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**GLWA MAINTAINS COMMITMENT TO 4% PROMISE IN ITS FY 2025 BUDGET;
WATER & WASTEWATER SERVICE CHARGE INCREASES
WELL BELOW RATE OF INFLATION**

- *Water System service charge increase is 3.25 percent; Wastewater System service charge increase is 3.0 percent*
- *Eight-year annual average charge adjustment is just 2.3 percent for water and 1.2 percent for wastewater*
- *Since FY2018, GLWA's average combined Water and Wastewater service charge adjustments have been less than half of inflationary increases as measured by the Consumer Price Index*

DETROIT— The Great Lakes Water Authority (GLWA) Board of Directors, at its meeting on Wednesday, February 28, 2024, unanimously approved the organization's Fiscal Year 2025 and FY 2026 biennial budget, as well as the corresponding FY 2025 water and wastewater service charges for its member partner communities.

The system-wide service charge increase is 3.25 percent for the water system and 3.0 percent for the wastewater system. This is the result of an overall FY 2025 budget increase of four percent, offset by increased investment earnings. The service charge increase is below the most recent 2023 consumer price index for all urban consumers (CPI-U) for all items in the United States, which is 4.1 percent. Highland Park bad debt expense is not included in the FY 2025 charges.

"As in previous years, the main force guiding our budget and charge development has been our promise to do everything within our power to balance the regional system's budgetary needs with overall affordability concerns," said Suzanne R. Coffey, P.E., Chief Executive Officer, GLWA. "No decision is made today without understanding how it impacts the future, the environment and those we serve. I am grateful for everyone involved, including our team members, our member partners and our Board of Directors for their ongoing collaboration."

GLWA's eight-year annual average systemwide service charge adjustment for the water system is 2.3 percent, and 1.2 percent for the wastewater system. It is important to note that GLWA's combined average annual service charge adjustment over this eight-year period is 1.7 percent, which is half of the CPI-U benchmark over the same time period.

The total budget for GLWA for fiscal year 2025 is \$906 million, which is approximately \$35 million above fiscal year 2024.

“By far the biggest challenge in preparing this year’s budget is continuing to absorb cost increases over many years that exceeded revenue increases. This has been especially impactful since the pandemic with the significant rise in the cost of chemicals used in our treatment processes, as well as building materials such as iron, steel and cement, and electrical equipment used in the delivery of our capital projects,” said Nicolette N. Bateson, CPA, Chief Financial Officer and Treasurer, GLWA. “Despite these economic challenges, there is not one area of the utility that is not advancing resiliency and effectiveness initiatives. Our bottom line is a future focused on wholistic resiliency.”

The water and wastewater service charges set by GLWA cover all the Authority’s costs of providing water and wastewater services. This includes pumping stations, transmission pipes, and treatment plant maintenance and renewal, as well as paying debt service on outstanding bonds issued to fund ongoing capital improvements to the system’s vast infrastructure.

It is important to note that GLWA service charges are only one element of what local residents and business owners see on their bill. Each municipality has its own added costs associated with maintaining its local system, which can mean that GLWA’s charges may be a larger or smaller percentage of the total cost of a local community’s water expenses. Ultimately, each individual member partner community sets the end cost, or local rates, passed along to residents and businesses.

For more information on GLWA, please visit www.glwater.org.

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About the Great Lakes Water Authority (GLWA)

The Great Lakes Water Authority (GLWA) is the provider-of-choice for drinking water services to nearly 40 percent, and efficient and effective wastewater services to nearly 30 percent, of Michigan’s population. With the Great Lakes as source water, GLWA is uniquely positioned to provide those it serves with water of unquestionable quality. GLWA also has the capacity to extend its services beyond its 88 member partner communities. As part of its commitment to water affordability, the Authority offers a Water Residential Assistance Program to assist low-income households in participating member communities throughout the system. GLWA’s board includes one representative each from Oakland, Macomb, and Wayne counties, two representatives from the city of Detroit, and one appointed by the Michigan governor to represent member partner communities outside of the tri-county area.