



Financial Services Audit Committee Communication

Date: January 19, 2018

To: Great Lakes Water Authority Audit Committee

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

Re: Update: FY 2019 – FY 2020 Biennial Budget and FY 2019 – 2023 Financial Plan

Background: On January 5, 2018 the Great Lakes Water Authority (GLWA) was presented with discussion draft materials for the FY 2019 – FY 2020 Biennial Budget and FY 2019 – 2023 Financial Plan. Subsequently the draft budget was presented to the GLWA Board at its meeting on January 10, 2018. A combination of materials from both of those meetings was presented at the Customer Outreach meeting on January 11, 2018.

Analysis: Additional information was requested at the Audit Committee meeting on January 5, 2018, of which many items were subsequently presented at the Board meeting on January 10, 2018. Additional items were requested on January 10, 2018 that could not be compiled in time for today's meeting on January 19, 2018 due to a number of conflicting priorities and circumstances. Those supplemental materials will be distributed next week.

A significant element in finalizing the biennial budget and five-year financial plan is incorporating the proposed FY 2019 to FY 2023 Capital Improvement Plan (CIP). GLWA staff has been diligently revising the CIP to align with a new level of performance as we enter GLWA's third year of operations. It is expected that a revised annual spending level and related sub-categories of spending will be submitted early next week for the Financial Planning & Analysis team and myself to update and review the overall financial plan.

Given the timing to revise the financial plan and the capital improvement plan, receive feedback from Audit Committee, Capital Improvement Planning Committee, full Board feedback, other stakeholder feedback as well as to compile and/or update the related documents and plans, staff respectfully requests the Audit Committee considers moving the February 16, 2018 Audit Committee meeting to February 9, 2018 to allow for adequate Board review while keeping to a preferred adoption date of February 28, 2018. A possible flow of activities is outlined in the table below.

Date	Activity
Friday, February 9, 2018	Audit Committee review of final, proposed Biennial Budget and Five-Year Plan (rescheduled meeting from February 9, 2018)
Wednesday, February 14, 2018	GLWA Board Review of final, proposed Biennial Budget and Five-Year Plan
Wednesday, February 28, 2018	GLWA Board Meeting – Public Hearing & Proposed Approval of FY 2019 & FY 2020 Biennial Budget
Wednesday, February 28, 2018	GLWA Board Meeting – Public Hearing & Proposed Approval of FY 2019–2023 Capital Improvement Plan
Wednesday, February 28, 2018	GLWA Board Meeting – Public Hearing & Proposed Approval of FY 2019 Schedule of Revenues and Charges (Act 279, minimum 120 days before effective date)

Proposed Action: Move that the Audit Committee reschedule its February 2018 meeting from the February 16, 2018 at 8 am to February 9, 2018 at 8 am.