	\$ 973,000		\$ 973,000
113006	SW WTP Chloring Scrubber	(1,877,433)		(1,877,433)
114016	Springwells Water Treatment Plant 1958 Settled Water Conduits Concrete Pavement Replacement	335,000		335,000
115001	Yard Piping, Valves and Venturi Meters Replacement at Water Works Park	487,201		487,201
122006	Transmission System Water Main Work-Wick Road Parallel Water Main	549,032		549,032
122013	Lyon Township Transmission Main Extension Project	191,652		191,652
170300	Water Treatment Plant Automation Program		(1,668,809)	(1,668,809)
170302	SW WTP SCADA Improvements		1,668,809	1,668,809
170500	Transmission System Valve Assessment and Rehabilitation/Replacement Program		(190,000)	(190,000)
170504	Repair of WTM, Valves, & Priority Repair		190,000	190,000
170801	Reservoir Inspection, Design and Rehabilitation	110,000		110,000
Grand Total		\$ 768,452	\$ -	\$ 768,452

WASTEWATER SYSTEM

Executive Summary

The rate of spend is a key performance indicator. The development of the FY 2022-2026 and related CIP Plan for FY 2022 were based on anticipation of FY 2022 activity resulting in 75% of planned spend. The Wastewater System spend for the period ending September 30, 2021, is 58.3% of the prorated FY 2021 board approved CIP, 56.6% of the prorated FY 2022 board approved CIP with project amendments, and 77.8% of the FY 2022 Capital Spending Rate Assumption (SRA). Detailed analysis of the projects for which FY 2022 Board Approved CIP was amended from \$106,050,041 to \$109,223,041 is provided in the subsequent Project Amendment Summary section of this report.

Wastewater System Projects		FY 2021	FY 2021 Activity	FY 2021 Percentage	FY 2022	FY 2022 Prorated (Three Months)	FY 2022 Activity (Unaudited)	FY 2022 Percentage
FY 2021 Board Approved CIP	\$	110,638,000	\$ 85,051,935	76.9%				
FY 2021 Board Approved CIP With Project Amendments		110,180,582	85,051,935	77.2%				
FY 2021 Capital Spend Rate Assumption (SRA)		82,978,500	85,051,935	102.5%				
FY 2022 Board Approved CIP					\$ 106,050,041	\$ 26,512,510	\$ 15,463,896	58.3%
FY 2022 Board Approved CIP With Project Amendments					109,223,041	27,305,760	15,463,896	56.6%
FY 2022 Capital Spend Rate Assumption (SRA)					79,537,530	19,884,383	15,463,896	77.8%

Construction Work-in-Progress Rollforward Summary By Jurisdiction

The purpose of the construction work-in-progress (CWIP) summary rollforward by jurisdiction is to provide a high-level overview of the financial status of the projects identified within the current board approved CIP by their jurisdiction. Within the FY 2022 – 2026 Board Approved CIP Plan, projects are identified and categorized as either City of Detroit, Wayne County - Outside Detroit, Lapeer County, Macomb County, Oakland County, Saint Clair County or Multiple Counties and reflected accordingly in this report.

\$206.3 million is in CWIP as of September 30, 2021, as shown in the table beginning on the next page.

The order of the report on the subsequent page is in ascending by jurisdiction alphabetically.

Great Lakes Water Authority
Wastewater System Construction Work-in-Progress (CWIP) FY 2022 Rollforward Summary By Jurisdiction
Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Jurisdiction	Total Project Plan Estimate from FY 2022-2026 CIP		CWIP Balance September 30, 2021		FY 2022 Board Approved CIP		FY 2022 Board Approved CIP With Project Amendments		FY 2022 Activity through September 30, 2021		CWIP Balance September 30, 2021	
City of Detroit	\$	1,311,840,369	\$	165,620,802	\$	73,893,106	\$	78,066,106	\$	11,841,931	\$	177,461,804
Mutiple Counties		422,491,975		24,943,729		32,156,934		31,156,934		3,605,629		28,233,811
Wayne County - Outside Detroit		47,820,767		555,754		-		-		16,335		572,089
Grand Total	\$	1,782,153,110	\$	191,120,285	\$	106,050,041	\$	109,223,041	\$	15,463,896	\$	206,267,703

Construction Work-in-Progress Rollforward

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

As part of our project life cycle review the CA&FR team identifies when it is appropriate for projects to be capitalized. Projects are to be capitalized when they have been completed in totality or are inclusive of identifiable assets that have been placed in service. No capitalization of project costs occurred in the FY 2022 1st quarter.

\$206.3 million is in CWIP as of September 30, 2021, as shown in the table beginning on the next page.

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



Great Lakes Water Authority

Wastewater System Construction Work-in-Progress (CWIP) FY 2022 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Wastewater System
Construction Work-in-Progress Quarterly Report
As of September 30, 2021

Project	Project Name	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance July 1, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	Life to Date Capitalization / Expense Through September 30, 2021	CWIP Balance September 30, 2021	Life to Date Activity through September 30, 2021	Life to Date Activity / Total Project Plan Estimate
211001	Rehabilitation of Primary Clarifiers Rectangular Tanks, Drain Lines, Electrical/Mechanical Building and Pipe Gallery	\$ 54,061,159	\$ -	\$ -	\$ -	\$ -	\$ 54,748,738	\$ -	\$ 54,748,738	101%
211002	Pump Station No. 2 Pumping Improvements	3,340,152	2,517,234	-	-	15,428	-	2,532,662	2,532,662	76%
211004	Pump Station 1 Rack & Grit and MPI Sampling Station 1 Improvements	23,295,382	27,865,682	-	-	10,384	-	27,876,066	27,876,066	120%
211005	Pump Station No. 2 Improvements	13,797,096	2,176	-	-	-	-	2,176	2,176	0%
211006	Pump Station No. 1 Improvements	68,709,404	3,491,519	3,060,848	3,060,848	198,357	-	3,689,876	3,689,876	5%
211007	Replacement of Bar Racks and Grit Collection System at Pump Station No. 2	76,228,576	1,509,443	2,303,172	2,303,172	448,017	-	1,957,460	1,957,460	3%
211008	Rehabilitation of Ferric Chloride Feed systems at the Pump Station -1 and Complex B Sludge Lines	11,387,944	1,870,766	5,358,083	7,431,083	765,511	-	2,636,276	2,636,276	23%
211009	Rehabilitation of the Circular Primary Clarifier Scum Removal System	13,007,908	39,674	476,043	476,043	-	-	39,674	39,674	0%
211010	Rehabilitation of Sludge Processing Complexes A and B	13,934,471	94,270	-	-	-	-	94,270	94,270	1%
211011	WRRF PS1 Screening and Grit Improvements	93,303,153	-	-	-	-	-	-	-	0%
212003	Aeration System Improvements	14,643,450	-	-	-	-	16,524,875	-	16,524,875	113%
212004	ProjectChlorination/Dechlorination Process Equipment Improvements	5,742,203	5,642,328	-	-	747	-	5,643,076	5,643,076	98%
212006	PC-797 Rouge River Outfall Disinfection and CS-1781 Oversight Consulting Services Contract	43,788,731	-	-	-	-	43,788,731	-	43,788,731	100%
212007	Rehabilitation of the Secondary Clarifiers	49,871,040	2,247	9,900	9,900	-	-	2,247	2,247	0%
212008	WRRF Rehabilitation of Intermediate Lift	81,931,310	583,363	2,566,737	2,566,737	92,223	-	675,586	675,586	1%
212009	WRRF Aeration Improvements 3 and 4	73,588,564	-	-	-	-	-	-	-	0%
212010	WRRF Conversion of Disinfection of all Flow to Sodium Hypochlorite and Sodium Bisulfite	5,765,452	-	-	-	-	-	-	-	0%
213006	Improvements to Sludge Feed Pumps at Dewatering Facilities	4,489,934	194,357	342,468	342,468	27,541	-	221,898	221,898	5%



Great Lakes Water Authority

Wastewater System Construction Work-in-Progress (CWIP) FY 2022 Rollforward
 Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Wastewater System
Construction Work-in-Progress Quarterly Report
 As of September 30, 2021

Project	Project Name	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance July 1, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	Life to Date Capitalization / Expense Through September 30, 2021	CWIP Balance September 30, 2021	Life to Date Activity through September 30, 2021	Life to Date Activity / Total Project Plan Estimate
213007	Construction of the Improved Sludge Conveyance and Lighting System at the WWTP	22,162,273	20,120,012	2,499,064	2,499,064	345,315	-	20,465,327	20,465,327	92%
213008	Rehabilitation of the Wet and Dry Ash Handling Systems	8,432,039	151,058	295,324	295,324	-	-	151,058	151,058	2%
214001	Relocation of Industrial Waste Division and Analytical Laboratory Operations	12,651,082	11,949,799	-	-	61,125	2,282,260	12,010,925	14,293,184	113%
216004	Rehabilitation of Various Sampling Sites and PS# 2 Ferric Chloride System at WWTP	6,645,397	3,070,854	75,940	75,940	615,585	-	3,686,440	3,686,440	55%
216006	Rehabilitation of the Screened Final Effluent (SFE) Pump Station and Secondary Water System	23,874,377	1,038,944	558,406	558,406	825,320	-	1,864,264	1,864,264	8%
216007	DTE Primary Electric 3rd Feed Supply Line to the WRRF	4,544,429	3,380,783	393,514	393,514	-	543,500	3,380,783	3,924,283	86%
216008	Rehabilitation of Screened Final Effluent (SFE) Pump Station	40,820,651	262,035	906,386	906,386	637,141	-	899,176	899,176	2%
216009	Logistics & Material Facility	164,904	-	-	-	-	-	-	-	0%
216010	WRRF Facility Optimization	10,270,771	-	57,420	57,420	-	-	-	-	0%
216011	WRRF Structural Improvements	12,333,080	-	2,051,568	2,051,568	-	-	-	-	0%
216012	WRRF Research Facility	-	-	-	-	930	930	-	930	0%
222001	Intercommunity Relief Sewer Modifications in Detroit Oakwood District	53,397,144	475,416	790,559	790,559	410,861	-	886,277	886,277	2%
222002	Detroit River Interceptor Evaluation and Rehabilitation	72,775,106	37,097,586	11,191,618	11,191,618	1,431,238	-	38,528,824	38,528,824	53%
222004	Collection System Valve Remote Operation Structures Improvements	-	4,246	-	-	-	-	4,246	4,246	0%
232001	Fairview Pumping Station - Replace Four Sanitary Pumps	40,073,406	30,371,550	12,781,009	12,781,009	3,370,342	-	33,741,891	33,741,891	84%
232002	Freud and Connor Creek Pump Station Improvements	229,278,758	4,582,109	3,357,420	3,357,420	1,423,001	5,977,827	6,005,109	11,982,937	5%
232004	CONDITION ASSESSMENT AT BLUE HILL PUMP STATION	257,420	-	-	-	-	-	-	-	0%
233003	Rouge River In-system Storage Devices	46,317,488	-	-	-	-	-	-	-	0%
260200	Sewer and Interceptor Evaluation and Rehabilitation Program	53,748,897	-	-	-	-	-	-	-	0%
260201	Conveyance System Interceptor Rehab	32,282,349	10,587,039	1,479,167	1,479,167	1,123,012	18,542,127	11,710,051	30,252,178	94%



Great Lakes Water Authority

**Wastewater System Construction Work-in-Progress (CWIP) FY 2022 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30, 2021**
**Wastewater System
Construction Work-in-Progress Quarterly Report
As of September 30, 2021**

Project	Project Name	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance July 1, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	Life to Date Capitalization / Expense Through September 30, 2021	CWIP Balance September 30, 2021	Life to Date Activity through September 30, 2021	Life to Date Activity / Total Project Plan Estimate
260202	Conveyance System Interceptor Rehab	-	1,904	-	-	-	-	1,904	1,904	0%
260204	Energy Services for Rehabilitation of Conveyance Sewer System	52,157,408	943,846	11,646,299	11,646,299	205,941	-	1,149,787	1,149,787	2%
260205	NWI Outfall Rehabilitation	10,937,891	267,139	5,045,936	5,045,936	27,157	-	294,296	294,296	3%
260206	Conveyance System Rehabilitation - Interceptors	47,821,376	22,180	7,045,936	7,045,936	8,382	-	30,561	30,561	0%
260207	Rehabilitation of Woodward Sewer System	-	1,229,440	-	-	(65,681)	-	1,163,759	1,163,759	0%
260500	CSO Outfall Rehab	5,000,000	-	832,953	832,953	-	-	-	-	0%
260504	Rehabilitation of Outfalls - Phase II	5,051,112	-	-	-	12,523	4,900,746	12,523	4,913,269	97%
260505	Rehabilitation of Outfalls - Phase IV	5,718,385	4,938,825	640,637	640,637	752,217	-	5,691,043	5,691,043	100%
260506	Pilot Regulator Orifice Expansion	-	78,641	-	-	-	-	78,641	78,641	0%
260508	B-39 Outfall Rehab	568,620	150,000	180,517	4,004,869	1,116	-	151,116	151,116	27%
260509	B-40 Outfall Rehab	88,500	77,621	-	-	636	-	78,257	78,257	88%
260510	Conveyance System Rehabilitation - Outfalls	48,863,036	34,594	7,709,560	3,885,208	211,021	-	245,615	245,615	1%
260600	CSO Facilities Improvements	126,400,000	-	1,000,000	-	-	-	-	-	0%
260601	Oakwood Drain Valve Improvements	864,218	-	-	-	-	804,574	-	804,574	93%
260602	CSO Fire Alarm System Improvements	997,619	-	-	-	-	997,619	-	997,619	100%
260603	Conner Creek CSO Basin Rehab	7,898,362	7,518,411	-	-	19,457	-	7,537,869	7,537,869	95%
260606	Puritan Fenkell Roof Replacement	346,540	-	-	-	-	346,540	-	346,540	100%
260607	Lieb SDF Electrical Improvements	1,032,687	(0)	-	-	-	1,032,508	(0)	1,032,508	100%
260608	Seven Mile RTB - Roof Replacement	496,699	-	-	-	-	496,699	-	496,699	100%
260609	Seven Mile RTB - Parking Lot / Sitework	416,597	-	-	-	-	429,557	-	429,557	103%
260610	Baby Creek MAU Replacement	275,151	-	-	-	-	275,151	-	275,151	100%
260611	HVAC Improvements At Lieb SDF	395,615	-	-	-	-	412,590	-	412,590	104%
260613	Baby Creek HVAC Improvements	587,628	529,906	-	-	16,048	-	545,954	545,954	93%
260614	CSO Facilities Structural Improvements	13,794,118	2,352,725	4,422,021	4,422,021	600,252	21,255	2,931,722	2,952,977	21%
260615	PF & Lieb CSO Facilities Site & Drainage Improvements	801,140	382,407	199,240	199,240	116,635	-	499,041	499,041	62%
260616	Baby Creek SCO Anchor & Wedge Improvements	782,863	-	-	-	-	770,114	-	770,114	98%
260617	St. Aubin Chemical Disinfection Improvements	6,966,364	417,052	387,420	387,420	153	-	417,206	417,206	6%
260618	Oakwood HVAC Improvements	3,966,512	370,525	3,235,005	5,335,005	230	-	370,755	370,755	9%
260619	Control System Upgrade At St. Aubin, Lieb and 7 Mile	116,179	62,766	-	-	-	-	62,766	62,766	54%



Great Lakes Water Authority

Wastewater System Construction Work-in-Progress (CWIP) FY 2022 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30, 2021

Wastewater System
Construction Work-in-Progress Quarterly Report
As of September 30, 2021

Project	Project Name	Total Project Plan Estimate from FY 2022-2026 CIP	CWIP Balance July 1, 2021	FY 2022 Board Approved CIP	FY 2022 Board Approved CIP With Project Amendments	FY 2022 Activity through September 30, 2021	Life to Date Capitalization / Expense Through September 30, 2021	CWIP Balance September 30, 2021	Life to Date Activity through September 30, 2021	Life to Date Activity / Total Project Plan Estimate
260620	Baby Creek Roof Replacement	640,500	25,848	-	-	59	-	25,907	25,907	4%
260621	Connor Creek Berm Improvements	-	284,034	-	-	1,188,385	-	1,472,419	1,472,419	0%
260622	CSO Facilities Emergency Generator Improvements	-	893	-	-	2,817	-	3,710	3,710	0%
260623	Baby Creek Screen Rehabilitation	-	-	-	-	554	-	554	554	0%
260700	Sewer System Infrastructure Improvements & Pumping Stations	35,901,492	-	3,660,745	3,660,745	-	-	-	-	0%
260701	Conveyance System Infrastructure Improvements	4,586,079	1,384,239	1,356,302	1,356,302	61,704	-	1,445,943	1,445,943	32%
260702	Pump Station Assets Updates	669,000	-	-	-	-	-	-	-	0%
260901	Rehab. Hazmat Facility at WRRF	-	131,014	-	-	-	-	131,014	131,014	0%
260902	WRRF Renovation of 4th Floor	-	49,160	-	-	-	-	49,160	49,160	0%
270001	Pilot CSO Netting Facility	9,573,092	235	13,420	13,420	-	-	235	235	0%
270002	Meldrum Sewer Diversion and VR-15 Improvements	5,839,631	-	8,580	8,580	-	-	-	-	0%
270003	Long Term CSO Control Plan	9,267,841	5,596	3,798,606	3,798,606	271,409	277,005	-	277,005	3%
270004	Oakwood Lieb CSO Facility Improvement	-	3,564	-	-	9,291	-	12,855	12,855	0%
273001	Hubbell Southfield CSO Facility Improvement	-	-	-	-	228	-	228	228	0%
274001	Leib Improvements for Meldrum Diversion	10,941,804	-	254,232	254,232	-	-	-	-	0%
277001	Baby Creek Outfall Improvements Project	18,825,761	19,228	1,807,420	1,807,420	19,594	17,287	21,535	38,822	0%
278001	Oakwood Improvements for NWI Diversion	10,225,804	-	251,772	251,772	-	-	-	-	0%
331002	Roofing Systems Replacement at GLWA Wastewater Treatment Plant, CSO Retention Treatment Basins (RTB) and Screening Disinfection Facilities (SDF)	8,888,476	-	1,276,569	1,276,569	-	1,123,056	-	1,123,056	13%
341002	Security Infrastructure Improvements	3,533,510	2,934,004	722,226	722,226	201,689	-	3,135,693	3,135,693	89%
Grand Total		\$ 1,782,153,110	\$ 191,120,285	\$ 106,050,041	\$ 109,223,041	\$ 15,463,896	\$ 154,313,688	\$ 206,267,703	\$ 360,581,391	31%
				Project Amendm		\$ 3,173,000				

FY 2022 Project Amendment Summary

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

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

\$3,173,000 of Capital Reserve project amendments have been prepared as of September 30, 2021 as shown in the table on the next page along with project amendments detailing the assignment of funding within Program and Allowance accounts.

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

**Great Lakes Water Authority
 Wastewater System Project Amendment Summary
 Unaudited Activity For the Fiscal Quarter Ended September 30, 2021**

**Wastewater System
 Construction Work-in-Progress Quarterly Report**
 As of September 30, 2021

Project	Project Name	Capital Reserve	Program / Allowance	Grand Total
211008	Rehabilitation of Ferric Chloride Feed systems at the Pump Station -1 and Complex B Sludge Lines	\$ 2,073,000		\$ 2,073,000
260508	B-39 Outfall Rehab		3,824,352	3,824,352
260510	Conveyence System Rehabilitation - Outfalls		(3,824,352)	(3,824,352)
260600	CSO Facilities Improvements		(1,000,000)	(1,000,000)
260618	Oakwood HVAC Improvements	1,100,000	1,000,000	2,100,000
Grand Total		\$ 3,173,000	\$ -	\$ 3,173,000



Financial Report
Debt Summary
for the Quarter Ended September 30, 2021

The Quarterly Debt Summary Report includes the following:

1. Key Takeaways
2. Look Ahead – Five Year Capital Financing Plan
3. Existing Debt
4. Debt Service Coverage
5. Refinancing

Pursuant to leases that became effective on January 1, 2016, the Great Lakes Water Authority (GLWA) assumed possession and control of the regional assets of both the water supply and sewage disposal systems owned by the City of Detroit (City), which were previously operated by the Detroit Water and Sewerage Department (DWSD). GLWA assumed certain liabilities including State Revolving Fund loans and 100% of the revenue bond debt issued by DWSD prior to January 1, 2016.

The bonds are repaid by the revenues of the water and sewage disposal systems including the DWSD retail system (local system) revenues which are the exclusive property of GLWA in accordance with Section 5.7 of each lease agreement. The DWSD is GLWA's agent for purposes of billing and collection of the retail system revenues for both the water and sewer system, as set forth in a water and sewer services agreement between the City and GLWA. All revenue receipts are deposited into a trust and administered in compliance with the Master Bond Ordinance, applicable to each system (referred to herein collectively as the "MBO").

The leases also provide that GLWA will finance local system improvements of DWSD. GLWA is the obligor of 100% of the debt payable which is recorded in GLWA's books. An "obligation receivable" is recorded by GLWA which represents the amount related to the DWSD local system improvements. Accordingly, DWSD records an "obligation payable" for a like amount.

GLWA maintains detailed records of all debt issuances and how the responsibility for payment of debt is allocated between the regional system and local system, as well as between the water and sewer systems. GLWA and DWSD regularly reconcile interrelated accounts between the entities.

The lease agreements, water and sewer services agreement, and MBO noted above are available on GLWA's website at www.glwater.org. The above explanation is a synopsis of key points and is not intended to fully represent the agreements or any sub-sections thereof.

Key Takeaways

- ✓ The purpose of this report is to provide a resource for stakeholders and to support management decisions as capital financing needs evolve.
- ✓ GLWA continues to enhance transparency by including the Debt Summary Report in the Audit Committee Binder quarterly.
- ✓ GLWA has fourteen active State Revolving Fund (SRF) loans, ten for water and four for sewer. On behalf of DWSD, GLWA is administering four projects for water and two for sewer.
- ✓ Existing proceeds from special revenue bonds are depleted. This means that all capital projects are now funded with Improvement & Extension funds, except for SRF funded projects.
- ✓ Other key items of interest include the following balances as of September 30, 2021.

As of September 30, 2021 (\$ Millions)		
	Water	Sewer
FY 2022 Approved SRF Projects - Table 5	\$275.2	\$70.6
DWSD Obligation Receivable - Table 6	\$547.2	\$387.2
GLWA Outstanding Debt - Table 8	\$2,257.1	\$2,869.0

Look Ahead - Five Year Capital Financing Plan

The following tables summarize the projected Capital Improvement Program (CIP) funding to be provided by proceeds received from the issuance of new revenue bonds and draws on committed SRF loans. *The financing plan is dynamic and changes with the pace of capital spending and alignment with refunding opportunities.*

Table 1 is based on the recently approved FY 2022 and FY 2023 Biennial Budget & Five-Year Financial Plan FY 2022 through FY 2026 approved by the GLWA Board of Directors. It should be noted existing proceeds from special revenue bonds are depleted. This means that all capital projects are now funded with Improvement & Extension (I&E) funds, except for SRF funded projects. It is expected that the I&E funds supplemented with SRF low-interest loan funding will be sufficient to fund the capital program through FY 2022 including an allowance to provide flexibility in the timing of future bond issues.

Table 2 is based on the current local system CIP approved by the DWSD's Board of Water Commissioners. It is important to note the amounts represented in Revenue Bonds reflect the anticipated par amount of the bonds to be issued and not the net proceeds needed to support the capital plan.

Table 1 - GLWA Projected Bond Financing FY 2022 – FY 2026

Projected Funding Needs for Regional System					
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Water					
Revenue Bonds	\$ -	\$ 205,000,000	\$ -	\$ 195,000,000	\$ -
SRF loan draws	\$ 26,100,000	\$ 16,600,000	\$ 16,600,000	\$ 16,600,000	\$ 15,810,000
Total projected funding Water	\$ 26,100,000	\$ 221,600,000	\$ 16,600,000	\$ 211,600,000	\$ 15,810,000
Sewer					
Revenue Bonds	\$ -	\$ 130,000,000	\$ -	\$ 115,000,000	\$ -
SRF loan draws	\$ 31,992,000	\$ 4,122,000	\$ -	\$ -	\$ -
Total projected funding Sewer	\$ 31,992,000	\$ 134,122,000	\$ -	\$ 115,000,000	\$ -

Table 2 - DWSD Projected Bond Financing FY 2022 – FY 2026

Projected Funding Needs for Local System					
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Water					
Revenue Bonds		\$ -	\$ -	\$ -	\$ -
SRF loan draws	\$ 25,000,000	\$ 28,500,000	\$ -	\$ -	\$ -
Total projected funding Water	\$ 25,000,000	\$ 28,500,000	\$ -	\$ -	\$ -
Sewer					
Revenue Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
SRF loans draws	\$ 10,000,000	\$ 8,628,000	\$ -	\$ -	\$ -
Total projected funding Sewer	\$ 10,000,000	\$ 8,628,000	\$ -	\$ -	\$ -

Note: Information presented is as of September 30, 2021. Financing plans continue to evolve based on the needs of the system.

Existing Debt

Current Debt Ratings: Bond ratings are a key measure of an organization's financial strength. Ratings are established by independent agencies that conduct detailed reviews of an organization's operational and financial performance to assist those seeking to invest in an organization through the purchase of bonds. GLWA actively monitors its debt ratings and continually seeks to make operational and financial improvements to improve its bond ratings. Achieving higher ratings will allow GLWA to finance its capital needs at lower interest rates.

Table 3 – Debt Ratings by System provides a summary of the debt ratings assigned in March 2020 in advance of the most recent bond refinancing and new money issuance in May and June 2020.

Current Debt Ratings			
	S&P Global Ratings	Moody's Investors Service	Fitch Ratings
Water Supply System Revenue Bonds			
Senior lien	AA-	A1	A+
Second lien	A+	A2	A
Junior lien	A+	N/A	N/A
Outlook	Stable	Stable	Stable
Sewage Disposal System Revenue Bonds			
Senior lien	AA-	A1	A+
Second lien	A+	A2	A
Junior lien	A+	N/A	N/A
Outlook	Stable	Stable	Stable

Debt Allocation: GLWA has over \$2.3 billion in water system debt and nearly \$2.9 billion in sewer system debt for a combined total of over \$5.2 billion. Debt within each system is prioritized according to its security interest, or lien category, with senior lien debt having the highest security interest, followed by second lien and finally junior lien.

Chart 1 - Debt Type by Lien – Water provides a breakdown of the total water system debt for both the regional and local systems by lien type.

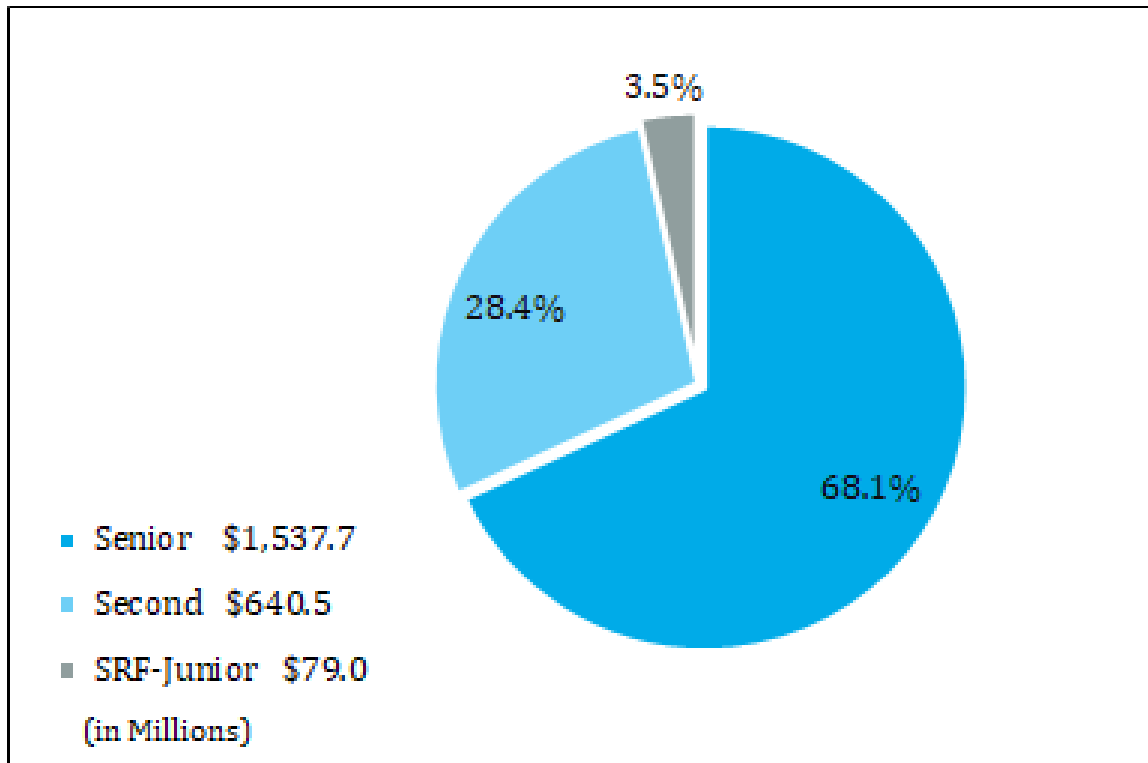


Chart 2 - Debt Type by Lien – Sewer provides a breakdown of the total sewer system debt for both the regional and local systems by lien type.

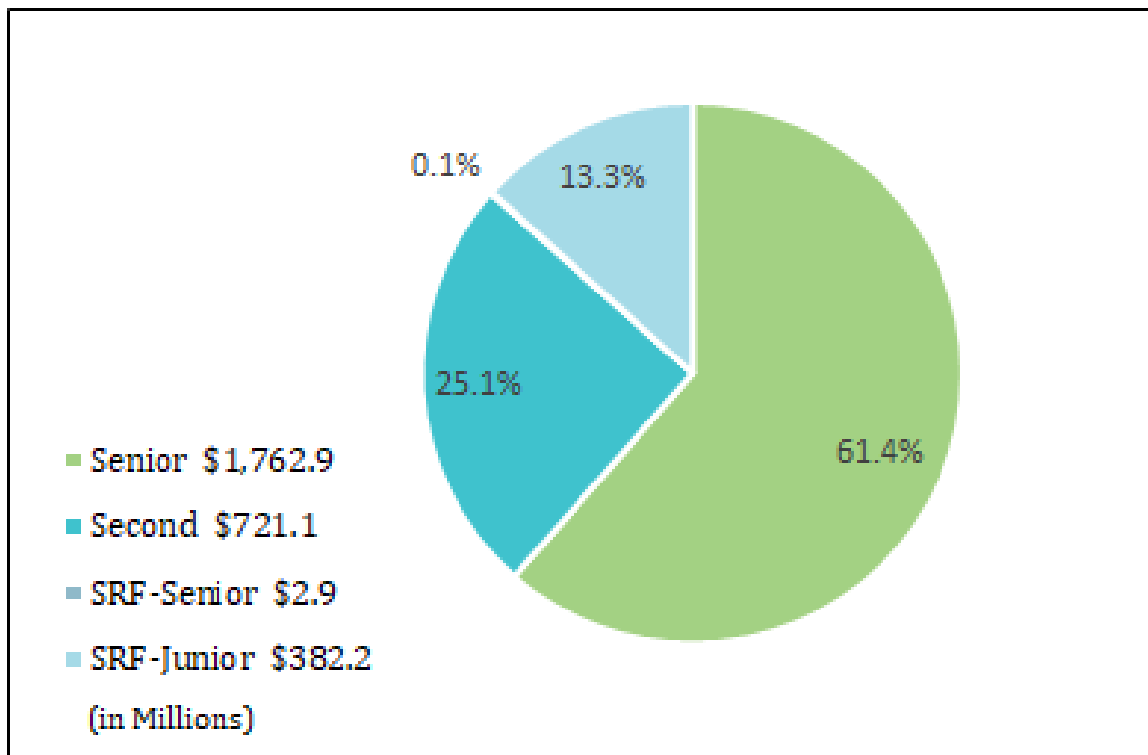


Chart 3 – Annual Debt Service Payments by Lien – Water provides the annual debt service installment requirements for each fiscal year.

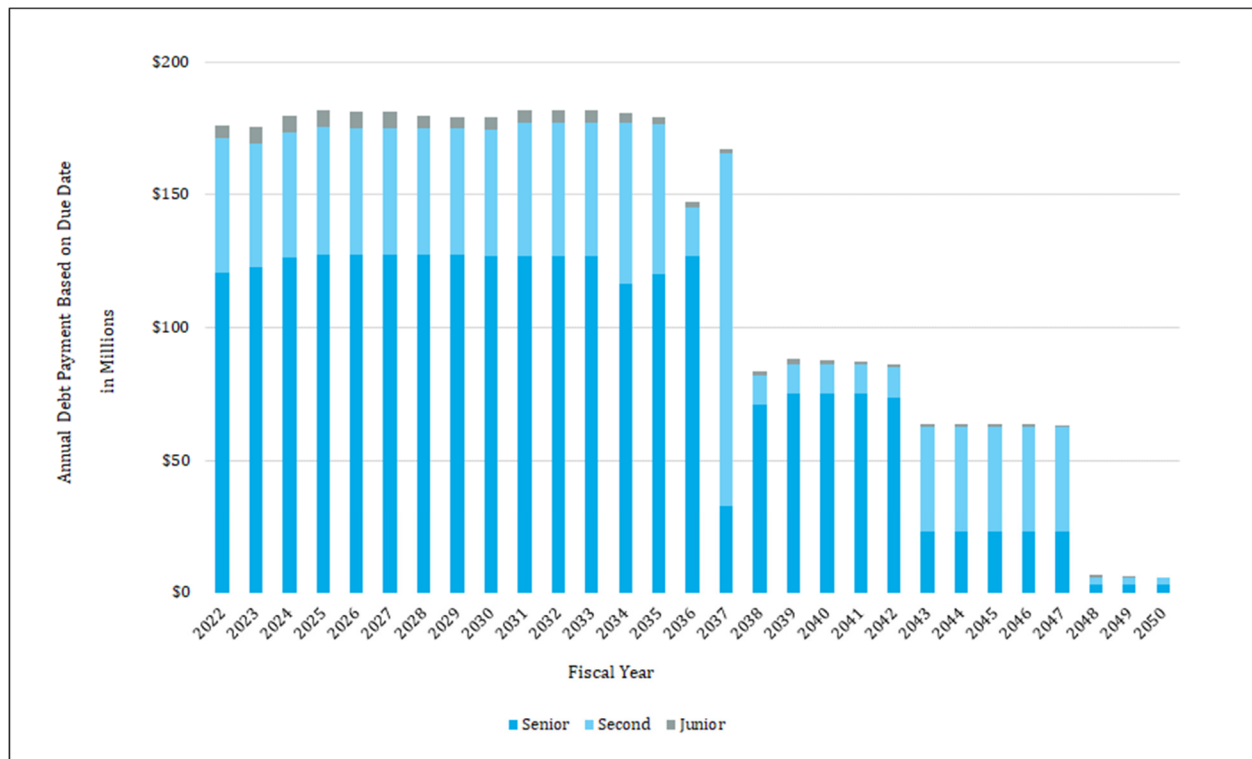
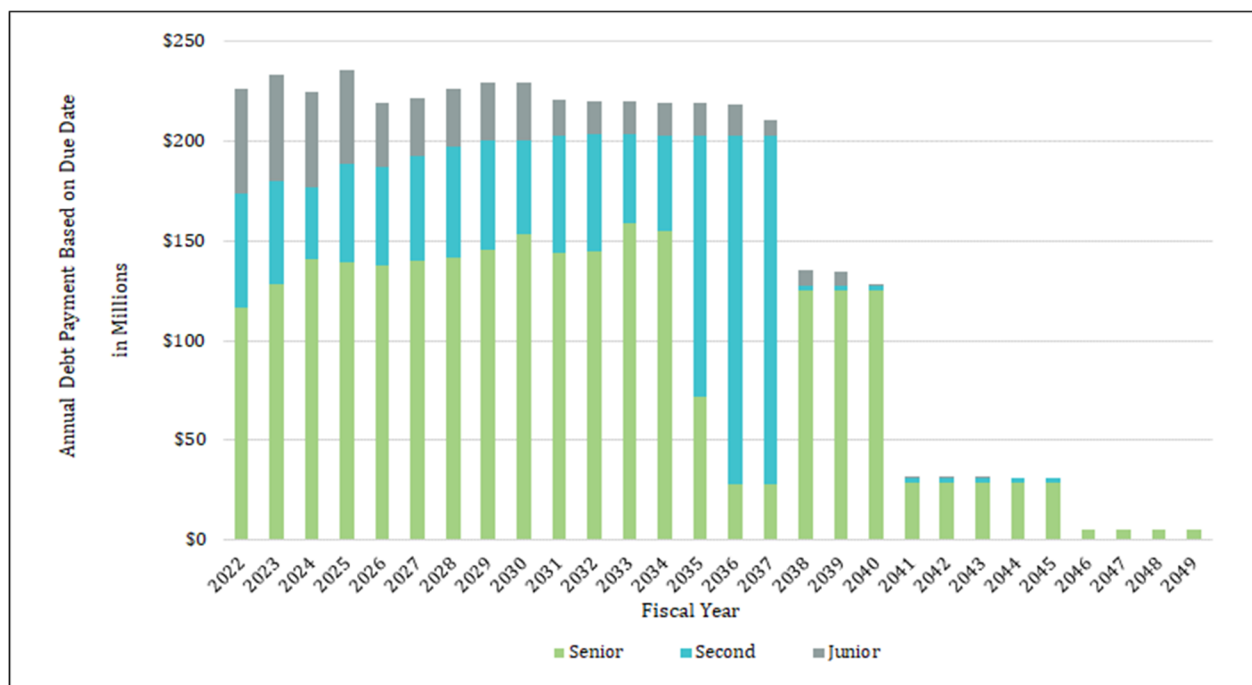


Chart 4 – Annual Debt Service Payments by Lien – Sewer provides the annual debt service installment requirements for each fiscal year.



Note: The figures in these charts reflect the debt service installment requirements for each fiscal year, which are required by the MBO to be set aside monthly in advance of actual payment dates. This information will differ from the Annual Comprehensive Financial Report which reflects when the actual payments are made to the bond paying agent.

State of Michigan's State Revolving Fund (SRF) Programs: GLWA participates in the State's Clean Water Revolving Fund (CWRP) to finance qualified sewage disposal system projects and the State's Drinking Water Revolving Fund (DWRP) to finance qualified water supply system projects. For the purposes of this report, both water and sewer projects financed through these programs will be referred to as either water or sewer SRF loans.

These loan programs have interest rates that are well below open market interest rates (usually between 1.875% and 2.5%) and are repaid over 20-30 years. For the state's FY 2022, the DWRP and CWRP program rates are 1.875% for 20-year loans and 2.125% for 30-year loans.

Funds are disbursed as construction payments are made. Interest on each loan is based on the amount of funds drawn and not the full loan amount. GLWA must submit project plans to the Michigan Department of Environment, Great Lakes, and Energy ("EGLE", and formerly known as the Michigan Department of Environmental Quality or MDEQ) for each project by the annual submission date (July 1 for DWRP and June 1 for CWRP) to be considered for the State's funding pool for the following fiscal year.

State Revolving Fund Loans: GLWA's strategy is to maximize its use of SRF loans to finance qualified capital projects. GLWA currently has \$79.0 million in outstanding water SRF loans and \$385.1 million in outstanding sewer SRF loans.

Table 4 - Active SRF Project Summary provides information regarding each loan including the loan award date which is also referred to as the Order of Approval date by the State of Michigan.

State Loan #	Description	Order of Approval	Project Total (\$ Millions)
SRF Water - DWSD Projects			
7447-01	Water Main Replacement (WS-707 & 714)	8/9/2019	\$16.5
7460-01	Water Main Replacement (WS-710 & WS-711)	7/15/2020	\$22.6
7483-01	Water Main Replacement (WS-715 & WS-718)	9/9/2020	\$13.4
7484-01	Water Main Replacement - Jefferson Chalmers (WS-713)	8/6/2021	\$12.8
SRF Water - GLWA Projects			
7445-01	Northeast Transmission Phase 1	8/9/2019	\$30.0
7445-02	Northeast Transmission Main - Phase 2a	8/7/2020	\$9.0
7445-04	Northeast Transmission Main - Phase 3a	5/28/2021	\$11.9
7446-01	Lake Huron Sludge System-Raw Sludge Clarifiers	5/17/2019	\$8.3
7461-01	14 Mile Transmission Main Loop - Phase 1	8/7/2020	\$9.0
7461-02	14 Mile Transmission Main Loop - Phase 2	8/6/2021	\$104.7
Total Water			\$238.2
SRF Sewer - DWSD Projects			
5688-01	Sewer Main Rehab/Rplcmt (DWS-916) - Project A	9/9/2020	\$4.0
5706-01	Sewer Main Replacements - Project B (DWS-917 & DWS-918)	9/9/2021	\$9.2
SRF Sewer - GLWA Projects			
5655-02	Detroit River Interceptor Segment 2	3/27/2020	\$28.4
5673-01	PS-1 Ferric Chloride System Rehabilitation	2/26/2021	\$12.9
Total Sewer			\$54.5

Chart 5 - Open State Revolving Fund Loans summarizes all current SRF loans held by GLWA (including financings on behalf of DWSD) that are active (reference Table 4 above for project descriptions). It summarizes the original award amount remaining and the amount drawn down as of September 30, 2021 for each loan. On September 30, 2021, the amount of SRF loans authorized and unissued is \$176.1 million for the Water fund and \$39.7 million for the Sewage Disposal Fund.

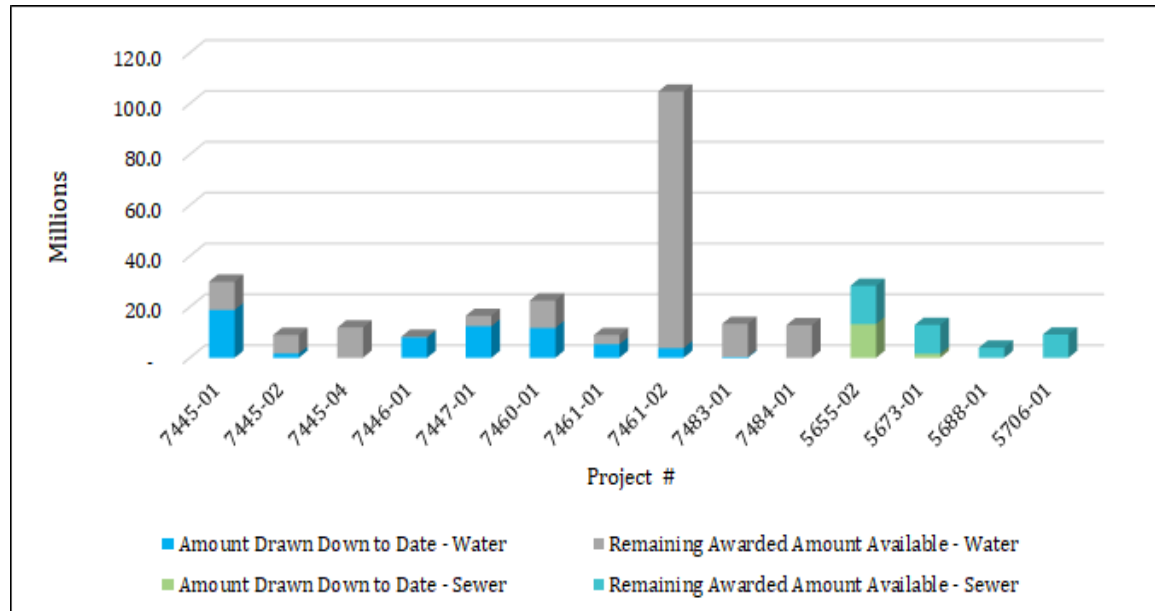


Table 5 - Project Plan Approved by EGLE identifies projects approved by the EGLE but for which applications had not yet been submitted for funding as of September 30, 2021.

Table 5 - Project Plan Approved by EGLE

Project Owner	Description	Estimated Loan Amount	Anticipated Funding Date
Water SRF			
GLWA	Ypsilanti Pumping Station	\$ 36,700,000	4Q 2022
GLWA	96-inch Water Transmission Main Relocation Project - Phase 1	\$ 34,075,000	1Q 2022
GLWA	96-inch Water Transmission Main Relocation Project - Phase 2	\$ 31,099,000	4Q 2022
DWSD	Lead Service Line Water Main Replacement (WS-721)	\$ 1,000,000	2Q 2022
GLWA	Northeast Transmission Main - Phase 2b	\$ 92,000,000	FY 2023
GLWA	Northeast Transmission Main - Phase 3b	\$ 80,294,000	FY 2024
Total Water SRF		\$ 275,168,000	
Sewer SRF			
GLWA	Detroit River Interceptor - Financial Segment	\$ 20,000,000	4Q 2022
GLWA	In-System Storage Device and Dam and Valve Remote Evaluation and Rehabilitation	\$ 8,165,000	2Q 2022
GLWA	Connor Creek Sewer System Rehabilitation	\$ 42,430,000	2Q 2022
Total Sewer SRF		\$ 70,595,000	

DWSD Obligation Receivable: GLWA holds an obligation receivable from DWSD as an asset to account for the amount due for financing local system capital projects. DWSD carries a like amount of this as an obligation payable on its statement of net assets.

There are three components to the calculation of the DWSD obligation receivable. These are:

- a) an agreed upon amount for pre-January 1, 2016 (i.e. “pre-bifurcation”) debt as documented in a 2018 Memorandum of Understanding (\$455 million for water system and \$370 million for sewer per agreed-upon amortization schedules),
- b) new revenue bonds issued after January 1, 2016 to specifically fund the DWSD local system capital improvement projects which are payable based on the allocable share of the actual bonds debt service schedule, and
- c) SRF loans issued after January 1, 2016 for specific DWSD capital projects which are payable based on the allocable share of the actual loan payment schedule.

All retail customer revenues are deposited into a trust to fund these financial obligations in accordance with the MBO flow of funds.

Chart 6 - DWSD Obligation Receivable by Type summarizes the total DWSD obligation receivable balance for both Water and Sewer as of September 30, 2021 by pre-bifurcation, revenue bond and SRF component.

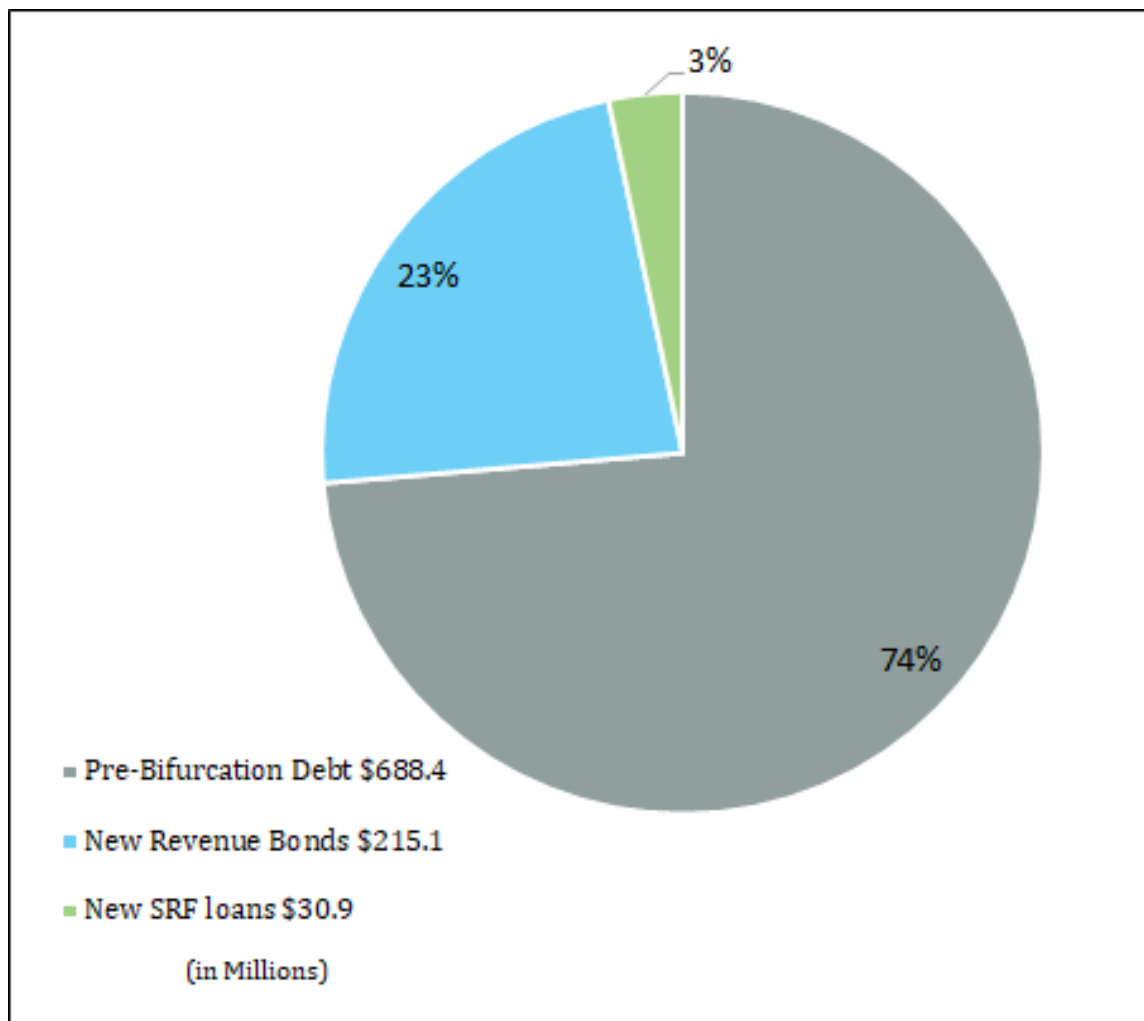


Chart 7 – Obligation Receivable Compared to Total Debt - Water provides context by comparing the Water System Obligation Receivable to the Total Water Debt (excludes unamortized premiums).

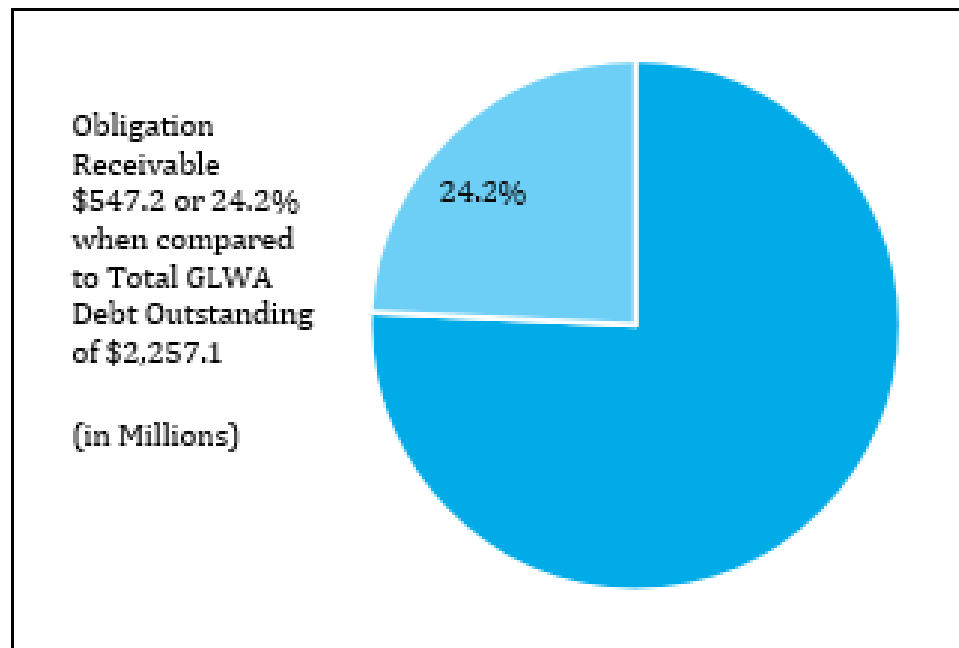


Chart 8 – Obligation Receivable Compared to Total Debt - Sewer provides context by comparing the Sewer System Obligation Receivable to the Total Sewer Debt (excludes unamortized premiums).

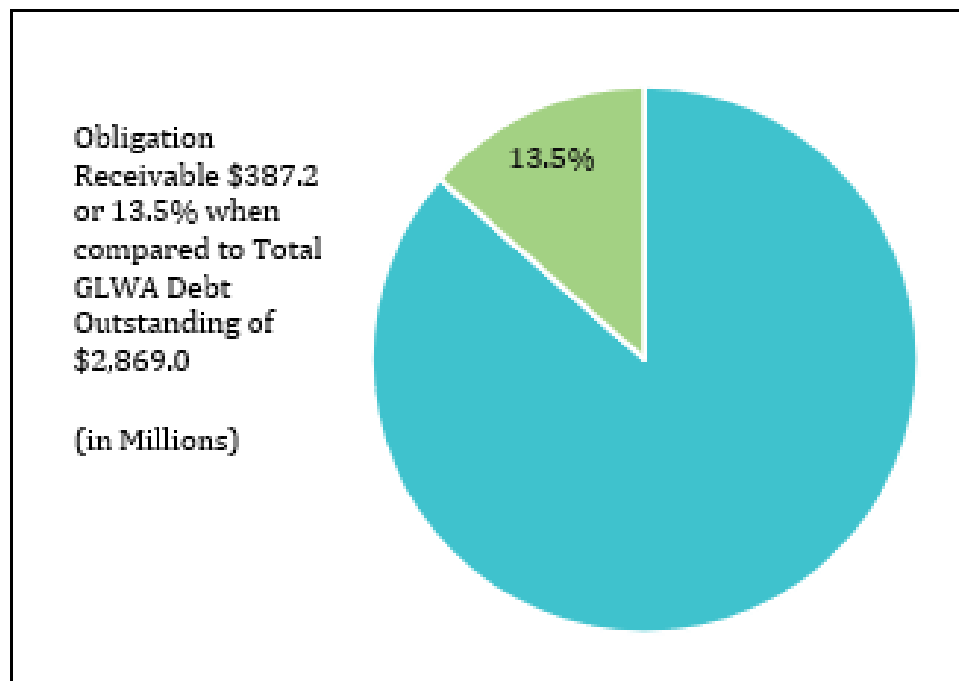


Table 6 - DWSD Obligation Receivable provides obligation receivable detail including fiscal year 2022 beginning balances by debt type and loan issue (for revenue bonds and SRF loans), year-to-date activity and ending balances as of September 30, 2021. Total DWSD debt totals \$963 million. This differs slightly from the total in Chart 6 due to the inclusion of unamortized premiums.

Debt Type	(In Thousands)				
	July 1, 2021 Beg Balance	Increase	Decrease	SRF Debt Forgiveness	September 30, 2021 End Balance
DWSD Water					
Pre-Bifurcation Debt	\$ 383,841	\$ -	\$ (3,792)		\$ 380,049
Revenue Bond - 2016A	17,725	-	-	-	17,725
Revenue Bond - 2016B	33,015	-	-	-	33,015
Revenue Bond - 2020A	42,445	-	-	-	42,445
Revenue Bond - 2020B	43,135	-	-	-	43,135
SRF 7412-01	4,842	-	-	-	4,842
SRF 7413-01	3,139	-	-	-	3,139
SRF 7414-01	5,503	-	-	-	5,503
SRF 7447-01	7,684	-	-	-	7,684
SRF 7460-01	7,718	1,979	-	-	9,697
SRF 7483-01	-	327	-	(327)	-
Total DWSD Obligation	549,046	2,306	(3,792)	(327)	547,233
Unamortized Premiums	19,606	-	(183)		19,423
Subtotal: Water	568,652	2,306	(3,975)	(327)	566,656
DWSD Sewer					
Pre-Bifurcation Debt	311,584	-	(3,195)	-	308,389
Revenue Bond - 2018A	78,810	-	-	-	78,810
SRF 5688-01	-	46	-	(46)	-
Total DWSD Obligation	390,394	46	(3,241)	(46)	387,199
Unamortized Premiums	8,962	-	(97)	-	8,865
Subtotal: Sewer	399,356	46	(3,338)	(46)	396,064
Total DWSD Debt	\$ 968,008	\$ 2,351	\$ (7,313)	\$ (373)	\$ 962,719

Table 7 – Loan Forgiveness provides a summary of loan principal forgiven on DWSD SRF loans closed after January 1, 2016. EGLE grants principal loan forgiveness on qualified planning costs for disadvantaged communities. Through September 30, 2021, over \$16.4 million or 16% of approved, DWSD SRF loans have been forgiven as a disadvantaged community.

Table 7 - DWSD SRF Loan Forgiveness

State Loan #	Approved Amount	Loan Forgiveness
DWSD Water SRF		
SRF 7412-01	10,605,000	1,000,000
SRF 7413-01	5,180,000	1,000,000
SRF 7414-01	8,675,000	2,000,000
SRF 7447-01	16,500,000	4,711,944
SRF 7460-01	22,570,000	2,031,300
SRF 7483-01	13,355,000	1,201,950
SRF 7484-01	12,845,000	1,316,050
Subtotal: Water	89,730,000	13,261,244
DWSD Sewer SRF		
SRF 5688-01	4,040,000	808,000
SRF 5706-01	9,175,000	2,293,750
Subtotal: Sewer	13,215,000	3,101,750
Total DWSD Debt	\$ 102,945,000	\$ 16,362,994

Annual Change in Outstanding Debt: It is the goal of GLWA to ensure the long-term sustainability of the water and sewer systems. One of the best ways to accomplish this is by reducing the debt service payments on existing bonds as well as reducing the amounts of future bond issues by using revenue financed capital.

Table 8 - Long-Term Debt Summary provides a detail of GLWA's fiscal year 2021 beginning balances by debt type and loan issues, year-to-date activity, and ending balances as of September 30, 2021. GLWA debt includes financing for both the regional and local share.

Debt Type	(In Thousands)				
	June 30, 2021 Beg Balance	Increase	Decrease	Debt Forgiveness	September 30, 2021 End Balance
Water Fund					
Revenue Bonds	\$ 2,192,510	\$ -	\$ (14,390)	\$ -	\$ 2,178,120
State Revolving Loans	71,260	10,417	(2,343)	(327)	79,007
Total Installment Debt	2,263,770	10,417	(16,733)	(327)	2,257,127
Unamortized Premiums / Discounts	176,122	-	(3,778)	-	172,344
Subtotal: Water	2,439,892	10,417	(20,511)	(327)	2,429,471
Sewer Fund					
Revenue Bonds	2,515,455	-	(31,545)	-	2,483,910
Capital Appreciation bonds	5,675	-	(5,675)	-	-
State Revolving Loans	416,768	3,565	(35,225)	(46)	385,062
Total Installment Debt	2,937,898	3,565	(72,445)	(46)	2,868,972
Capital Appreciation Bond Discount	(171)	-	171	-	-
Unamortized Premiums / Discounts	62,187	-	(886)	-	61,301
Subtotal: Sewer	2,999,914	3,565	(73,160)	(46)	2,930,273
Total Combined, Long Term Debt	\$ 5,439,806	\$ 13,983	\$ (93,672)	\$ (373)	\$ 5,359,745

Debt Service Coverage

GLWA is committed to ensuring the long-term sustainability of the water and sewer systems and has pledged specific revenue streams to secure the repayment of the revenue bonds and SRF loans associated with them. The MBO establishes minimum debt coverage levels at 1.20 for senior lien bonds, 1.10 for second lien bonds and 1.00 for any junior lien bonds, other than second lien bonds. Debt service coverage ratios are inclusive of all debt held on behalf of both GLWA and DWSD.

GLWA computes the debt service coverage ratio using two different methodologies. The Rate Covenant Basis uses a pledged revenue on a cash basis methodology and the GAAP Basis uses a pledged revenue on an accrual basis methodology. Pledged revenue is divided by the debt service requirements of each lien on a rate covenant basis to compute the debt service coverage ratio. The rate covenant basis is defined as the cash available to make the debt service payments on the due dates. The table below details the components of the pledged revenue for each methodology.

Components of Pledged Revenue	Pledged Revenue Calculation	Rate Covenant Basis	GAAP Basis
Revenues	Addition	Cash basis	Accrual basis
GLWA O&M expenses	Subtraction	Cash basis	Accrual basis
GLWA O&M pension	Subtraction	Cash basis	Cash basis
DWSD O&M expenses & O&M pension	Subtraction	Cash transfers to DWSD	Cash transfers to DWSD

Table 9: Debt Service Coverage Ratios - Water provides a summary of the MBO required minimum, historical, and budgeted debt service coverage ratios for the Water fund.

Debt Service Coverage Water Fund							
	MBO Required Minimum	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Adopted Budget 2021	Adopted Budget 2022
Rate Covenant Basis							
Senior Lien Bonds	1.20	2.03	2.07	2.13	1.94	1.81	1.89
Senior and second lien bonds	1.10	1.57	1.55	1.54	1.42	1.32	1.37
All bonds, including SRF junior lien	1.00	1.56	1.53	1.51	1.40	1.28	1.32
GAAP Basis							
Senior Lien Bonds		2.10	2.12	2.04	1.98		
Senior and second lien bonds		1.63	1.59	1.47	1.46		
All bonds, including SRF junior lien		1.61	1.57	1.45	1.43		

Table 10: Debt Service Coverage Ratios - Sewer provides a summary of the MBO required minimum, historical, and budgeted debt service coverage ratios for the Sewer fund.

Debt Service Coverage Sewage Disposal Fund							
	MBO Required Minimum	Actual 2017	Actual 2018	Actual 2019	Actual 2020	Adopted Budget 2021	Adopted Budget 2022
Rate Covenant Basis							
Senior Lien Bonds	1.20	2.02	2.04	2.11	2.15	2.44	2.42
Senior and second lien bonds	1.10	1.51	1.56	1.62	1.64	1.73	1.74
All bonds, including SRF junior lien	1.00	1.21	1.25	1.29	1.29	1.34	1.35
GAAP Basis							
Senior Lien Bonds		2.49	2.20	2.10	2.16		
Senior and second lien bonds		1.86	1.68	1.62	1.65		
All bonds, including SRF junior lien		1.50	1.34	1.28	1.30		

Refinancing

To reduce the annual water and sewer debt service payments, GLWA monitors its outstanding water and sewer debt portfolios to determine if it can refund existing bond issues with new, lower interest rate bonds. At least once per year, GLWA's registered municipal advisor, PFM Financial Advisors, LLC (PFM) prepares an analysis of GLWA's bond refunding opportunities based on the current municipal interest rate environment and the existing debt service on GLWA's callable bonds.

In May 2020, GLWA completed a \$463.1 million Water Supply System Revenue and Revenue Refunding bond transaction. This included a \$377.5 million taxable bond refinancing transaction with an additional \$85.6 million in tax-exempt new money to support the DWSD local system capital improvements. The refunding transaction resulted in \$66.5 million of present value savings for the water system. In June 2020, GLWA completed a \$687 million Sewage Disposal System Revenue Refunding taxable bond transaction resulting in present value savings of \$123 million for the sewage disposal system.

As part of the May and June 2020 transactions noted, funds from the refunding bonds have been placed in an irrevocable trust with an escrow agent to pay off this debt on the next available call dates. The bonds to be refunded are considered defeased and have been removed from GLWA's statement of net position.

Table 11: Defeased Debt provides a summary of the debt which has been defeased and the call dates.

Defeased Debt - Water Fund			
Bond Series to be Refunded	Amount	Call Date	Bond Issue Refunded By
Series 2011A	\$ 289,605,000	July 1, 2021	Series 2020C
Series 2011B	\$ 2,295,000	July 1, 2021	Series 2020C
Series 2011C	<u>\$ 74,125,000</u>	July 1, 2021	Series 2020C
Total Defeased Water Fund Debt	<u>\$ 366,025,000</u>		

Defeased Debt - Sewage Disposal Fund			
Bond Series to be Refunded	Amount	Call Date	Bond Issue Refunded By
Series 2012A	\$ 419,810,000	July 1, 2022	Series 2020A & Series 2020B
Series 2014C-1	\$ 123,200,000	July 1, 2022	Series 2020A & Series 2020B
Series 2014C-2	\$ 27,450,000	July 1, 2022	Series 2020A & Series 2020B
Series 2005A	\$ 31,785,000	July 1, 2021	Series 2020B
Series 2006B	<u>\$ 55,000,000</u>	July 1, 2021	Series 2020B
Total Defeased Sewage Disposal Fund Debt	<u>\$ 657,245,000</u>		

The next available refunding opportunity will be for bonds with a call date of July 1, 2024, for both the water fund and sewage disposal fund. Approximately \$390.4 million in water bonds and \$392.5 million in sewer bonds will be callable at that time. GLWA will continue to work with its registered municipal advisor to monitor the potential for refunding these bonds.



Financial Services Audit Committee Communication

Date: December 17, 2021

To: Great Lakes Water Authority Audit Committee

From: Madison Merzlyakov, Affordability and Assistance Manager

Re: Quarterly WRAP Report

Background: Consistent review of the Water Residential Assistance Program (WRAP) data helps identify program trends and evaluate program effectiveness. GLWA, working in conjunction with Public Sector Consultants, collects data from the community action agencies that administer the WRAP program to consolidate the information for reporting purposes.

Analysis: Wayne Metropolitan Community Action Agency (Wayne Metro), Oakland Livingston Human Services Agency (OLHSA), Macomb Community Agency (MCA), and Genesee County Community Action Resource Dept (GCCARD) are the community action agencies currently administering the WRAP program. The attached documents summarize WRAP activity through September 30, 2021 and includes the following.

1. A report providing background on community participation, historic program changes, and reallocations.
2. A presentation of current year program updates and details regarding resource utilization.

Proposed Action: Receive and file this report.

The Quarterly WRAP Report includes the following:

1. Community Participation
2. Approved Program Changes
3. Current Year Budget Allocations
4. Current and Prior Year Comparison
5. Reallocation Activity
6. Current Year Project Objectives

The Water Residential Assistance Program (“WRAP”) provides sustainable funding for qualifying low-income residents served by the Great Lakes Water Authority’s (“GLWA”) member partners. 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 2022 \$6.2 million combined for water and sewer services.

The approved guidelines include funding for 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. Wayne Metropolitan Community Action Agency (Wayne Metro), Oakland Livingston Human Services Agency (OLHSA), Macomb Community Agency (MCA), and Genesee County Community Action Resource Dept (GCCARD) are the community action agencies (CAA) currently administering the WRAP program.

The WRAP began assisting residents in the GLWA service area on March 1, 2016. Since inception through September 30, 2021, WRAP has committed over \$21.7 million in assistance and conservation funds to qualified participants. This program has the potential to serve over 100 communities within the GLWA service area.

Community Participation

A community must receive water and/or sewer service from GLWA to be eligible for WRAP. Each eligible community can choose their level of participation. Option 1 includes bill assistance, arrearage assistance and conservation. Option 2 includes bill assistance and conservation, and Option 3 includes conservation only. To receive bill and arrearage

assistance, eligible communities must formally opt into the program by signing a memorandum of agreement with their respective community action agency. To date, 79 communities have opted into WRAP. **Table 1 – WRAP Community Participation** shows the level of participation that each community has chosen.

Table 1 – WRAP Community Participation

Member Community	County	Option #1	Option #2	Option #3	In Progress	Not Opted In
Flint	Genesee	X				
Almont	Lapeer		X			
Imlay City	Lapeer					X
Lapeer	Lapeer	X				
Mayfield Township	Lapeer					
Bruce Township	Macomb				X	
Center Line	Macomb	X				
Chesterfield Township	Macomb	X				
Clinton Township	Macomb		X			
Eastpointe	Macomb	X				
Fraser	Macomb				X	
Harrison Township	Macomb	X				
Lenox Township	Macomb				X	
Macomb Township	Macomb	X				
New Haven	Macomb	X				
Romeo	Macomb				X	
Roseville	Macomb				X	
Shelby Township	Macomb	X				
St. Clair Shores	Macomb	X				
Sterling Heights	Macomb	X				
Utica	Macomb	X				
Warren	Macomb	X				
Washington Township	Macomb		X			
Ash Township	Monroe	X				
Berlin Township	Monroe				X	
Carleton	Monroe				X	
Estral Beach	Monroe				X	
South Rockwood	Monroe				X	
Auburn Hills	Oakland				X	
Berkley	Oakland	X				
Beverly Hills	Oakland	X				
Bingham Farms	Oakland	X				
Birmingham	Oakland	X				
Bloomfield Hills	Oakland	X				
Bloomfield Township	Oakland	X				
Clarkston	Oakland				X	
Clawson	Oakland	X				
Commerce Township	Oakland	X				
Farmington	Oakland	X				
Farmington Hills	Oakland	X				
Ferdale	Oakland	X				
Franklin	Oakland				X	
Hazel Park	Oakland		X			
Huntington Woods	Oakland	X				
Independence Township	Oakland				X	
Keego Harbor	Oakland	X				
Lake Angelus	Oakland				X	
Lake Orion	Oakland	X				
Lathrup Village	Oakland	X				
Madison Heights	Oakland	X				
Novi	Oakland				X	
Oak Park	Oakland		X			
Oakland Township	Oakland				X	
Orchard Lake	Oakland	X				
Orion Township	Oakland	X				
Oxford Township	Oakland				X	
Oxford Village	Oakland	X				
Pleasant Ridge	Oakland	X				
Pontiac	Oakland	X				
Rochester	Oakland				X	
Rochester Hills	Oakland				X	
Royal Oak, City of	Oakland	X				
Royal Oak Township	Oakland	X				
Southfield, City of	Oakland	X				
Southfield Township	Oakland					X
Sylvan Lake	Oakland					X
Troy	Oakland					X
Walled Lake	Oakland	X				
Waterford Township	Oakland		X			
West Bloomfield Twp.	Oakland		X			
Wixom	Oakland					X
Burtchville Township	St. Clair					X
Augusta Township	Washtenaw	X				
Pittsfield Township	Washtenaw	X				
Superior Township	Washtenaw	X				
York Township	Washtenaw					X
Ypsilanti, City of	Washtenaw	X				
Ypsilanti Township	Washtenaw	X				
Allen Park	Wayne	X				
Belleville	Wayne					X
Brownstown Township	Wayne	X				
Canton Township	Wayne	X				
Dearborn	Wayne	X				
Dearborn Heights	Wayne	X				
Detroit	Wayne	X				
Ecorse	Wayne	X				
Flat Rock	Wayne	X				
Garden City	Wayne	X				
Gibraltar	Wayne		X			
Grosse Ile Township	Wayne					X
Grosse Pointe	Wayne					X
Grosse Pointe Farms	Wayne					X
Grosse Pointe Park	Wayne					X
Grosse Pointe Shores	Wayne	X				
Grosse Pointe Woods	Wayne					X
Hamtramck	Wayne	X				
Harper Woods	Wayne	X				
Huron Charter Township	Wayne					X
Inkster	Wayne	X				
Lincoln Park	Wayne		X			
Livonia	Wayne	X				
Melvindale	Wayne	X				
Northville, City of	Wayne	X				
Northville Township	Wayne					X
Plymouth, City of	Wayne		X			
Plymouth Township	Wayne					X
Redford Township	Wayne	X				
River Rouge	Wayne	X				
Riverview	Wayne					X
Rockwood	Wayne					X
Romulus	Wayne	X				
Southgate	Wayne	X				
Sumpter Township	Wayne					X
Taylor	Wayne		X			
Trenton	Wayne	X				
Van Buren Township	Wayne	X				
Wayne, City of	Wayne	X				
Westland	Wayne	X				
Woodhaven	Wayne		X			
119		68	12	0	0	38

Color Key	
Wayne Metro	
Macomb Community Action	
OLHSA	

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 member 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 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

October 28, 2020:**April 28, 2021:**

- Enabled the use of categorical eligibility to determine if a household can receive WRAP funds.
- Increased the WRAP arrearages payment cap to \$1,200 per household, per year, for a total of \$2,400 per household if they complete two years of the program.
- Updated the program reporting to include additional data on number of applicants deemed not eligible for WRAP, timeframe from application submission to program enrollment, number of participants making on-time bill payments, amount of arrearages paid per household, number of water audits completed, average cost of repairs per household, water consumption per household, number of program referrals, and additional forms of assistance provided via supplemental funding.

September 22, 2021

- Created the ability for community action agencies to use special allowances for an additional \$1,000 in certain plumbing repair circumstances.
- Expanded eligibility to conservation and minor plumbing repair services to any household within a GLWA member partner community, regardless of whether the community participates in WRAP
- Removed the high-water user eligibility requirement for conservation and minor plumbing repair services

Current Year Budget and Allocations

Consistent with the previous fiscal years funding allocation for WRAP, the FY 2022 budgeted allocation is based on the proportionality of the revenues derived from each county and the City of Detroit, based on the approved FY 2022 water and sewer service charges and budget.

Table 2 - FY 2022 WRAP Budget and Allocations - This table shows the allocation of the budgeted WRAP funds, which is reflective of the approved FY 2022 budget of \$6.2 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% of total wholesale WRAP funding and contributes additional, local WRAP funding which increases the overall program impact for the City.

Table 2 - FY 2022 WRAP Budget and Allocations

Community	Budgeted Direct Assistance	Budgeted Conservation Assistance	Budgeted Administration Cost Cap - 12%	Total Budgeted Revenue	Revenue Allocation
WAYNE METRO					
CITY OF DETROIT					
Wholesale Funding	\$756,264	\$189,066	\$116,839	\$1,062,169	26.14%
Local Funding	1,553,228	388,307	239,965	2,181,500	
TOTAL DETROIT	\$2,309,492	\$577,373	\$356,804	\$3,243,669	26.14%
WAYNE COUNTY	731,249	182,812	112,974	1,027,034	25.27%
GENESSE COUNTY	16,660	4,165	2,574	23,399	0.58%
WASHTENAW COUNTY	39,392	9,848	6,086	55,326	1.36%
MONROE COUNTY	6,350	1,587	981	8,918	0.22%
TOTAL WAYNE METRO	3,103,142	775,786	479,418	4,358,346	53.57%
OAKLAND LIVINSTON HUMAN SERVICE AGENCY					
OAKLAND COUNTY	806,739	201,685	124,637	1,133,060	27.88%
MACOMB COMMUNITY ACTION AGENCY					
MACOMB COUNTY	519,461	129,865	80,254	729,580	17.95%
LAPEER COUNTY	12,487	3,122	1,929	17,538	0.43%
ST. CLAIR COUNTY	4,825	1,206	745	6,777	0.17%
TOTAL MACOMB COMMUNITY ACTION AGENCY	536,773	134,193	82,928	753,895	18.55%
GRAND TOTAL	\$4,446,654	\$1,111,663	\$686,983	\$6,245,300	100.00%

(1) Based on allocation of assistance funds of 80% Direct Bill Asst. and 20% Conservation Asst.

(2) Based on FY 2022 Budgeted WRAP Funding of:

Wholesale Funding	\$4,063,800
Detroit Local Funding	<u>2,181,500</u>
Total WRAP Funding	\$6,245,300

Current Year and Prior Year Comparisons

Monies are transferred from GLWA to the community action agencies as needed to fund the program and support the WRAP Assistance and Conservation efforts. The community action agencies maintain records of this activity which are reviewed and monitored by GLWA. The following is a summary of this activity for FY 2022 as compared to FY 2021.

Table 3 – Summary of Activity FY 2022 Compared to FY 2021

This table summarizes the committed funds by community action agency. For FY 2022 25% of the \$4.5 million budgeted for Direct Assistance has been committed and 33% of the \$1.1 million for Conservation has been spent.

Table 3 – Summary of Activity - FY 2022 Compared to FY 2021

Direct Assistance					
Agency	Budget	Committed	Uncommitted (1)	Committed as a Percent of Budget	
				FY 2022	FY 2021
Wayne Metro	\$ 3,086,482	\$ 796,748	\$ 2,289,734	26%	29%
GCCARD (2)	16,660	120,494	(103,834)	723%	173%
Wayne Metro/GCCARD	3,103,142	917,242	2,185,900	30%	173%
OLHSA	806,739	117,524	689,215	15%	8%
MCCA	536,773	71,636	465,137	13%	5%
Total	\$ 4,446,654	\$ 1,106,402	\$ 3,340,252	25%	33%

Conservation					
Agency	Budget	Committed	Uncommitted (1)	Committed as a Percent of Budget	
				FY 2022	FY 2021
Wayne Metro	\$ 771,621	\$ 360,136	\$ 411,485	47%	25%
GCCARD (2)	4,165	940	3,225	23%	0%
Wayne Metro/GCCARD	775,786	361,076	414,710	47%	173%
OLHSA	201,685	-	201,685	0%	0%
MCCA	134,193	5,618	128,575	4%	0%
Total	\$ 1,111,664	\$ 366,694	\$ 744,970	33%	25%

(1) Negative uncommitted funds represents funds carried forward from previous years that are not reflected in the current fiscal year budget

(2) The Genesee County program is administered through Wayne Metro, but reported here separately to reflect activity for that community

The detailed performance metrics for FY 2022 WRAP program, based on reporting prepared by Public Sector Consultants, is shown in the separate presentation included with this report. The presentation includes overall performance information as well as separate reporting for Wayne Metro, OLHSA, MCCA and GCCARD.

Reallocation Activity

After the completion of each fiscal year, a recommendation is made to the GLWA Board of Directors for the reallocation of uncommitted assistance and conservation funds to those

member communities that have fully committed their annual budgeted funds due to the increased need within their community. For FY 2020 and FY 2021 the reallocation analysis has not been completed. A reallocation recommendation will be brought to the GLWA Board for both years when the review is complete.

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. Reallocation for FY 2020 and FY 2021 has yet to be completed.

Table 4 – Total WRAP Reallocation of Uncommitted Funds

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

Current Year Program Objectives

GLWA, PSC, the community action agencies (CAA), and participating communities have been working together to make the WRAP program more effective. The following objectives have been identified for FY 2022 program year:

- Provide flexibility for the community action agencies to administer the program
- Codify decentralized program delivery model
- Recruit nonparticipating member communities
- Make WRAP more accessible for residents
- Improve performance reporting, financial monitoring, cost of service, and program effectiveness
- Simplify monthly bill payment process
- Enhance conservation and water repair services
- Leverage other forms of assistance

Water Residential Assistance Program Fiscal Year 2022 First Quarter Updates

Maggie Pallone, Public Sector Consultants
December 17, 2021



PUBLICSECTORCONSULTANTS.COM

Fiscal Year 22 Program Goals Updates

- **Provide flexibility for the community action agencies to administer the program**
 - Beginning July 2021, each community action agency became responsible for WRAP program implementation in their communities using the decentralized program delivery model.
 - CAA have provided GLWA with a marketing plan for their county or counties
- **Codify decentralized program delivery model**
 - The transition to the decentralized deliver model has been implemented for FY2022 and will be monitored for effectiveness throughout the year.
 - Contract with Wayne Metro will expire in February 2022 and will transition to each county
- **Recruit nonparticipating member partner communities**
 - Presented to the last One Water Partnership meeting
 - Each CAA coordinates recruiting efforts for their community and provide GLWA with a monthly update on their progress.
- **Make WRAP more accessible for residents**
 - The CAA's, GLWA, & PSC continue to work on efforts to increase the effectiveness and accessibility of the WRAP program.
 - GLWA is participating in Oakland County's water affordability workgroup

FY 22 Program Goals continued

- **Improve performance reporting, financial monitoring, cost of service, and program effectiveness**
 - GLWA continues to work with the CAAs to refine reporting, including in the report for this quarter
- **Simplify monthly bill payment process**
 - Internal GLWA process has been completed to review application of the \$25 monthly bill credit.
 - In early 2022, the CAA's, participating communities, and other assistance providers (i.e., DTE) will be invited to participate included in the review and evaluation of alternatives.
- **Enhance conservation and water repair services**
 - Recommendations for enhancements to the minor plumbing repair and conservation program have been deployed.
 - Positive feedback has been received from participants, member partner communities, and the CAAs.
 - OLHSA is utilizing Macomb CAA to deliver their conservation program
- **Leverage other forms of assistance**
 - GLWA is working closely with the CAAs to stay abreast of the other forms of assistance and the impact on the WRAP program, including leveraging the new Low-Income Household Water Assistance Program (LIHWAP).
 - CAA will be tracking program referrals and have been asked to auto-enroll households in WRAP when applying for COVID-19 Rental Assistance funding (CERA) or LIHWAP



GLWA - WRAP Program Summary Report (FY 2022) - All Jurisdictions							
	Total FY 2022	Total FY 2021	Total FY 2020				
Budgeted Program Funding	\$6,245,300	\$6,888,500	\$4,868,100				
Total Funds Allocated - Direct Assistance	\$4,446,654	\$4,428,320	\$3,528,422				
Total Funds Allocated - Conservation Assistance	\$1,111,663	\$1,107,080	\$882,105				
NEW Total Funds Allocated- Administrative Costs	\$686,983						
Allocation Percentage	100.0%	100.0%	100.0%				
	FY 2022 - Q1 July - September 2022	FY 2022 - Q2 October - December 2022	FY 2022 - Q3 January -March 2022	FY 2022 - Q4 April - June 2022	FY 2022 YTD	FY 2021 Total	FY 2020 Total
Bill Payment Assistance							
Number of enrollment appointments	1,418				1,418	3,989	3,913
Number of applicants not eligible for participation*							
Number of households enrolled	1,401				1,401	6,245	5,627
Year 1	817				817	4,169	2,965
Year 2	477				477	1,580	1,903
WRAPFinity	107				107	496	759
Amount (\$) of total assistance provided (Committed)	\$ 1,226,896.09				1,226,896	\$ 4,213,964.12	\$ 3,521,396.66
Amount (\$) of total assistance remaining (Uncommitted)	\$ 3,219,757.91				\$ 3,219,757.91	\$ 214,355.88	\$ 7,025.34
Amount (\$) of average assistance awarded per household	\$ 875.73				\$ 875.73	\$ 674.77	\$ 625.80
NEW Number of participants dropped from WRAP							
Arrearage Assistance							
Number of shut-offs avoided	1				1	864	2,210
Number of households enrolled with an arrearage balance	1,209				1,209	5,483	4,546
Percentage of enrolled households	86%				86%	88%	81%
Average arrearage balance per household	\$ 1,049.64					\$ 1,187.49	\$ 1,004.64
Amount of arrearages paid (awarded) per household	\$ 746.43					\$ 501.51	\$ 478.81
Conservation and Plumbing Repairs Assistance***							
Number of households enrolled in Conservation	385				385	2,257	1,445
Number of water audits completed	395				395	1,206	567
NEW Amount (\$) of conservation assistance provided**	\$ 154,000.00				\$ 154,000.00	N/A	N/A
NEW Amount (\$) of plumbing repairs assistance provided**	\$ 212,694.00				\$ 212,694.00	\$ 450,159.28	\$ 157,568.25
Partnering Agencies							
Number of referrals from other community organizations*							
Leveraging Assistance							
Program participants served through supplemental water/ sewer funding*							
Additional forms of assistance provided via supplemental funding*							
*Data is being tracked and reported in the future							
***For this quarter, all conservation and plumbing repair data (besides Macomb) is being reported in the Wayne Metro data due to data reporting issues.							
**Data for FY 22 has been disaggregated between conservation and plumbing repairs							

GLWA - WRAP Program Summary Report (FY 2022) - Wayne Metro							
	Total FY 2022	Total FY 2021	Total FY 2020				
Budgeted Program Funding	\$4,358,346	\$4,148,306	\$2,990,311				
Total Funds Allocated - Direct Assistance	\$3,103,142	\$2,991,124	\$2,137,540				
Total Funds Allocated - Conservation Assistance	\$775,786	\$747,781	\$534,384				
Total Funds Allocated- Administrative Costs	\$479,418						
Allocation Percentage	69.8%	60.2%	61.4%				
	FY 2022 - Q1 July - September 2022	FY 2022 - Q2 October - December 2022	FY 2022 - Q3 January - March 2022	FY 2022 - Q4 April - June 2022	FY 2022 YTD	FY 2021 Total	FY 2020 Total
Bill Payment Assistance							
Number of enrollment appointments	1,001				1,001	3,254	3,022
Number of applicants not eligible for participation							
Number of households enrolled	1,051				1,051	5,310	4,680
Year 1	669				669	3,686	2,570
Year 2	292				292	1,235	1,437
WRAPFinity	90				90	389	673
Amount (\$) of total assistance provided (Committed)	\$ 917,242.34				\$ 917,242.34	\$ 3,771,259.23	\$ 2,922,264.91
Amount (\$) of total assistance remaining (Uncommitted)	\$ 2,185,899.66				\$ 2,185,899.66	\$ (780,135.23)	\$ (784,724.91)
Amount (\$) of average assistance awarded per household	\$ 872.73				\$ 872.73	\$ 710.22	\$ 624.42
Number of participants dropped from WRAP							
Arrearage Assistance							
Number of shut-offs avoided	N/A				0	822	2,160
Number of households enrolled with an arrearage balance	1,038				1,038	4,906	3,980
Percentage of enrolled households	99%				99%	92%	85%
Average arrearage balance per household (reported for newly enrolled households)	\$ 1,077.97					\$ 1,241.94	\$ 1,025.39
Amount of arrearages paid per household	\$ 730.51					\$ 508.43	\$ 478.76
Conservation and Plumbing Repairs Assistance***							
Number households enrolled in Conservation	385				385	2037	1,280
Number of water audits completed	385				385	1,163	488
Amount (\$) of conservation assistance provided	\$ 154,000.00				\$ 154,000.00	N/A	N/A
NEW Amount (\$) of plumbing repairs assistance provided**	\$ 207,076.00				\$ 207,076.00	\$ 437,022.28	\$ 138,487.25
Partnering Agencies							
Number of referrals from other community organizations							
Leveraging Assistance							
Program participants served through supplemental water/ sewer funding*							
Additional forms of assistance provided via supplemental funding*							
*Data will be tracked and reported in the future							
***For this quarter, all conservation and plumbing repair data (besides Macomb) is being reported in the Wayne Metro data due to data reporting issues.							
**Data for FY 22 has been disaggregated between conservation and plumbing							

GLWA - WRAP Program Summary Report (FY 2022) - Macomb County Community Action

	Total FY 2022	Total FY 2021	Total FY 2020				
Budgeted Program Funding	\$753,894	\$766,064	\$740,103				
Total Funds Allocated - Direct Assistance	\$536,773	\$567,491	\$548,215				
Total Funds Allocated - Conservation Assistance	\$134,193	\$141,873	\$137,053				
Total Funds Allocated- Administrative Costs	\$82,928						
Allocation Percentage	12.1%	11.1%	15.2%				
	FY 2022 - Q1 July - September 2022	FY 2022 - Q2 October - December 2022	FY 2022 - Q3 January -March 2022	FY 2022 - Q4 April - June 2022	FY 2022 YTD	FY 2021 Total	FY 2020 Total
Bill Payment Assistance							
Number of enrollment appointments	136				136	350	183
Number of applicants not eligible for participation							
Number of households enrolled	121				121	407	270
Year 1	62				62	258	100
Year 2	52				52	74	71
WRAPFinity	7				7	75	57
Amount (\$) of total assistance provided (Committed)	\$ 71,635.94				\$ 71,635.94	\$ 101,329.36	\$ 99,981.04
Amount (\$) of total assistance remaining (Uncommitted)	\$ 465,137.06				\$ 465,137.06	\$ 466,161.64	\$ 448,233.96
Amount (\$) of average assistance awarded per household	\$ 592.03				\$ 592.03	\$ 248.97	\$ 370.30
Number of participants dropped from WRAP							
Arrearage Assistance							
Number of shut-offs avoided	1				1	41	50
Number of households enrolled with an arrearage balance	63				63	199	93
Percentage of enrolled households	52%				52%	49%	34%
Average arrearage balance per household (reported for newly enrolled households)	\$ 541.84					\$ 393.90	\$ 475.38
Amount of arrearages paid per household	\$ 552.12					\$ 151.55	\$ 321.59
Conservation and Plumbing Repairs Assistance***							
Number of households enrolled in Conservation	10				10	\$ 106.00	\$ 38.00
Number of water audits completed	10				10	5	11
Amount (\$) of conservation assistance provided	N/A				\$ -	N/A	N/A
NEW Amount (\$) of plumbing repairs assistance provided**	\$ 5,618.00				\$ 5,618.00	\$ 697.00	\$ 2,909.00
Partnering Agencies							
Number of referrals from other community organizations							
Leveraging Assistance							
Program participants served through supplemental water/ sewer funding*							
Additional forms of assistance provided via supplemental funding*							

*Data will be tracked and reported in the future

***For this quarter, all conservation and plumbing repair data (besides Macomb) is being reported in the Wayne Metro data due to data reporting issues.

**Data for FY 22 has been disaggregated between conservation and plumbing repairs

GLWA - WRAP Program Summary Report (FY 2022) - Oakland Livingston Human Services Agency

	Total FY 2022	Total FY 2021	Total FY 2020				
Budgeted Program Funding	\$1,133,061	\$1,149,643	\$1,114,023				
Total Funds Allocated - Direct Assistance	\$806,739	\$851,554	\$825,138				
Total Funds Allocated - Conservation Assistance	\$201,685	\$212,889	\$206,285				
Total Funds Allocated- Administrative Costs	\$124,637						
Allocation Percentage	18.1%	16.7%	22.9%				
	FY 2022 - Q1 July - September 2022	FY 2022 - Q2 October - December 2022	FY 2022 - Q3 January -March 2022	FY 2022 - Q4 April - June 2022	FY 2022 YTD	FY 2021 Total	FY 2020 Total
Bill Payment Assistance							
Number of enrollment appointments	279				279	262	286
Number of applicants not eligible for participation							
Number of households enrolled	129				129	355	353
Year 1	86				86	223	224
Year 2	34				34	100	105
WRAPfinity	9				9	32	24
Amount (\$) of total assistance provided (Committed)	\$ 117,523.98				\$ 117,523.98	\$ 247,099.36	\$ 247,113.54
Amount (\$) of total assistance remaining (Uncommitted)	\$ 689,215.02				\$ 689,215.02	\$ 604,454.91	\$ 578,024.69
Amount (\$) of average assistance awarded per household	\$ 911.04				\$ 911.04	\$ 696.05	\$ 700.04
Number of participants dropped from WRAP							
Arrearage Assistance							
Number of shut-offs avoided	N/A				0	1	0
Number of households enrolled with an arrearage balance	108				108	313	306
Percentage of enrolled households	84%				84%	88%	87%
Average arrearage balance per household (reported for newly enrolled households)	\$ 1,073.56					\$ 951.50	\$ 874.00
Amount of arrearages paid per household	\$ 804.33					\$ 578.37	\$ 495.87
Conservation and Plumbing Repairs Assistance***							
Number of households enrolled in Conservation	0				0	102	124
Number of water audits completed	0				0	38	11
Amount (\$) of conservation assistance provided	0				\$ -	N/A	N/A
NEW Amount (\$) of plumbing repairs assistance provided**	0				\$ -	\$ 12,440.00	\$ 3,632.00
Partnering Agencies							
Number of referrals from other community organizations							
Leveraging Assistance							
Program participants served through supplemental water/ sewer funding*							
Additional forms of assistance provided via supplemental funding*							

*Data will be tracked and reported in the future

***For this quarter, all conservation and plumbing repair data (besides Macomb) is being reported in the Wayne Metro data due to data reporting issues.

**Data for FY 22 has been disaggregated between conservation and plumbing repairs

GLWA - WRAP Program Summary Report (FY 2022) - Genesee County Community Action Resource Department

	Total FY 2022	Total FY 2021	Total FY 2020				
Budgeted Program Funding	\$23,399	\$24,488	\$23,663				
Total Funds Allocated - Direct Assistance	\$16,660	\$18,150	\$17,528				
Total Funds Allocated - Conservation Assistance	\$4,165	\$4,538	\$4,382				
Allocation Percentage	0.4%	0.4%	0.5%				
	FY 2022 - Q1 July - September 2022	FY 2022 - Q2 October - December 2022	FY 2022 - Q3 January -March 2022	FY 2022 - Q4 April - June 2022	FY 2022 YTD	FY 2021 Total	FY 2020 Total
Bill Payment Assistance							
Number of enrollment appointments	2				2	204	422
Number of applicants not eligible for participation							
Number of households enrolled	100				100	173	324
Year 1	0				0	2	49
Year 2	99				99	171	275
WRAPFinity	1				1	0	0
Amount (\$) of total assistance provided (Committed)	\$ 120,493.83				\$ 120,493.83	\$ 94,275.17	\$ 252,037.17
Amount (\$) of total assistance remaining (Uncommitted)	\$ (103,833.83)				\$ (103,833.83)	\$ (76,124.98)	\$ (234,508.99)
Amount (\$) of average assistance awarded per household	\$ 1,204.94				\$ 1,204.94	\$ 544.94	\$ 777.89
Number of participants dropped from WRAP							
Arrearage Assistance							
Number of shut-offs avoided	0				0	0	0
Number of households enrolled with an arrearage balance	45				45	65	167
Percentage of enrolled households	45%				45%	38%	52%
Average arrearage balance per household (reported for newly enrolled households)	\$ 1,609.41					\$ 1,196.31	\$ 1,044.24
Amount of arrearages paid per household	\$ 955.72					\$ 472.22	\$ 513.81
Conservation and Plumbing Repairs Assistance***							
Number of households enrolled in Conservation					0	12	3
Number of water audits completed					-	-	57
Amount (\$) of conservation assistance provided**					\$ -	N/A	N/A
NEW Amount (\$) of plumbing repairs assistance provided**	\$ 940.00				\$ 940.00	\$ -	\$ 12,540.00
Partnering Agencies							
Number of referrals from other community organizations							
Leveraging Assistance							
Program participants served through supplemental water/ sewer funding*							
Additional forms of assistance provided via supplemental funding*							
*Data will be tracked and reported in the future							
***For this quarter, all conservation and plumbing repair data (besides Macomb) is being reported in the Wayne Metro data due to data reporting issues.							
**Data for FY 22 has been disaggregated between conservation and plumbing repairs							



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

New! Business Inclusion and Diversity (B.I.D.) Program Vendor Diversity Plan Form

Under GLWA's Business Inclusion and Diversity (B.I.D.) Program, launched on February 1, 2021, a Diversity Plan for solicitations budgeted at \$1 million or more is a mandatory requirement. A successful Diversity Plan outlines the vendor's efforts to maximize opportunities for participation by small, minority-owned, and disadvantaged business subcontractors on the specific GLWA solicitation to which they are responding.

To streamline and guide the process of creating your Diversity Plan, a new version of GLWA's [B.I.D. Requirements](#) document now includes a Diversity Plan form that vendors must complete when responding to a B.I.D.-qualifying solicitation. Completing this fill-in form will replace the current Diversity Plan requirement to submit a written document of no more than three single-spaced pages, including an executive summary.

When reviewing the new B.I.D. Diversity Plan form, please note the following:

- The form identifies mandatory and optional fill-in text fields and charts as well as provides instructions on the information requested for each. Please complete all mandatory fields.
- Vendors submitting documentation of diversity certifications held, or additional supplemental evidence of their diversity and inclusion efforts, are instructed to attach these files to the completed Diversity Plan form document as one combined file before uploading to the Bonfire project page.

The new Diversity Plan form is available to view on the [GLWA Vendor Webpage](#) and will be included with forthcoming B.I.D. qualifying solicitations when advertised in GLWA's [Bonfire Procurement Portal](#). Any additional questions regarding the new

form or GLWA's B.I.D. Program requirements may be directed via email to [Michael Lasley](#) and [Megan Savage](#).

Reminder: Visitor COVID-19 Access Requirements and Safety Protocols to Remain in Effect Until Further Notice

On August 24, 2021, GLWA issued [Coronavirus Update #137](#) to the vendor community stating that all current Visitor COVID-19 Access Requirements will remain in effect until further notice. For a full overview of GLWA's Visitor COVID-19 Access Requirements, please review [Coronavirus Update #137](#). Any additional questions may be directed to [Michael Lasley](#) and [Megan Savage](#).

Virtual Vendor Introduction Meetings with GLWA

If you are interested in learning more about doing business with GLWA, contact us at GLWAVendorOutreach@glwater.org to schedule a vendor introductory meeting. Topics include helpful information on submitting a competitive bid or proposal to a GLWA solicitation, as well as the requirements for GLWA's Business Inclusion and Diversity (B.I.D.) Program.

Keeping up with GLWA

Our Interim Chief Executive Officer (ICEO) Monthly Report provides a wealth of information and news about important initiatives within GLWA's service territory area that impact GLWA, its member partners, and the public. To read the November 2021 Monthly Report, please click [here](#).

What's Coming Down the Pipe?

Current Solicitations: Be sure to register in GLWA's [Bonfire Procurement Portal](#) for new solicitations and contract award information.

Upcoming Procurements: Next Three to Nine Months—See newsletter pages 2-3.

Visit GLWA online!

To see the GLWA Vendor homepage, please visit www.glwater.org or contact us via email at procurement@glwater.org.

Upcoming Solicitations December 2021

Category	Description	Budget Estimate
Water System (next three months)		
Progressive Design Build	Lake Huron Water Treatment Plant, Filter Instrumentation and Raw Water Flow Metering Improvements (CIP #111006)	\$24,428,000
Wastewater System (next three months)		
Construction	HAZMAT (Hazardous Material) Building Renovation (CIP #216010)	\$1,500,000
Request for Qualifications	WRRF Rehabilitation of Intermediate Lift Pumps (ILPs) 1 & 2 and Modifications to Aeration Decks 1 & 2 to Incorporate Biological Phosphorus Removal and Step Feed (CIP #212008)	\$60,000,000
Design	Architectural & Safety Improvements to CSO Facilities (CIP #260600)	\$1,400,000
Design	WRRF Improvements to Sludge Feed Pumps (CIP #213006)	\$1,900,000
Water System (next four to nine months)		
Materials & Equipment	Springwells WTP Pumping Unit Procurement Package (CIP #114002 Contracts E thru G)	\$56,000,000
Materials & Equipment	Springwells WTP Process Valve Procurement Package (CIP #114002 Contracts H thru I)	\$12,500,000
Wastewater System (next four to nine months)		
Construction	Pump Station #1 Screenings Building HVAC Improvements (CIP #211006)	\$1,000,000
Construction	Connor Creek Sewer System Rehabilitation (CIP #260204)	\$40,000,000
Construction	WRRF Pump Station #1 Improvements (CIP #211006)	\$55,000,000
Design	Hubbell Southfield Flushing and Facility Improvements (CSO) (CIP #273001)	\$5,500,000
Design	Baby Creek and Belle Isle Facilities Control Improvements (CSO) (CIP #270006)	\$502,500
Construction	Freud Pump Station Improvements (CIP #232002)	\$75,000,000
Projects moved to Procurement Team (Preparing for solicitation on Bonfire)		
Construction	WRRF Administration Building 4 th Floor Renovation (Old CIP #216010, New CIP #260902)	\$3,250,000
Construction	Generator Improvements (Controls upgrades, Generator modifications) (CSO) (CIP #260622)	\$2,000,000
Maintenance Services	Facilities Maintenance Services (O&M)	\$25,500,000
Progressive Design Build	Lake Huron Water Treatment Plant, Filter Instrumentation and Raw Water Metering Improvements (CIP #111006)	\$22,000,000
Professional Services	SCADA System Professional Services (O&M)	\$5,500,000
Progressive Design Build	Lake Huron Water Treatment Plant: Progressive Design Build of Instrumentation and Control Improvements (CIP #111006)	\$25,000,000
Design Build	WRRF Structural Improvements (CIP #216011)	\$12,000,000
Construction	Conveyance System Infrastructure Improvements - Regulators and Backwater gate chambers (CIP #260701)	\$40,000,000
Construction	Rehabilitation of Northwest Interceptor from 8 Mile Road to Warren Pierson (CIP #260205)	\$7,000,000
Professional Services	Virtual Tour and Laser Scanning Services (O&M)	\$1,000,000
Professional Services	Elevator Preventative Maintenance (O&M)	\$1,645,728
Professional Services	As Needed and Emergency Roof Repairs (O&M)	\$3,000,000

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

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

Water Utility Bill Assistance Programs – Updated 12/8/21

Program	Funding Source	Maximum Household Eligibility	Program Details	Total Allocation	Administered By
CERA (Covid Emergency Rental Assistance)	Consolidated Appropriations Act and American Rescue Plan Act (ARPA)	Maximum of \$2,500 (dependent on household size)	<ul style="list-style-type: none"> • Renters-only program • Program pays for utility bills and rent assistance and can provide a bill credit • Eligibility based on household incomes up to 50-80% of the area median income (AMI). • Funds go directly to water utilities 	\$622 million to be fully allocated by September 30, 2025	Michigan State Housing Development Authority through the Community Action Agencies (CAA)
LIHWAP (Low Income Household Water Assistance Program)	ARPA	\$650 or, through a waiver, total arrearage balance	<ul style="list-style-type: none"> • Payments may be made to reduce arrearages and rates charged to low-income households that are at or below 150% of the federal poverty level (FPL) • Household must be facing a shut-off to qualify for additional funds • Funds go directly to water utilities 	\$36 million to be fully spent by December 31, 2023	Michigan Department of Health and Human Services (MDHHS) through the CAAs
WRAP (Water Residential Assistance Program)	Great Lakes Water Authority (GLWA) revenue	<ul style="list-style-type: none"> • \$2,000 for conservation and plumbing • \$300 for bill payment assistance • \$1,200 in arrearage assistance 	<ul style="list-style-type: none"> • Program provides bill payment assistance, assistance with reducing arrearages, and household minor plumbing and conservation services to eligible low-income households within the GLWA service territory • Eligible households must be at or below 200% of the FPL and responsible for their water bill • Households are eligible for up to two years of arrearage and bill payment assistance • Funds go directly to water utilities 	0.5% of budgeted revenues (\$6.2 million for FY2022)	GLWA, in partnership with the CAAs
Household Relief (expired October 2020)	The Coronavirus Aid, Relief, and Economic Security (CARES) Act	\$700 towards water and sewer bill	<ul style="list-style-type: none"> • Funds went directly to water utilities towards paying past due balances. • Customer accounts were matched to households receiving Supplemental Nutrition Assistance Program (SNAP) benefits • 116 water utilities in Michigan participated 	\$20 million (one time)	MDHHS