

January 13, 2021

To the Board of Commissioners
Western Townships Utilities Authority

We have audited the financial statements of the Western Township Utilities Authority (the "Authority") as of and for the year ended September 30, 2020 and have issued our report thereon dated January 13, 2021. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 8, 2020, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of Authority. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our letter about planning matters dated December 9, 2020.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note 1 to the financial statements.

No new accounting policies were adopted, and the application of existing policies was not changed during the fiscal year ended September 30, 2020 except for the implementation of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of this statement is to provide temporary relief to governments in light of the COVID-19 pandemic.

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus.

We noted no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimate affecting the financial statements was the estimated lookback adjustment from the Ypsilanti Community Utilities Authority (YCUA). Management's estimate of the lookback adjustment is based on preliminary financial information received from YCUA. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not detect any misstatements as a result of audit procedures.

Significant Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Authority, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 13, 2021.

To the Board of Commissioners
Western Townships Utilities Authority

January 13, 2021

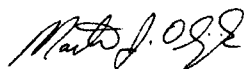
Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

This information is intended solely for the use of the board of commissioners and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Plante & Moran, PLLC



Martin J. Olejnik, CPA



Keith Szymanski, CPA

Western Townships Utilities Authority

**Financial Report
with Supplemental Information
September 30, 2020**

Western Townships Utilities Authority

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Independent Auditor's Report

To the Board of Commissioners
Western Townships Utilities Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the Western Townships Utilities Authority (the "Authority") as of and for the years ended September 30, 2020 and 2019 and the related notes to the financial statements, which collectively comprise the Western Townships Utilities Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Western Townships Utilities Authority as of September 30, 2020 and 2019 and the changes in its financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Commissioners
Western Townships Utilities Authority

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Western Townships Utilities Authority's basic financial statements. The schedule of operating expenditures - budget and actual and schedule of bonded indebtedness are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The schedule of operating expenditures - budget and actual is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of operating expenditures - budget and actual is fairly stated in all material respects in relation to the basic financial statements as a whole.

The schedule of bonded indebtedness has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Plantz & Moran, PLLC

January 13, 2021

Western Townships Utilities Authority

Management's Discussion and Analysis

Using This Annual Report

The Western Townships Utilities Authority (WTUA or the "Authority") is a joint venture of three townships located in western Wayne County: Canton, Northville, and Plymouth townships. The primary role of the Authority is to operate a sewage transportation system for these communities. This annual report consists of a series of financial statements, footnotes, and supplemental information. The statement of net position and the statement of revenue, expenses, and changes in net position provide information about the financial activities of the Authority. These are followed by the statement of cash flows, which presents detailed information about the changes in the Authority's cash position during the year. The next section includes the notes to the financial statements, which disclose the Authority's significant accounting policies and additional information related to certain amounts included on the statement of net position. The final component of the annual report is the supplemental information, which is provided for the purpose of additional analysis.

Financial Overview

In analyzing the Authority's financial position, it is important to recognize the mission of the Authority. All debt of the Authority is backed by the full faith and credit of its three member townships. From a financial perspective, the Authority's core objective is to manage the long-term costs of sewage disposal for its member townships. The Authority acts as a conduit for its three members. The amounts to be charged to its members will, by definition, be equal to the Authority's costs of providing sewage transportation and treatment. The key financial statistics for the Authority, therefore, relate to measurements of the ability to reduce total costs to its members (as opposed to the ability to accumulate financial resources).

	2016	2017	2018	2019	2020
Total costs charged to townships	\$14,713,565	\$14,411,554	\$8,901,185	\$8,701,248	\$8,165,659
Total flow (thousands of gallons)	5,664,201	5,563,220	5,026,507	5,271,814	5,281,689
Cost per thousand gallons	\$2.598	\$2.591	\$1.771	\$1.651	\$1.546

*For the purpose of this calculation, flow volumes are measured as the metered quantity of sewage transported to treatment facilities.

In past years, WTUA transported the sewage to two treatment plants, the Ypsilanti Community Utilities Authority (YCUA) and the Great Lakes Water Authority (GLWA), through the Wayne County RVIS system. As of July 2017, WTUA discontinued sending flow to GLWA (with the exception of the "swap" area, which represents flow from the City of Plymouth, Michigan). The termination agreement with Wayne County, Michigan was executed in February 2020 along with the swap agreement with the City of Plymouth, Michigan.

WTUA flow was approximately 0.19 percent higher for fiscal year 2019/2020 compared to last fiscal year. WTUA anticipated an annual savings to the townships of approximately \$3.5 million upon exiting the Wayne County, Michigan system, but actual realized savings on costs billed to the townships for the last two fiscal years have exceeded \$5 million when compared to 2016/2017.

Western Townships Utilities Authority

Management's Discussion and Analysis (Continued)

Condensed Financial Information

The following table presents condensed information about the Authority's financial position compared to the prior year. The increase in net position is caused by a decrease in the long-term liabilities due mostly to principal payments made on bonds. The increase in restricted assets from 2018 to 2019 was due mostly to the prepayment by Canton Township of capital project costs for our expansion project, which is currently underway. Capital assets decreased as a result of depreciation expense.

	2018	2019	2020	Change (2019-2020)	Percent Change
Assets					
Current and restricted assets	\$ 5,519,097	\$ 13,811,921	\$ 12,846,418	\$ (965,503)	(7.0)
Capital assets	<u>134,594,817</u>	<u>130,294,678</u>	<u>127,976,296</u>	<u>(2,318,382)</u>	(1.8)
Total assets	140,113,914	144,106,599	140,822,714	(3,283,885)	(2.3)
Deferred Outflows of Resources	179,540	82,714	57,263	(25,451)	(30.8)
Liabilities					
Current liabilities	2,622,065	2,865,653	2,669,746	(195,907)	(6.8)
Noncurrent liabilities	<u>24,735,311</u>	<u>19,478,011</u>	<u>15,366,277</u>	<u>(4,111,734)</u>	(21.1)
Total liabilities	<u>27,357,376</u>	<u>22,343,664</u>	<u>18,036,023</u>	<u>(4,307,641)</u>	(19.3)
Net Position					
Net investment in capital assets	111,383,796	112,244,131	114,087,076	1,842,945	1.6
Restricted cash	1,273,393	9,354,779	8,495,764	(859,015)	(9.2)
Unrestricted	<u>278,889</u>	<u>246,739</u>	<u>261,114</u>	<u>14,375</u>	5.8
Total net position	<u>\$ 112,936,078</u>	<u>\$ 121,845,649</u>	<u>\$ 122,843,954</u>	<u>\$ 998,305</u>	0.8

Western Townships Utilities Authority

Management's Discussion and Analysis (Continued)

The Authority's Changes in Net Position

The following table presents condensed information about the Authority's revenue and expenses compared to the two prior years:

	2018	2019	2020	Change (2019-2020)	Percent Change
Operating Revenue					
Earned revenue from townships	\$ 8,901,185	\$ 8,701,248	\$ 8,165,659	\$ (535,589)	(6.2)
Other operating revenue	37,503	28,355	121,262	92,907	327.7
Total operating revenue	8,938,688	8,729,603	8,286,921	(442,682)	(5.1)
Operating Expenses					
Sewage treatment charges	5,881,570	5,771,489	5,103,450	(668,039)	(11.6)
Administrative	530,184	520,964	496,096	(24,868)	(4.8)
Sewage capacity rental	479,913	442,154	403,883	(38,271)	(8.7)
Operating and maintenance	1,815,213	1,762,878	2,051,378	288,500	16.4
Total operating expenses	8,706,880	8,497,485	8,054,807	(442,678)	(5.2)
Operating Income	231,808	232,118	232,114	(4)	-
Nonoperating Revenue (Expense)	5,383,092	211,329	(697,828)	(909,157)	(430.2)
Income (Loss) - Before capital contributions	5,614,900	443,447	(465,714)	(909,161)	(205.0)
Capital Contributions from Townships	800,000	8,466,124	1,464,019	(7,002,105)	(82.7)
Change in Net Position	6,414,900	8,909,571	998,305	(7,911,266)	(88.8)
Net Position - Beginning of year	106,521,178	112,936,078	121,845,649	8,909,571	7.9
Net Position - End of year	\$ 112,936,078	\$ 121,845,649	\$ 122,843,954	\$ 998,305	0.8

Sewage treatment charges, operations and maintenance costs, and administrative expenses all remained relatively stable compared to the last fiscal year. The revenue and expenditure report shows \$232,114 in excess operating revenue. This amount represents payments for YCUA's UAAL for pension and a reduction of the liability.

In previous years, WTUA had nonoperating income exceeding \$5 million due to payments of approximately \$10 million in debt service annually, which were offset by close to \$5 million in depreciation expense. The 2009 bond issue was paid off on January 1, 2019, so liabilities were only reduced by approximately \$5 million in 2018/2019 and were offset by depreciation expense of almost \$5 million, reducing nonoperating income to \$211,329. For 2019/2020, WTUA paid approximately \$4 million in bond payments, which was offset by depreciation expense of \$4.7 million, reducing nonoperating income to \$(697,828). Capital contributions totaled \$1,464,019, resulting in a change to net position of \$998,305.

Capital contributions are billed to the townships in January of each year, as was decided by the board of commissioners upon completion of the Authority's asset management program in 2017, with the exception of WTUA's expansion project. The first annual billing was in January 2018. WTUA will compute a lookback every five years to reconcile the actual costs to the amount billed to the townships, the first of which will be done in 2023 and will cover years 2018-2022. The expansion project is currently underway and was not included in the program because it did not exist at that time. Canton Township requested that its approximate portion of the expansion costs (\$7.5 million of the \$11 million project) be billed to the township in advance of the project, increasing WTUA's capital contributions by over \$7 million for fiscal year 2018/2019.

Budgetary Highlights

During the year, the Authority did not make any significant amendments to the operating budget. Operating costs came in at 73.9 percent of the budget.

Western Townships Utilities Authority

Management's Discussion and Analysis (Continued)

Capital Assets and Debt Administration

During the current year, the Authority managed the following capital improvement projects:

Pipe lining project/sewer lines	\$ 142,677
Retention basin and pump station structures	12,709
Lower Rouge expansion project - Construction in progress	<u>2,255,787</u>
Total capital project additions	<u>\$ 2,411,173</u>

The Authority's total investment in capital assets is over \$214 million (before considering depreciation).

At the close of the year, the Authority had \$11.0 million in outstanding debt, as compared to \$14.6 million in the previous year. See Note 6 for more information.

Economic Factors and Next Year's Budgets and Rates

Sewage treatment charges represent approximately 70 percent of the Authority's operating budget for the next fiscal year. YCUA has not increased its rate when compared with the rate set for fiscal year 2019-2020 but the rate does not take the YCUA pension and OPEB UAAL payments into account.

Requests for Further Information

This financial report is intended to provide our member townships and WTUA bondholders with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives from the member townships. If you have questions about this report or need additional information, we welcome you to contact the director of operations.

Western Townships Utilities Authority

Statement of Net Position

September 30, 2020 and 2019

	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 78,397	\$ 2,064,994
Receivables:		
Due from members	909,966	503,869
Other	2,886,131	1,649,074
Prepaid expenses and other assets	77,601	74,867
Unbilled debt service receivable	128,688	164,338
Total current assets	<u>4,080,783</u>	<u>4,457,142</u>
Noncurrent assets:		
Restricted assets (Notes 3 and 4)	8,765,635	9,354,779
Capital assets: (Note 5)		
Assets not subject to depreciation	5,895,122	3,639,335
Assets subject to depreciation - Net	122,081,174	126,655,343
Total noncurrent assets	<u>136,741,931</u>	<u>139,649,457</u>
Total assets	<u>140,822,714</u>	<u>144,106,599</u>
Deferred Outflows of Resources - Deferred charges on refundings	57,263	82,714
Liabilities		
Current liabilities:		
Accounts payable	636,829	585,066
Accrued payables, payroll, and compensated absences	58,442	53,377
Construction payable	106,354	281,234
Billing lookback - Due to members	1,739,433	1,781,638
Accrued interest payable	128,688	164,338
Total current liabilities	<u>2,669,746</u>	<u>2,865,653</u>
Noncurrent liabilities:		
Construction payable from restricted assets	252,096	-
Contracts payable - YCUA - Due within one year (Note 8)	232,119	232,119
Contracts payable - YCUA - Due in more than one year (Note 8)	1,837,624	2,069,740
Due to Wayne County, Michigan - Due within one year (Note 9)	150,228	-
Due to Wayne County, Michigan - Due in more than one year (Note 9)	999,695	1,344,750
Construction retainers payable from restricted assets	17,775	-
Long-term debt - Due within one year (Note 6)	3,914,663	3,954,663
Long-term debt - Due in more than one year (Note 6)	7,962,077	11,876,739
Total noncurrent liabilities	<u>15,366,277</u>	<u>19,478,011</u>
Total liabilities	<u>18,036,023</u>	<u>22,343,664</u>
Net Position		
Net investment in capital assets	114,087,076	112,244,131
Restricted	8,495,764	9,354,779
Unrestricted	261,114	246,739
Total net position	<u><u>\$ 122,843,954</u></u>	<u><u>\$ 121,845,649</u></u>

Western Townships Utilities Authority

Statement of Revenue, Expenses, and Changes in Net Position

Years Ended September 30, 2020 and 2019

	2020	2019
Operating Revenue		
Earned revenue from townships	\$ 8,165,659	\$ 8,701,248
Other operating revenue	<u>121,262</u>	<u>28,355</u>
Total operating revenue	8,286,921	8,729,603
Operating Expenses		
Sewage treatment charges	5,103,450	5,771,489
Administrative	496,096	520,964
Sewage capacity rental	403,883	442,154
Operating and maintenance	<u>2,051,378</u>	<u>1,762,878</u>
Total operating expenses	<u>8,054,807</u>	<u>8,497,485</u>
Operating Income	232,114	232,118
Nonoperating Revenue (Expense)		
Interest earnings	102,515	67,710
Debt billings to townships	4,115,400	5,230,856
Interest expense	(550,400)	(700,856)
Depreciation	(4,729,555)	(4,784,738)
Amortization	<u>364,212</u>	<u>398,357</u>
Total nonoperating revenue	<u>(697,828)</u>	<u>211,329</u>
(Loss) Income - Before capital contributions from townships	(465,714)	443,447
Capital Contributions from Townships	<u>1,464,019</u>	<u>8,466,124</u>
Change in Net Position	998,305	8,909,571
Net Position - Beginning of year	<u>121,845,649</u>	<u>112,936,078</u>
Net Position - End of year	<u><u>\$ 122,843,954</u></u>	<u><u>\$ 121,845,649</u></u>

Western Townships Utilities Authority

Statement of Cash Flows

Years Ended September 30, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Cash received from townships and other receipts	\$ 6,815,766	\$ 10,325,282
Cash payments to suppliers for goods and services	(8,060,912)	(8,259,583)
Cash payments for employee services	(192,273)	(334,946)
	<u>(1,437,419)</u>	<u>(1,269,247)</u>
Net cash and cash equivalents (used in) provided by operating activities	(1,437,419)	1,730,753
Cash Flows from Capital and Related Financing Activities		
Payments on YCUA contracts payable	(232,116)	(232,116)
Collection of debt billings to townships	4,151,050	5,274,362
Capital contributions from members	1,307,460	8,452,561
Payments for the acquisition or construction of capital assets	(2,316,182)	(203,365)
Principal and interest paid on capital debt	(4,151,049)	(5,274,363)
	<u>(1,240,837)</u>	<u>(2,023,021)</u>
Net cash and cash equivalents (used in) provided by capital and related financing activities	(1,240,837)	8,017,079
Cash Flows Provided by Investing Activities - Interest received on investments	102,515	67,710
	<u>102,515</u>	<u>67,710</u>
Net (Decrease) Increase in Cash and Cash Equivalents	(2,575,741)	9,815,542
Cash and Cash Equivalents - Beginning of year	11,419,773	1,604,231
	<u>11,419,773</u>	<u>1,604,231</u>
Cash and Cash Equivalents - End of year	<u><u>\$ 8,844,032</u></u>	<u><u>\$ 11,419,773</u></u>
Classification of Cash and Cash Equivalents		
Unrestricted cash	\$ 78,397	\$ 2,064,994
Restricted cash	8,765,635	9,354,779
	<u>8,844,032</u>	<u>11,419,773</u>
Total cash and cash equivalents	<u><u>\$ 8,844,032</u></u>	<u><u>\$ 11,419,773</u></u>
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating income	\$ 232,114	\$ 232,118
Adjustments to reconcile operating income to net cash from operating activities - Changes in assets and liabilities:		
Due from members - Monthly billings	(249,538)	1,520,760
Accounts receivable - Nonmembers	(1,237,057)	(15,325)
Prepaid expenses	(2,734)	(12,660)
Accounts payable	51,763	(108,185)
Accrued payable and payroll	(37,140)	114,045
Due to Wayne County, Michigan	(194,827)	-
	<u>(1,437,419)</u>	<u>(1,269,247)</u>
Net cash and cash equivalents (used in) provided by operating activities	<u><u>\$ (1,437,419)</u></u>	<u><u>\$ 1,730,753</u></u>

September 30, 2020 and 2019

Note 1 - Significant Accounting Policies

Nature of Entity

The Western Townships Utilities Authority (WTUA or the "Authority") is a joint venture of the charter townships of Canton, Northville, and Plymouth and was created pursuant to Act 233, Michigan Public Acts of 1955. Its allowed purpose is to acquire and operate a sewage disposal system, a solid waste management system, and/or a water supply system. The Authority currently operates a sewage transportation system for these communities.

The Internal Revenue Service has ruled that the Authority is a political subdivision of the State of Michigan and, as a result, is exempt from federal income tax.

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America applicable to governmental units.

Reporting Entity

The accompanying basic financial statements have been prepared in accordance with criteria established by the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity. In accordance with these guidelines, there are no component units to be included in these financial statements.

Basis of Accounting

The accrual basis of accounting is used by the Authority.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Operating Revenue

Operating revenue represents billings to member townships based on the Authority's operating expenses. Therefore, the Authority has shown depreciation expense as a nonoperating expense for the purpose of the statement of revenue, expenses, and changes in net position.

Cash Equivalents

For the purpose of the statement of cash flows, all highly liquid investments with original maturities of three months or less are considered to be cash equivalents. In addition, the statement of cash flows includes both restricted and unrestricted cash and cash equivalents.

Due from Members

Due from members represents amounts that will be collected from the three townships to pay for the Authority's operational and administrative costs and for reimbursement of capital-related costs.

Unbilled Receivable

Unbilled receivable represents amounts that have not been billed to the townships for debt service as of the end of the year. The Authority has accrued interest payable in an amount equal to the unbilled receivable for debt service.

Note 1 - Significant Accounting Policies (Continued)

Restricted Assets

The Authority has funds set aside to pay for capital asset projects and emergency replacement of critical assets. These funds are provided by the townships and are held by WTUA for each restricted purpose. When an expense is incurred that allows the use of restricted assets, those assets are applied before utilizing any unrestricted assets.

Capital Assets

Generally, purchases for capital outlay exceeding \$5,000 are capitalized. All capital assets are recorded at cost or, if donated, at their acquisition cost on the date donated. Depreciation on such capital assets is charged as an expense against the operations of the Authority.

Capital assets are depreciated using the straight-line method over the following useful lives:

	Depreciable Life - Years
Land restoration	15
Utility system - Equalization basin and pump station	10 to 40
Utility system - Sewage transmission lines	60
Utility system - Equity in the Ypsilanti Community Utilities Authority (YCUA)	15 to 40
Utility system - Furniture and equipment	5 to 7

Upcoming Accounting Pronouncements

In January 2017, the Governmental Accounting Standards Board issued Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement were originally effective for the Authority's financial statements for the year ended September 30, 2020 but were extended to September 30, 2021 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement were originally effective for the Authority's financial statements for the year ending September 30, 2021 but were extended to September 30, 2022 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

Note 1 - Significant Accounting Policies (Continued)

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which simplifies accounting for interest cost incurred before the end of construction and requires those costs to be expensed in the period incurred. As a result, interest cost incurred before the end of a construction period will not be capitalized and included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement also reiterates that, in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of the standard will be applied prospectively and result in increased interest expense during periods of construction. The provisions of this statement were originally effective for the Authority's financial statements for the year ending September 30, 2021 but were extended to September 30, 2022 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

In June 2020, the Governmental Accounting Standards Board issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. While this standard had certain aspects impacting defined contribution pension and OPEB plans and other employee benefit plans that were effective immediately, it also clarifies when a 457 should be considered a pension plan or an other employee benefit plan to assist in the application of GASB Statement No. 84 to these types of plans. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement related to 457 plans are effective for the Authority's financial statements for the year ending September 30, 2022.

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

An annual budget is adopted on the modified accrual basis of accounting, which is a comprehensive basis of accounting used for governmental fund-type operations; it differs from accounting principles generally accepted in the United States of America for proprietary fund-type operations, such as the Western Townships Utilities Authority. The annual budget is prepared by the Authority's accountant and is adopted by the Authority's board of commissioners and member townships; subsequent amendments are approved by the Authority's board of commissioners.

The budget has been adopted on an activity basis; expenditures at this level in excess of amounts budgeted are a violation of Michigan law. A comparison of actual results of operating expenditures to the budget adopted by the board of commissioners for the enterprise fund is included in the supplemental information.

There were no budget overruns at September 30, 2020 and 2019.

Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

Note 3 - Deposits and Investments (Continued)

The Authority has designated three banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 has authorized investment in bonds and securities of the United States government and bank accounts and CDs but not the remainder of state statutory authority, as listed above. The Authority's deposits and investments are in accordance with statutory authority.

The Authority's cash and investments are subject to one type of risk, which is examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. At September 30, 2020 and 2019, the Authority had \$690,525 and \$0, respectively, of bank deposits that were uninsured and uncollateralized. The Authority believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Authority evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value (NAV) per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Authority has an investment in Michigan CLASS measured at NAV as of September 30, 2020 and 2019. The balance of this investment is \$8,740,008 and \$9,581,953 at September 30, 2020 and 2019, respectively.

The valuation method for investments measured at net asset value per share (or its equivalent) is presented in the table below.

Investments in Entities that Calculate Net Asset Value per Share

The Authority holds shares or interests in investment companies where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

At September 30, 2020, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Carrying Value	Unfunded Commitments	Redemption Frequency, if Eligible	Redemption Notice Period
Michigan CLASS	\$ 8,740,008	\$ -	No restrictions	None

Western Townships Utilities Authority

Notes to Financial Statements

September 30, 2020 and 2019

Note 3 - Deposits and Investments (Continued)

The Michigan CLASS investment pool invests in U.S. Treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated "A1" or better), collateralized bank deposits, repurchase agreements (collateralized at 102 percent by treasuries and agencies), and approved money market funds. The program is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities, and other public agencies.

Note 4 - Restricted Assets

At September 30, 2020 and 2019, restricted assets are composed of the following:

	2020	2019
Cash and investments:		
Capital replacement reserve - Emergency	\$ 525,924	\$ 520,063
Construction retainages	17,775	-
Capital replacement reserve - Construction	8,214,084	8,827,201
Debt service	7,852	7,515
	<u> </u>	<u> </u>
Total	<u>\$ 8,765,635</u>	<u>\$ 9,354,779</u>

Note 5 - Capital Assets

Capital asset activity of the Authority was as follows:

	Balance October 1, 2019	Additions	Disposals	Balance September 30, 2020
Capital assets not being depreciated:				
Land	\$ 3,549,602	\$ -	\$ -	\$ 3,549,602
Construction in progress	89,733	2,255,787	-	2,345,520
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subtotal	3,639,335	2,255,787	-	5,895,122
Capital assets being depreciated:				
Land restoration costs	2,412,243	-	-	2,412,243
Sewage transmission lines	46,752,775	142,677	-	46,895,452
Equalization basin and pump station	67,457,551	12,709	-	67,470,260
Equity in YCUA	91,368,841	-	-	91,368,841
Furniture and equipment	127,527	-	-	127,527
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subtotal	208,118,937	155,386	-	208,274,323
Accumulated depreciation:				
Land restoration costs	2,412,243	-	-	2,412,243
Sewage transmission lines	18,723,806	799,982	-	19,523,788
Equalization basin and pump station	29,461,120	1,639,517	-	31,100,637
Equity in YCUA	30,769,106	2,283,343	-	33,052,449
Furniture and equipment	97,319	6,713	-	104,032
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subtotal	81,463,594	4,729,555	-	86,193,149
Net capital assets being depreciated	<u>126,655,343</u>	<u>(4,574,169)</u>	<u>-</u>	<u>122,081,174</u>
Net capital assets	<u>\$ 130,294,678</u>	<u>\$ (2,318,382)</u>	<u>\$ -</u>	<u>\$ 127,976,296</u>

Western Townships Utilities Authority

Notes to Financial Statements

September 30, 2020 and 2019

Note 5 - Capital Assets (Continued)

	Balance October 1, 2018	Reclassifications	Additions	Disposals	Balance September 30, 2019
Capital assets not being depreciated:					
Land	\$ 3,549,602	\$ -	\$ -	\$ -	\$ 3,549,602
Construction in progress	-	-	89,733	-	89,733
Subtotal	3,549,602	-	89,733	-	3,639,335
Capital assets being depreciated:					
Land restoration costs	2,412,243	-	-	-	2,412,243
Sewage transmission lines	46,509,159	-	243,616	-	46,752,775
Equalization basin and pump station	67,445,801	-	11,750	-	67,457,551
Equity in YCUA	91,229,341	-	139,500	-	91,368,841
Furniture and equipment	127,527	-	-	-	127,527
Subtotal	207,724,071	-	394,866	-	208,118,937
Accumulated depreciation:					
Land restoration costs	2,412,243	-	-	-	2,412,243
Sewage transmission lines	17,927,043	-	796,763	-	18,723,806
Equalization basin and pump station	27,762,784	-	1,698,336	-	29,461,120
Equity in YCUA	28,487,508	-	2,281,598	-	30,769,106
Furniture and equipment	89,278	-	8,041	-	97,319
Subtotal	76,678,856	-	4,784,738	-	81,463,594
Net capital assets being depreciated	131,045,215	-	(4,389,872)	-	126,655,343
Net capital assets	\$ 134,594,817	\$ -	\$ (4,300,139)	\$ -	\$ 130,294,678

Construction Commitments

The Authority has one ongoing construction project at September 30, 2020: an expansion project. The expansion project had a total project commitment of \$14,458,863 and total expenses to date of \$1,949,038. The unspent commitments totaled \$12,509,825 at September 30, 2020.

Note 6 - Long-term Debt

Long-term debt activity for the years ended September 30, 2020 and 2019 can be summarized as follows:

	Interest Rate Ranges	Principal Maturity Ranges	2020				
			Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable -							
Other debt:							
2012 General Obligation Bond (used to refund 2002 bonds)	4.00% - 5.00%	2023	\$ 14,565,000	\$ -	\$ (3,565,000)	\$ 11,000,000	\$ 3,525,000
Unamortized premium on 2012 issue			1,266,402	-	(389,662)	876,740	389,663
Total bonds and contracts payable			\$ 15,831,402	\$ -	\$ (3,954,662)	\$ 11,876,740	\$ 3,914,663

Western Townships Utilities Authority

Notes to Financial Statements

September 30, 2020 and 2019

Note 6 - Long-term Debt (Continued)

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	2019		Ending Balance	Due within One Year
				Additions	Reductions		
Bonds and contracts payable -							
Other debt:							
2009 General Obligation Bond (used to refund 2001 bonds)	3.50%	2019	\$ 1,435,000	\$ -	\$ (1,435,000)	\$ -	\$ -
2012 General Obligation Bond (used to refund 2002 bonds)	4.00% - 5.00%	2023	17,660,000	-	(3,095,000)	14,565,000	3,565,000
Unamortized premium on 2009 issue			105,523	-	(105,523)	-	-
Unamortized premium on 2012 issue			1,656,063	-	(389,661)	1,266,402	389,663
Total bonds and contracts payable			<u>\$ 20,856,586</u>	<u>\$ -</u>	<u>\$ (5,025,184)</u>	<u>\$ 15,831,402</u>	<u>\$ 3,954,663</u>

Debt Service Requirements to Maturity

The annual principal and interest requirements to service all debt, following the refunding described above and including interest payments on the refunded bonds through January 1, 2023, are as follows:

Years Ending September 30	Other Debt		
	Principal	Interest	Total
2021	\$ 3,525,000	\$ 444,250	\$ 3,969,250
2022	3,495,000	286,375	3,781,375
2023	3,980,000	99,500	4,079,500
Total	<u>\$ 11,000,000</u>	<u>\$ 830,125</u>	<u>\$ 11,830,125</u>

Interest

For the year ended September 30, 2020, interest incurred by the Authority totaled \$550,400. For the year ended September 30, 2019, interest incurred by the Authority totaled \$700,856.

Classifications

Long-term debt that is due within one year has been classified as a noncurrent liability on the statement of net position since these obligations are not payable with the current resources of the Authority. The Authority will bill the member townships when bond payments are due.

Note 7 - Leases

Operating Leases

The Authority has entered into an agreement with the Ypsilanti Community Utilities Authority (YCUA), under which the Authority obtains certain rights to use a portion of the treatment capacity of the YCUA wastewater treatment plant. This agreement requires a rental payment on November 17 each year through November 17, 2098. Annual payment requirements for the above are as follows:

Years Ending September 30	Amount
2021	\$ 364,630
2022	322,936
2023	282,060
2024	268,777
2025	256,967
2026-2030	1,173,254
2031-2035	956,666
2036-2040	698,325
2041-2045	440,485
2046-2050	424,089
2051-2055	448,276
2056-2060	472,464
2061-2065	496,651
2066-2070	520,839
2071-2075	545,026
2076-2080	569,214
2081-2085	593,401
2086-2090	617,589
2091-2095	641,776
2096-2099	530,836
Total	<u>\$ 10,624,261</u>

Note 8 - Contracts Payable - YCUA

The Authority assumed a liability equal to 18.57 percent of YCUA's unfunded pension obligation as of August 31, 2015. As a result, the Authority recorded a liability in the amount of \$3,481,782 and makes monthly contributions of \$19,343 through August 2029. In exchange, the Authority received 4.3 million gallons per day of additional capacity in the YCUA wastewater treatment plant.

Note 9 - Settlement Agreement - Wayne County RVIS

The Authority discontinued utilization of the Wayne County RVIS for disposal of wastewater as of July 1, 2017. All flow to the county was ceased by that date, with the exception of the "swap" areas representing flow from the City of Plymouth, Michigan. On February 6, 2020, the termination agreement was approved by the Authority; its three member communities; and Wayne County, Michigan. The Authority was required to make a one-time payment of \$99,000 to Wayne County, Michigan upon onset of the agreement and remaining payments totaling \$1,245,750 through April 15, 2027. As part of the agreement, the City of Plymouth, Michigan was required to pay the Authority \$157,143 on April 15, 2020 and \$187,912 each year going forward through April 15, 2033.

September 30, 2020 and 2019

Note 10 - Risk Management

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Authority has purchased commercial insurance for medical benefits provided to employees and workers' compensation and participates in the Michigan Municipal Risk Management Authority (the "MMRMA") State Pool for claims relating to property loss and torts. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Municipal Risk Management Authority risk pool program operates as a claims servicing pool for amounts up to member retention limits and operates as a common risk-sharing management program for losses in excess of member retention amounts. Although premiums are paid annually to the MMRMA that it uses to pay claims up to the retention limits, the ultimate liability for those claims remains with the MMRMA.

Note 11 - Retirement Plans

The Authority provides pension benefits to all of its full-time employees through a defined contribution plan. The Authority participates in the Municipal Employees' Retirement System of Michigan (MERS) for all defined contribution plan participants. MERS issues a publicly available financial report that includes financial statements and required supplemental information for the system. That report may be obtained by writing to the system at 1134 Municipal Way, Lansing, MI 48917.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. As established by the personnel policies manual, the Authority contributes 15 percent of employees' gross earnings, and employees contribute 5 percent of earnings. Employees are 100 percent vested after a period of five years. In accordance with these requirements, for the fiscal years ended September 30, 2020 and 2019, the Authority contributed approximately \$36,000 and \$35,000, respectively.

Other Supplemental Information

Western Townships Utilities Authority

Other Supplemental Information
Schedule of Operating Expenditures - Budget and Actual

Year Ended September 30, 2020

	Original Budget (Unaudited)	Final Budget (Unaudited)	Actual	Variance Favorable (Unfavorable)
Sewage treatment charges	\$ 7,644,134	\$ 7,644,134	\$ 5,103,450	\$ 2,540,684
Operation and maintenance costs	2,244,427	2,244,427	2,051,378	193,049
Administrative costs	614,425	614,345	496,096	118,329
Sewage capacity rental costs	403,883	403,883	403,883	-

Western Townships Utilities Authority

**Other Supplemental Information
Schedule of Bonded Indebtedness**

September 30, 2020

Date of Maturity January 1	Principal Debt Outstanding at September 30, 2020	Annual Interest Payable	Total
2021	\$ 3,525,000	\$ 444,250	\$ 3,969,250
2022	3,495,000	286,375	3,781,375
2023	3,980,000	99,500	4,079,500
Total remaining payments	<u>\$ 11,000,000</u>	<u>\$ 830,125</u>	<u>\$ 11,830,125</u>
Interest rate	4.00-5.00%		
Original issue	<u>\$ 32,205,000</u>		

In 2020, the principal payment for the 2012 bond issue was \$3,565,000 at an interest rate of 4.00 percent. Interest payable for the 2012 bond issue in 2020 was \$586,050.

Interest payments for the bond issues are due on January 1 and July 1 of each year.

BALANCE SHEET

Page: 1

1/6/2021

10:08 am

Western Townships Utilities Authority

As of: 9/30/2020 (PFY)

Balances

Assets

Acct Class: 1010 CASH	
010.100 CASH - CHECKING	78,222.45
010.230 CASH-CIP (RESTR) MI CLASS	8,214,083.82
010.235 CASH-ERF (RESTR) MI CLASS	525,924.00
010.240 CASH-SAVINGS (RESTR CAP REPL)	0.01
010.260 DEBT SERVICE ACCOUNT	7,852.46
010.300 PETTY CASH	174.53
010.607 RETAINAGE-WALSH	17,774.54
Acct Class: 1010 CASH	8,844,031.81
Acct Class: 1030 ACCOUNTS RECEIVABLE	
013.000 ACCOUNTS RECEIVABLE	2,886,130.51
013.200 A/R-TOWNSHIP	47,707.51
013.210 A/R-BILLINGS TO TWPS/CAP COSTS	170,122.16
013.250 A/R-BILLINGS TO TWPS/OPERATION	692,136.16
013.253 UNBILLED RECVBLE-DEBT SERVICE	128,687.50
Acct Class: 1030 ACCOUNTS RECEIVABLE	3,924,783.84
Acct Class: 1040 OTHER ASSETS	
014.000 PREPAID EXPENSES	77,600.60
Acct Class: 1040 OTHER ASSETS	77,600.60
Acct Class: 1090 CAPITAL ASSETS	
015.000 OFFICE FURNITURE AND EQUIPMENT	127,527.44
015.200 INFRASTRUCTURE	211,696,396.25
015.900 ACCUMULATED DEPRECIATION	-86,193,147.37
Acct Class: 1090 CAPITAL ASSETS	125,630,776.32
Acct Class: 68 LR MASTER PLAN EXPANSION	
135.525 MASTER PLAN EXP-DESIGN	1,508,879.85
135.526 MASTER PLAN EXP-CONSTRUCTION	751,090.37
135.527 MASTER PLAN EXP-PROJ MGMT	65,292.25
135.528 MASTER PLAN EXP-LEGAL	20,257.63
Acct Class: 68 LR MASTER PLAN EXPANSION	2,345,520.10
Acct Class: 8 DEFERRED OUTFLOWS OF RESOURCES	
180.002 DEFERRED CHARGE 2012 REFUNDING	57,263.40
Acct Class: 8 DEFERRED OUTFLOWS OF RESOURCES	57,263.40
Total Assets	140,879,976.07

Liabilities

Acct Class: 2100 CURRENT LIABILITIES	
200.000 ACCOUNTS PAYABLE	636,829.39
200.500 ACCRUED PAYABLES	49,558.56
201.000 OTHER ACCRUED LIABILITIES	7,453.65
201.110 ACCRUED 401 (15% CONTRIB)	1,071.65
201.510 401 PENSION PLAN W/H	357.22
203.000 CONSTRUCTION RETAINERS PAYABLE	17,774.54
203.500 CONSTRUCTION PAYABLE	358,449.65
209.310 ACCRUED INTEREST PAY-2012 BOND	128,687.50

BALANCE SHEET

Western Townships Utilities Authority

As of: 9/30/2020 (PFY)

Balances

Liabilities

Acct Class: 2100 CURRENT LIABILITIES

214.500 DUE TO TOWNSHIPS-OTHER 1,739,433.18

255.000 CURRENT PORTION OF YCUA UAAL 232,118.79

Acct Class: 2100 CURRENT LIABILITIES

3,171,734.13

Acct Class: 2500 LONG-TERM LIABILITIES

282.100 BONDS PAYABLE 2012 ISSUE 11,000,000.00

289.060 PREMIUM ON 2012 BONDS 876,739.70

295.000 LONG-TERM DEBT-YCUA UAAL 1,837,623.99

296.000 ALLEGED DEBT SHARE-WC L/T 1,149,923.08

Acct Class: 2500 LONG-TERM LIABILITIES

14,864,286.77

Total Liabilities

18,036,020.90

Reserves/Balances

Acct Class: 0000

390.000 NET ASSETS 121,845,649.11

398.000 CURR YEAR CHANGE IN NET ASSETS 998,306.06

Acct Class: 0000

122,843,955.17

Total Reserves/Balances

122,843,955.17

REVENUE/EXPENDITURE REPORT

Western Townships Utilities Authority

For the Period: 10/1/2019 to 9/30/2020

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 590 - SEWER TRANSPORTATION FUND							
Revenues							
Dept: 0							
Acct Class: 0025 INVESTMENT INCOME							
405.000 INTEREST INC-RESTR NET OF FEES	0.00	0.00	337.05	0.00	0.00	-337.05	0.0
405.010 INTEREST INC-RESTRICTED ERF	0.00	0.00	5,861.38	47.63	0.00	-5,861.38	0.0
405.020 RESTRICTED INTEREST INC-CIP	0.00	0.00	96,316.74	751.40	0.00	-96,316.74	0.0
INVESTMENT INCOME	0.00	0.00	102,515.17	799.03	0.00	-102,515.17	0.0
Acct Class: 0026 OTHER INCOME							
409.000 OTHER REVENUE	0.00	0.00	121,262.28	0.00	0.00	-121,262.28	0.0
410.000 BILLINGS TO TWPS/OPERATIONS	11,138,988.00	11,138,988.00	7,761,776.20	-974,151.33	0.00	3,377,211.80	69.7
410.210 BILLINGS TO TWPS/CAPITAL COSTS	0.00	0.00	1,464,018.60	106,352.01	0.00	-1,464,018.60	0.0
410.550 BILLINGS TO TWPS/YCUA LEASE	403,883.00	403,883.00	403,883.00	0.00	0.00	0.00	100.0
420.000 BILLINGS TO TWP/DEBT REDUCTION	4,115,400.00	4,115,400.00	4,115,400.00	42,895.84	0.00	0.00	100.0
OTHER INCOME	15,658,271.00	15,658,271.00	13,866,340.08	-824,903.48	0.00	1,791,930.92	88.6
Dept: 0	15,658,271.00	15,658,271.00	13,968,855.25	-824,104.45	0.00	1,689,415.75	89.2
Revenues	15,658,271.00	15,658,271.00	13,968,855.25	-824,104.45	0.00	1,689,415.75	89.2
Expenditures							
Dept: 0							
Acct Class: 0032 YCUA SEWAGE TREATMENT							
605.000 YCUA-SEWAGE TREATMENT CHGS	232,119.00	232,119.00	0.00	0.00	0.00	232,119.00	0.0
YCUA SEWAGE TREATMENT	232,119.00	232,119.00	0.00	0.00	0.00	232,119.00	0.0
Dept: 0	232,119.00	232,119.00	0.00	0.00	0.00	232,119.00	0.0
Dept: 1 SEWAGE TREATMENT CHARGES							
Acct Class: 0032 YCUA SEWAGE TREATMENT							
605.000 YCUA-SEWAGE TREATMENT CHGS	7,509,134.00	7,509,134.00	6,851,426.01	489,083.08	0.00	657,707.99	91.2
605.020 YCUA-IND'L PRETREATMENT CHGS	135,000.00	135,000.00	123,307.08	10,275.59	0.00	11,692.92	91.3
605.050 YCUA-RATE LOOKBACK ADJUSTMENT	0.00	0.00	-1,871,283.00	-1,713,995.00	0.00	1,871,283.00	0.0
YCUA SEWAGE TREATMENT	7,644,134.00	7,644,134.00	5,103,450.09	-1,214,636.33	0.00	2,540,683.91	66.8
SEWAGE TREATMENT CHARGES	7,644,134.00	7,644,134.00	5,103,450.09	-1,214,636.33	0.00	2,540,683.91	66.8
Dept: 2 OPERATIONS AND MAINTENANCE							
Acct Class: 0041 LOWER ROUGE							
612.310 CONTRACTOR-LOWER	282,302.00	282,302.00	293,339.46	24,924.12	0.00	-11,037.46	103.9
612.320 PARTS-LOWER	15,000.00	15,000.00	26,772.81	114.92	0.00	-11,772.81	178.5
612.329 COMMUNICATIONS-LOWER	2,500.00	2,500.00	2,844.65	236.58	0.00	-344.65	113.8
612.330 INSTRUMENTATION-LOWER	4,000.00	4,000.00	2,910.00	0.00	0.00	1,090.00	72.8
612.340 ALARM MONITORING-LOWER	4,000.00	4,000.00	2,077.86	-541.83	0.00	1,922.14	51.9
612.350 PREV/PRED MAINTENANCE-LOWER	14,000.00	14,000.00	22,789.25	0.00	0.00	-8,789.25	162.8
612.360 INSPECTIONS/PERMITS/LICENSE-LR	3,000.00	3,000.00	1,244.85	0.00	0.00	1,755.15	41.5
612.371 JANITORIAL-LOWER	3,250.00	3,250.00	3,250.26	272.84	0.00	-0.26	100.0
612.379 GENERAL MAINTENANCE-LOWER	4,000.00	4,000.00	1,192.88	0.00	0.00	2,807.12	29.8
612.381 LAWN MAINTENANCE-LOWER	4,000.00	4,000.00	2,826.89	699.31	0.00	1,173.11	70.7
612.382 SNOW REMOVAL-LOWER	5,500.00	5,500.00	5,112.22	0.00	0.00	387.78	92.9
612.383 LANDSCAPE MAINTENANCE-LOWER	3,500.00	3,500.00	526.56	0.00	0.00	2,973.44	15.0
612.390 FLOW MTR MAINT-LOWER ROUGE	6,000.00	6,000.00	3,850.00	0.00	0.00	2,150.00	64.2
612.410 ELECTRIC-LOWER	500,000.00	500,000.00	606,901.17	54,607.25	0.00	-106,901.17	121.4
612.430 NATURAL GAS-LOWER	20,000.00	20,000.00	22,172.51	152.18	0.00	-2,172.51	110.9
612.450 WATER/SEWER-LOWER	75,000.00	75,000.00	64,694.93	11,033.79	0.00	10,305.07	86.3
612.470 SUPPLIES & TOOLS-LOWER	8,000.00	8,000.00	9,012.99	2,601.44	0.00	-1,012.99	112.7
612.480 FUEL-LOWER ROUGE	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	0.0
612.600 CORRECTIVE MAINTENANCE-LOWER	100,000.00	100,000.00	9,207.00	4,039.00	0.00	90,793.00	9.2
LOWER ROUGE	1,064,052.00	1,064,052.00	1,080,726.29	98,139.60	0.00	-16,674.29	101.6
Acct Class: 0042 MIDDLE ROUGE							

REVENUE/EXPENDITURE REPORT

Western Townships Utilities Authority

For the Period: 10/1/2019 to 9/30/2020

	Original Bud.	Amended Bud.	YTD Actual	CURR MTH	Encumb. YTD	UnencBal	% Bud
Fund: 590 - SEWER TRANSPORTATION FUND							
Expenditures							
Dept: 2 OPERATIONS AND MAINTENANCE							
Acct Class: 0042 MIDDLE ROUGE							
613.310 CONTRACTOR-MIDDLE	169,380.00	169,380.00	176,003.67	14,954.47	0.00	-6,623.67	103.9
613.320 PARTS-MIDDLE	7,500.00	7,500.00	2,923.62	45.52	0.00	4,576.38	39.0
613.329 COMMUNICATIONS-MIDDLE	2,200.00	2,200.00	1,741.41	15.77	0.00	458.59	79.2
613.330 INSTRUMENTATION-MIDDLE	4,000.00	4,000.00	2,910.00	0.00	0.00	1,090.00	72.8
613.340 ALARM MONITORING-MIDDLE	2,000.00	2,000.00	3,302.50	358.99	0.00	-1,302.50	165.1
613.350 PREV/PRED MAINTENANCE-MIDDLE	12,000.00	12,000.00	880.50	66.00	0.00	11,119.50	7.3
613.360 INSPECTIONS/PERMITS/LICENSE-MR	4,000.00	4,000.00	2,023.29	0.00	0.00	1,976.71	50.6
613.371 JANITORIAL-MIDDLE	4,875.00	4,875.00	4,875.30	409.25	0.00	-0.30	100.0
613.379 GENERAL MAINTENANCE-MIDDLE	5,000.00	5,000.00	1,306.07	98.10	0.00	3,693.93	26.1
613.381 LAWN MAINTENANCE-MIDDLE	8,500.00	8,500.00	7,408.79	1,723.88	0.00	1,091.21	87.2
613.382 SNOW REMOVAL-MIDDLE	6,000.00	6,000.00	5,623.10	0.00	0.00	376.90	93.7
613.383 LANDSCAPE MAINTENANCE-MIDDLE	4,000.00	4,000.00	774.00	0.00	0.00	3,226.00	19.4
613.390 FLOW METER MAINT-MIDDLE ROUGE	16,500.00	16,500.00	19,725.00	2,100.00	0.00	-3,225.00	119.5
613.410 ELECTRIC-MIDDLE	175,000.00	175,000.00	150,668.01	12,943.64	0.00	24,331.99	86.1
613.421 ODOR CONTROL CHEMICALS	13,000.00	13,000.00	6,276.56	0.00	0.00	6,723.44	48.3
613.430 NATURAL GAS-MIDDLE	18,000.00	18,000.00	7,972.60	0.00	0.00	10,027.40	44.3
613.450 WATER/SEWER-MIDDLE	15,000.00	15,000.00	6,895.68	1,552.13	0.00	8,104.32	46.0
613.470 SUPPLIES & TOOLS-MIDDLE	8,000.00	8,000.00	459.48	149.00	0.00	7,540.52	5.7
613.600 CORRECTIVE MAINTENANCE-MIDDLE	50,000.00	50,000.00	0.00	0.00	0.00	50,000.00	0.0
MIDDLE ROUGE	524,955.00	524,955.00	401,769.58	34,416.75	0.00	123,185.42	76.5
Acct Class: 0043 FORCE MAIN							
614.310 CONTRACTOR-FORCE MAIN	56,460.00	56,460.00	58,667.94	4,984.83	0.00	-2,207.94	103.9
614.320 PARTS-FORCE MAIN	6,000.00	6,000.00	22.47	0.00	0.00	5,977.53	0.4
614.329 COMMUNICATIONS-FORCE MAIN	1,000.00	1,000.00	608.70	43.84	0.00	391.30	60.9
614.350 PREV/PRED MAINT-FORCE MAIN	500.00	500.00	0.00	0.00	0.00	500.00	0.0
614.470 SUPPLIES & TOOLS-FORCE MAIN	1,500.00	1,500.00	0.00	0.00	0.00	1,500.00	0.0
614.600 CORRECTIVE MAINT-FORCE MAIN	20,000.00	20,000.00	0.00	0.00	0.00	20,000.00	0.0
FORCE MAIN	85,460.00	85,460.00	59,299.11	5,028.67	0.00	26,160.89	69.4
Acct Class: 0044 COLLECTION SYSTEM							
615.310 CONTRACTOR-COLLECTION SYSTEM	56,460.00	56,460.00	58,667.94	4,984.83	0.00	-2,207.94	103.9
615.315 INFRA MAINT-COLLECTION SYSTEM	150,000.00	150,000.00	265,712.00	38,892.69	0.00	-115,712.00	177.1
615.320 PARTS-COLLECTION SYSTEM	1,000.00	1,000.00	68.90	0.00	0.00	931.10	6.9
615.329 COMMUNICATIONS-COLL SYSTEM	4,000.00	4,000.00	3,790.68	-131.54	0.00	209.32	94.8
615.330 INSTRUMENTATION-COLL SYSTEM	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
615.350 PREV/PRED MAINT-COLL SYSTEM	2,000.00	2,000.00	3,319.22	0.00	0.00	-1,319.22	166.0
615.360 INSPECTIONS/PERMITS/LICENSE-CS	500.00	500.00	0.00	0.00	0.00	500.00	0.0
615.370 BUILDING MAINTENANCE-COLL SYST	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
615.380 GROUNDS MAINTENANCE-COLL SYST	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
615.390 FLOW MTR MAINT-COLL SYSTEM	156,000.00	156,000.00	142,665.00	11,550.00	0.00	13,335.00	91.5
615.395 MISS DIG LOCATES-COLL SYSTEM	4,500.00	4,500.00	5,009.34	17.94	0.00	-509.34	111.3
615.410 ELECTRIC-COLLECTION SYSTEM	12,000.00	12,000.00	9,673.36	838.93	0.00	2,326.64	80.6
615.470 SUPPLIES & TOOLS-COLL SYSTEM	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
615.480 FUEL-COLLECTION SYSTEM	2,000.00	2,000.00	0.00	0.00	0.00	2,000.00	0.0
615.500 EQUIP PURCHASES-COLL SYSTEM	50,000.00	50,000.00	4,211.14	0.00	0.00	45,788.86	8.4
615.600 CORRECTIVE MAINT-COLL SYSTEM	120,000.00	120,000.00	14,067.88	0.00	0.00	105,932.12	11.7
COLLECTION SYSTEM	562,460.00	562,460.00	507,185.46	56,152.85	0.00	55,274.54	90.2
Acct Class: 0045 VEHICLE							
616.320 PARTS-VEHICLE	500.00	500.00	182.08	0.00	0.00	317.92	36.4
616.350 PREV/PRED MAINT-VEHICLE	1,000.00	1,000.00	0.00	0.00	0.00	1,000.00	0.0
616.480 FUEL-VEHICLE	4,000.00	4,000.00	1,779.43	169.72	0.00	2,220.57	44.5
616.600 CORRECTIVE MAINTENANCE-VEHICLE	2,000.00	2,000.00	434.53	0.00	0.00	1,565.47	21.7
VEHICLE	7,500.00	7,500.00	2,396.04	169.72	0.00	5,103.96	31.9
OPERATIONS AND MAINTENANCE	2,244,427.00	2,244,427.00	2,051,376.48	193,907.59	0.00	193,050.52	91.4
Dept: 3 ADMINISTRATIVE COSTS							