

Great Lakes Water Authority

Resolution 2020 - XXX

Resolution Adopting the Budget Amendments through the Fourth Quarter of FY 2020

By Board Member:

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

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

WHEREAS The GLWA Board adopted the FY 2020 budget on March 13, 2019 for the twelve-month fiscal year beginning July 1, 2020;

WHEREAS Following a review of the budget amendment report through the FY 2020 Fourth Quarter, the appropriations established with the adoption of the general operating budget for the water system and the sewer systems are amended as shown in the table below;

General Operating Appropriation Category	Water System		Sewer System	
	Adopted	Amended	Adopted	Amended
Revenues				
Suburban Wholesale Customer Charges	\$ 309,284,500	\$ 304,634,200	\$ 272,323,600	No Change
Retail Service Charges	21,295,500	21,295,500	185,807,300	No Change
Industrial Waste Control Charges	-	-	13,743,600	7,833,600
Pollutant Surcharges	-	-	-	5,910,000
Investment Earnings	9,084,200	8,084,200	8,730,800	7,730,800
Other Revenues	-	2,400	-	400,000
Total Revenues	<u>\$ 339,664,200</u>	<u>\$ 334,016,300</u>	<u>\$ 480,605,300</u>	<u>\$ 480,005,300</u>
Revenue Requirements				
Operations & Maintenance Expense	\$ 131,490,500	\$ 126,840,200	\$ 187,057,200	\$ 181,925,800
General Retirement System Legacy Pension	6,048,000	6,048,000	10,824,000	10,824,000
Debt Service	137,557,600	135,998,800	215,738,800	214,690,700
General Retirement System Accelerated Pension	6,268,300	6,268,300	11,620,700	11,620,700
Extraordinary Repair & Replacement Deposit	-	-	-	-
Water Residential Assistance Program Contributi	1,698,300	1,698,300	2,403,000	2,403,000
Lease Payment	22,500,000	22,500,000	27,500,000	27,500,000
Operating Reserve Deposit	3,976,000	3,976,000	-	-
DWSD Budget Shortfall Pending	-	1,230,400	-	10,243,500
Improvement & Extension Fund Transfer	30,125,500	29,456,300	25,461,600	20,797,600
Total Revenue Requirements	<u>\$ 339,664,200</u>	<u>\$ 334,016,300</u>	<u>\$ 480,605,300</u>	<u>\$ 480,005,300</u>

WHEREAS Following a review of the budget amendment report through the FY 2020 Fourth Quarter, the appropriations established with the adoption of the improvement and extension fund budget for the water system and the sewer systems are amended as shown in the table below;

Improvement & Extension Fund				
Appropriation Category	Water System		Sewer System	
	Adopted	Amended	Adopted	Amended
Revenues				
Transfers In from General Operating	\$ 30,125,500	\$ 29,456,300	\$ 25,461,600	\$ 20,797,600
Earnings on Investments	-	4,500,000	-	1,800,000
Net Use of Reserves	24,999,800	(23,267,300)	(5,339,400)	(8,996,200)
Total Revenues	<u>\$ 55,125,300</u>	<u>\$ 10,689,000</u>	<u>\$ 20,122,200</u>	<u>\$ 13,601,400</u>
Expenditures				
Water System Revenue Transfers Out	\$ -	\$ 4,500,000	\$ -	\$ 1,800,000
Capital Improvement Plan-I&E Funded	-	1,173,200	-	-
Capital Outlay	10,125,300	5,015,800	20,122,200	11,801,400
Revenue Financed Capital	45,000,000	-	-	-
Total Expenditures	<u>\$ 55,125,300</u>	<u>\$ 10,689,000</u>	<u>\$ 20,122,200</u>	<u>\$ 13,601,400</u>

WHEREAS Following a review of the budget amendment report through the FY 2020 Fourth Quarter, the appropriations established with the adoption of the construction bond fund budget for the water system and the sewer systems are amended as shown in the table below;

Construction Bond Fund				
Appropriation Category	Water System		Sewer System	
	Adopted	Amended	Adopted	Amended
Revenues				
Transfer from Improvement & Extension Fund	\$ 45,000,000	\$ -	\$ -	\$ -
Bond Proceeds	-	-	78,960,000	-
Grant Revenues (SRF Loans)	5,531,000	12,898,300	29,342,000	40,505,000
Earnings on Investments	1,487,700	1,487,700	41,100	1,200,000
Net Use of Reserves	55,416,600	60,481,400	12,766,900	31,565,000
Total Revenues	<u>\$ 107,435,300</u>	<u>\$ 74,867,400</u>	<u>\$ 121,110,000</u>	<u>\$ 73,270,000</u>
Expenditures				
Project Expenditures	\$ 107,435,300	\$ 74,867,400	\$ 121,110,000	\$ 73,270,000
Total Expenditures	<u>\$ 107,435,300</u>	<u>\$ 74,867,400</u>	<u>\$ 121,110,000</u>	<u>\$ 73,270,000</u>

WHEREAS The GLWA Audit Committee reviewed the budget amendments at its meetings on June 24, 2020; and

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

NOW THEREFORE BE IT:

RESOLVED That the GLWA Board approves through the FY 2020 Fourth Quarter Budget Amendments; and be it finally

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