

## **Financial Plan Calendar**

### **FY 2022 and 2023 Biennial Budget & Five-Year Financial Planning Cycle**

**(Draft as of September 23, 2020 - Dates may be modified when Calendar Year 2021 Board and Committee Dates are Established in Late Calendar Year 2020)**

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

1. FY 2022 and 2023 Biennial Budget
2. FY 2022 through FY 2026 Five-Year Financial Plan
3. FY 2022 through FY 2026 Five-Year Capital Improvement Plan
4. FY 2022 Schedule of Revenues and Charges

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

<b>Date</b>	<b>Activity</b>
Thursday, October 29, 2020	Analytical Work Group – Exceedances (exceedances to notified to communities by October 1st, meet by November 1 <sup>st</sup> and AWG by December 1st)
<b><i>Tuesday, November 10, 2020</i></b>	<b><i>Charges Rollout Meeting #1 – Water &amp; Sewer Capital Improvement Plan Version 1.0</i></b>
<b><i>Thursday, November 19, 2020</i></b>	<b><i>Charges Rollout Meeting #2 – Units of Service Update</i></b>
Tuesday, December 1, 2020	GLWA and DWSD (City) - Exchange shared services to be provided and related costs (Shared Services Agreement 5.4)
Friday, December 18, 2020	GLWA Audit Committee Regular Meeting
Friday, January 1, 2021	DWSD – Preliminary two-year budget forecast Including key assumptions and impact statement due to GLWA (Water and Sewer Services Agreement 5.3a)
Friday, January 15, 2021	GLWA Audit Committee Meeting – Regular Meeting
<b><i>Date TBD (Mid/Late January)</i></b>	<b><i>Charges Rollout Meeting #3 – Review of FY 2020 &amp; Key Topics in Upcoming FY 2022 Charges and Financial Plan</i></b>
Monday, February 1, 2021	DWSD – Current capital improvement plan due to GLWA (Water and Sewer Services Agreement 5.3d(i))

Wednesday, February 10, 2021	GLWA Board Workshop – Review of FY 2022 Goals & Objectives
Wednesday, March 10, 2021	GLWA Board Workshop – <b>Board Charges &amp; Budget Review #1</b> - Presentation of Updated Five-Year Financial Plan including FY 2022 & 2023 Biennial Budget and Proposed Charges
Friday, March 19, 2021	GLWA Audit Committee Meeting – Regular Meeting
Tuesday, March 23, 2021	DWSD – Local system adopted biennial budget due to GLWA (Water and Sewer Services Agreement 5.3b)
Wednesday, March 24, 2021	GLWA Board Meeting – Action to Schedule Public Hearing for FY 2022 & FY 2023 Biennial Budget and FY 2022 Schedule of Charges  GLWA Board Meeting – <b>Board Charges &amp; Budget Review #2</b> - Review of Updated Five-Year Financial Plan including FY 2022 & 2023 Biennial Budget and Proposed Charges  <i>[Open addition to this schedule: Capital Improvement Plan approval timeline – will be revisited once budget and charges timeline resolved – would be no later than budget and charges]</i>
<b>Date TBD (First Week in April – perhaps Thursday, April 8, 2021)</b>	<b>Charges Rollout Meeting #4 – Proposed FY 2022 Revenue Requirement, Proposed FY 2022 Service Charges, and Five-Year Financial Plan</b>
Monday, April 12, 2021 (no later than this date)	Mail Notice to Member Partners of Public Hearing to be held on May 12, 2021 (minimum 30 days prior to Act 279 Public Hearing) <b>(D)</b>
Monday, April 12, 2021 (no later than May, 2, 2021)	Publish notice of the hearing by publication in a newspaper of general circulation <b>(B)</b>
Wednesday, April 14, 2021	GLWA Board Workshop
Friday, April 16, 2021	GLWA Audit Committee Meeting – Regular Meeting
<b>Wednesday, May 12, 2021</b>	<b>GLWA Board Meeting – Public Hearing FY 2022 &amp; FY 2023 Biennial Budget (A, D) and Possible Adoption of FY 2022 &amp; FY 2023 Biennial Budget</b>
<b>Wednesday, May 12, 2021</b>	<b>GLWA Board Meeting – Public Hearing FY 2022 Schedule of Revenues and Charges (Act 279, minimum 120 days before effective date) © and Possible Adoption of FY 2022 Schedule of Revenues and Charges</b>
Saturday, May 1, 2021	DWSD – Local system provides direction to GLWA on how to apply lease payment (Water and Sewer Services Agreement 4.3)
Monday, May 3, 2021	Mail Notice to Member Partners of Approved Charges

Friday, May 21, 2021	GLWA Audit Committee Meeting – Regular Meeting
Friday, June 18, 2021	GLWA Audit Committee Meeting – Regular Meeting
Thursday, July 1, 2021	GLWA – Effective date of FY 2022 and FY 2023 Biennial Budget and FY 2022-2026 Capital Improvement Plan
Friday, October 1, 2021	GLWA – Effective date of Annual Schedule of Charges as may be amended

**(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.