



Detroit Water and Sewerage Department

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Legislation Details (With Text)

File #: 18-0107 **Version:** 2 **Name:**

Type: Resolution, BOWC **Status:** Approved
In control: Financial Services

On agenda: 5/16/2018 **Final action:** 5/16/2018

Title: The Board of Water Commissioners for the City of Detroit Water and Sewerage Department approves the proposed two-year operating budgets for fiscal years 2018-19 and 2019-20 for the Water Operating Fund in the amounts of \$126,899,900 and \$131,322,400, respectively, and for the Sewage Disposal Operating Fund in the amounts of \$322,796,600 and \$333,614,000, respectively; and further authorizes the Director and Chief Financial Officer to take such other action as may be necessary to accomplish the intent of this vote.

Indexes: Finance Committee

Code sections:

Attachments: 1. 18-0107 DWSD Preliminary Budget Review for BOWC - FY 2019 2.2.18_v4 FINAL, 2. Revised 18-0107 Attachment FY19 Proposed Operating Budget - BOWC Mtg

Date	Ver.	Action By	Action	Result
5/16/2018	1	Board of Water Commissioners	approved	Pass
5/2/2018	1	Finance Committee	recommended for approval	Pass

The Board of Water Commissioners for the City of Detroit Water and Sewerage Department **approves the proposed two-year operating budgets for fiscal years 2018-19 and 2019-20 for the Water Operating Fund in the amounts of \$126,899,900 and \$131,322,400, respectively, and for the Sewage Disposal Operating Fund in the amounts of \$322,796,600 and \$333,614,000, respectively;** and further authorizes the Director and Chief Financial Officer to take such other action as may be necessary to accomplish the intent of this vote.

Agenda of May 16, 2018

Item No. 18-0107

Fiscal Year 2019 and Fiscal Year 2020 Water and Sewage Disposal Operating Budgets

TO: The Honorable
Board of Water Commissioners
City of Detroit, Michigan

FROM: Gary Brown, Director
Detroit Water and Sewerage Department

RE: Adoption of the Fiscal Year 2018-19 and Fiscal Year 2019-20 budgets for the Water and Sewage Disposal Systems

MOTION

Upon recommendation of Thomas Naughton, Chief Financial Officer, the Board of Water Commissioners **approves the proposed two-year Water Fund Operating Budgets including fiscal years 2018-19 and 2019-20 in the amounts of \$126,899,900 and \$131,322,400, respectively. Further, the Board of Water**

Commissioners approves the proposed two-year Sewer Fund Operating Budgets including fiscal years 2018-19 and 2019-20 in the amounts of \$322,796,600 and \$333,614,000, respectively. The Board of Water Commissioners also authorizes the Director and the Chief Financial Officer to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

Preliminary budgets were initially presented to the Finance Committee at its meetings held on December 6, 2017, January 11, 2018 and February 7, 2018 providing an opportunity to preview assumptions and priorities considered in the preparation of the proposed budgets.

A notice for the public hearing on the proposed budget scheduled for Wednesday, January 17, 2018 at 6:00 p.m. at the Historic Little Rock Baptist Church, 9000 Woodward Ave, Detroit, MI 48202 was published in the Detroit Legal News, Detroit Media Partnership, and Michigan Chronicle announcing a public hearing on the budget in addition to posting the notice at DWSD locations.

The BOWC conducted the public hearing on the proposed budget as noticed and in accordance with the provisions of Public Act No. 43 of the Acts of the State Legislature of 1963 (“Budget Hearings of Local Governments”).

JUSTIFICATION

The Great Lakes Water Authority (“GLWA”) assumed operation of the regional water and sewer systems and the Detroit Water and Sewerage Department (“DWSD”) continued operation of the retail water and sewer systems on January 1, 2016 pursuant to Lease Agreements between GLWA and the City of Detroit dated June 12, 2015. The Lease Agreements require that the Board of Water Commissioners (“BOWC”) adopt two-year operating budgets for both the retail water and sewer systems.

The fiscal years 2018-19 and FY 2019-20 budgets have been prepared in accordance with the requirements of the Lease Agreements using the contractual (lease) basis of accounting.