



Audit Committee Meeting
Monday, February 17, 2025, at 8:00 a.m.
www.glwater.org

[Join Zoom Meeting](#)

Meeting ID: **810 3318 0402** Passcode: **410612**

US Toll-free: **877 853 5247** or **888 788 0099**

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
 - A. December 6, 2024 (Page 1)
5. PUBLIC PARTICIPATION
6. OLD BUSINESS
 - A. Discussion: FY 2026 & FY 2027 Biennial Budget and Five-Year (Binder 2) Plan and Updated Long-Term Plan and Proposed FY 2026 Charges with Supporting Materials
 - B. *Action Item:* Recommendation to the Board of Directors (Binder 2) to Approve Resolution 2025-019 to Adopt the FY 2026 & FY 2027 Biennial Budget Subject to Public Comment at the Public Hearing to be Held on February 26, 2025
 - C. *Action Item:* Recommendation to the Board of Directors to (Binder 2) Approve Resolution 2025-020 to Adopt the FY 2026 Schedule of Service Charges Subject to Public Comment at the Public Hearing to be Held on February 26, 2025
7. NEW BUSINESS
 - A. *Action Item:* Scheduling of a Public Hearing for the GLWA (Page 5) FY 2026 Clean Water State Revolving Fund (CWSRF) Project Plan Submissions
8. REPORTS
 - A. CFO Report (Binder 2)
 - B. Monthly Financial Report through September 2024 (Page 13)
 - C. Affordability & Assistance Update (Page 14)
 - D. Gifts, Grants & Other Resources Report (Page 15)
 - E. Quarterly CWIP Report (Page 23)
 - F. Conflict of Interest Report (Page 46)
9. COMMUNICATIONS
 - A. The Procurement Pipeline for January 2025 (Page 48)

10. LOOK AHEAD

A. Next Audit Committee Meeting: February 28, 2025, at 8:00 a.m.

11. OTHER MATTERS

12. ADJOURNMENT



Great Lakes Water Authority

735 Randolph Street
Detroit, Michigan 48226
glwater.legistar.com

Meeting Minutes - Draft

Audit Committee

Monday, January 6, 2025

8:00 AM

Zoom Telephonic Meeting

Zoom Telephonic Meeting

Join Zoom Meeting:

<https://glwater.zoom.us/j/89193103605?pwd=MTV3QVV3NS9CQ1IHcE9EL25jaGZFUT09>

Join by Telephone

US Toll-Free:

888 788 0099; or 877 853 5247

Meeting ID: 891 9310 3605

Passcode: 937540

1. Call To Order

Chairperson Baker called the meeting to order at 8:04 a.m.

2. Quorum Call

Present: 3 - Chairperson Brian Baker, Director Gary Brown, and Director Jaye Quadrozzi

3. Approval of Agenda

Chairperson Baker requested a Motion to Approve the Agenda.

Motion By: Jaye Quadrozzi

Support: Brian Baker

Action: Approved

The motion carried unanimously.

4. Approval of Minutes

A. [2025-001](#) Minutes of December 6, 2024

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [4A Minutes - December 6, 2024 Audit Committee Special Meeting.pdf](#)

Chairperson Baker requested a Motion to Approve the December 6, 2024 Audit Committee Meeting Minutes.

Motion By: Jaye Quadrozzi

Support By: Brian Baker

Action: Approved

The motion carried by a unanimous vote.

5. Public Comment

There were no public comments.

6. Old Business

None

7. New Business**A.** [2025-002](#) Proposed Revenue Requirement & Charges and Review Proposed FY 2026 and 2027 Biennial Budget (Revenue Requirement) and Five-Year Financial Plan & Proposed FY 2026 Charges

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [7A Proposed FY 2026 – FY 2027 Biennial Budget Memo.pdf](#)
[7A Proposed FY 2026 – FY 2027 Biennial Budget.pdf](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

B. [2025-003](#) Status of FY 2026 Cost-of-Service Analysis

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [7B Status of FY2026 Cost-of-Service Analysis Memorandum 01_03_25.pdf](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

8. Reports

A. [2025-004](#) Affordability & Assistance Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8A Affordability & Assistance Update.pdf](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

B. [2025-005](#) Gifts, Grants & Other Resources Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8B Grants Gifts and Other Resources Report.pdf](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

9. Communications

A. [2025-006](#) The Procurement Pipeline for December 2024

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [9A December 2024 Procurement Pipeline.pdf](#)

No Action Taken - Informational Only

10. Look Ahead

The next Audit Committee Meeting is scheduled to be held Friday, January 24, 2025 at 8:00 a.m.

11. Other Matters

There were no other matters.

12. Adjournment

Chairperson Baker requested a Motion to Adjourn.

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Approved

The motion carried by a unanimous vote.

There being no further business, the meeting was adjourned at 9:40 a.m.



Financial Services Audit Committee Communication

Date: February 17, 2025

To: Great Lakes Water Authority Audit Committee

From: Jacqueline Morgan, CTP, State Revolving Fund Program Finance Manager

Re: Scheduling of a Public Hearing for the GLWA FY 2026 Clean Water State Revolving Fund (CWSRF) Project Plan Submissions

Background & Analysis: See attached draft Great Lakes Water Authority ("GLWA") Board letter.

Proposed Action: The GLWA Audit Committee recommends that the Great Lakes Water Authority Board of Directors schedule a Public Hearing for the GLWA FY 2026 Clean Water State Revolving Fund (CWSRF) project plan submissions for April 23, 2025, at 2:00 pm.

..Title

Scheduling of Public Hearing for the GLWA FY 2026 Clean Water State Revolving Fund (CWSRF) Program Project Plan Submittals

..Body

Agenda of: February 26, 2025

Item No.: **2025-047**

Amount: N/A

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Suzanne R. Coffey, P.E.
Chief Executive Officer
Great Lakes Water Authority

DATE: February 26, 2025

RE: **Scheduling of Public Hearing for the GLWA FY 2026 Clean Water State Revolving Fund (CWSRF) Program Project Plan Submissions**

MOTION

Upon recommendation of Nicolette N. Bateson, Chief Financial Officer/Treasurer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **approves the Scheduling of a Public Hearing for the GLWA FY 2026 Clean Water State Revolving Fund (CWSRF) project plan submissions for the 1) Water Resource Recovery Facility (WRRF) Improvements to the Sludge Feed System for Solids Processing, 2) Hubbell Southfield Combined Sewer Overflow (CSO) Facility Improvements, and 3) CSO Facilities Improvements II for April 23, 2025 at 2:00 p.m.** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Great Lakes Water Authority (the “GLWA”) identified three projects in the FY 2025 to FY 2029 Capital Improvement Plan (CIP) to be considered for low interest financing

through the Michigan Department of Environment, Great Lakes and Energy (EGLE) FY 2026 CWSRF program:

- 1) WRRF Improvements to the Sludge Feed System for Solids Processing
- 2) Hubbell Southfield CSO Facility Improvements, and
- 3) CSO Facilities Improvements II.

GLWA must submit a Board adopted project plan for each proposed project to EGLE by the May 1, 2025 deadline. Applicants for a CWSRF loan, however, must also hold a formal public hearing prior to the adoption and submission of a final project plan. The public hearing should be scheduled for April 23, 2025, at 2:00 pm. This public meeting ensures transparency and will include a presentation summarizing each project plan, followed by an opportunity for public participation.

After the public hearing is closed, a resolution to adopt the final project plan will be scheduled for action by the GLWA Board at its regularly scheduled meeting also on April 23, 2025. The resolution must be approved and signed to ensure the finalized project plan and related forms are assembled and submitted to the EGLE by May 1, 2025.

The Public Hearing Notice and draft project plans for the proposed projects will be posted on the [GLWA website](#).

The Projects:

WRRF Improvements to the Sludge Feed System for Solids Processing (CIP #213006) – The project consists of improvements to the sludge feed system at the WRRF which conveys sludge from six (6) sludge storage tanks to three (3) dewatering facilities. The improvements will replace aging pumping equipment and incorporate sludge feed conveyance loops to provide additional system flexibility, redundancy, and resiliency. The total cost of this project is estimated at \$18,655,000.

Hubbell Southfield CSO Facility Improvements (CIP #273001) – This project includes upgrades to existing facility systems which includes flushing, dewatering, chemical disinfection, screening, instrumentation and controls, architectural, Heating, Ventilation, and Air Conditioning (HVAC), electrical, and site improvements, along with other miscellaneous enhancements. The project aims to bring the Hubbell-Southfield CSO Facility into compliance with current codes and standards, standardize equipment, enhance operational efficiency, improve reliability and resiliency, and strengthen safety measures. The total cost of this project is estimated at \$67,500,000.

CSO Facilities Improvements II (CIP #270006) – The project consists of safety improvements and building rehabilitation at all nine (9) CSO facilities. The safety improvements include fall protection, upgraded eyewash stations, and miscellaneous improvements based on site-specific requirements. The St. Aubin Screening Disinfection Facility improvements also include disinfection, screening, electrical, HVAC systems, as well as various site improvements. The control upgrades at Baby Creek and Belle Isle CSO facilities consists of installing new flow monitoring, improvements to the gas monitoring and communications equipment. The proposed improvements will increase facility reliability, flexibility, operation, and safety, and decrease maintenance at the facilities. The total cost of this project is estimated at \$23,500,000.

JUSTIFICATION

GLWA is seeking low interest loan assistance through the CWSRF program for the proposed projects. Savings are typically significant when comparing the interest rates under the CWSRF program with a similar open market revenue bond issue. Although the interest rate for FY 2026 will not be published by EGLE until October 2025, the current year's interest rate of 2.50% for a 20-year loan and 2.75% for a 30-year loan is lower than present conventional revenue bond interest rates. GLWA may also qualify as an "overburdened applicant" and if eligible, the interest rates for a 20-year loan and 30-year loan will decrease to 2.00%. As long as interest rates for 30-year are comparable to 20-year loans, GLWA will consider the 30-year option.

It is prudent for GLWA to continue to pursue CWSRF loan funding as actual savings are anticipated to be higher due to general expectations of rising interest rates over the next year (and therefore increasing potential savings compared to use of open market revenue bonds). In addition, SRF funding is considered junior lien instead of bonds that are considered senior or second lien.

BUDGET IMPACT

Debt service interest payments on these projects would begin in the fall of FY 2026 and will be included as part of the FY 2026 financial plan.

COMMITTEE REVIEW

This matter was reviewed by the GLWA Audit Committee at its meeting on February 17, 2025. The Audit Committee [insert action taken] the Great Lakes Water Authority Board of Directors schedule a Public Hearing for the GLWA FY 2026 Clean Water State Revolving Fund (CWSRF) project plan submissions for the 1) WRRF Improvements to the Sludge Feed System for Solids Processing, 2) Hubbell Southfield CSO Facility Improvements, and 3) CSO Facilities Improvements II for April 23, 2025 at 2:00 p.m.

GREAT LAKES WATER AUTHORITY

PUBLIC HEARING NOTICE FOR FISCAL YEAR 2026 CLEAN WATER STATE REVOLVING FUND PROJECTS

The Great Lakes Water Authority (GLWA) announces a Public Hearing regarding project plans for the following three projects: 1) Water Resource Recovery Facility (WRRF) Improvements to the Sludge Feed System for Solids Processing 2) Hubbell Southfield Combined Sewer Overflow (CSO) Facility Improvements, and 3) CSO Facilities Improvements II. The projects are eligible for funding consideration through the Michigan Department of Environment, Great Lakes and Energy (EGLE) Fiscal Year (FY) 2026 Clean Water State Revolving Fund (CWSRF) loan program, which provides low interest funding for wastewater projects. The purpose of this public hearing is not only to inform, but to allow an opportunity for public participation.

The following is a brief description of each project:

WRRF Improvements to the Sludge Feed System for Solids Processing project consists of improvements to the sludge feed system at the WRRF which conveys sludge from six (6) sludge storage tanks to three (3) dewatering facilities. The sludge feed system is a critical step in the WRRF's ability to process solids and maintain the facility's solids throughput capacity. The required improvements will replace aging pumping equipment and incorporate sludge feed conveyance loops to provide additional system flexibility, redundancy, and resiliency. Associated Civil, Structural, Architectural, Process Mechanical, Heating, Ventilation, and Air Conditioning (HVAC), Plumbing, Electrical, and Instrumentation and Control (I&C) improvements will also be provided.

The temporary impact of construction activities will be minimized as work is planned to be completed within the WRRF and will be phased.

Adverse impacts on historical, archaeological, geographic, or cultural areas are not expected. However, if any potential impacts arise, construction will be halted, and the proper steps will be taken to proceed following all appropriate guidelines.

The total cost of this project is currently estimated at \$18,655,000.

Hubbell Southfield CSO Facility Improvements project includes upgrades to existing facility systems, which includes flushing, dewatering, chemical disinfection, screening, instrumentation and controls, architectural, HVAC, electrical, and site improvements, along with other miscellaneous enhancements. Once upgraded, the facility will utilize river water instead of treated city water after wet weather events to flush settled solids from the basins, once any captured CSO water has been used for initial flushing. The facility is projected to save over \$100,000 annually in treated city water costs by replacing treated city water with river water for continued flushing.

The project aims to bring the Hubbell-Southfield CSO Facility into compliance with current codes and standards, standardize equipment, enhance operational efficiency, improve reliability and resiliency, and strengthen safety measures. Additionally, it will lower and facilitate easier maintenance for facility operation and maintenance staff.

The temporary impact of construction activities will be minimized as all work is planned to occur within existing buildings and facilities.

Adverse impacts on historical, archaeological, geographic, or cultural areas are not expected. However, if any potential impacts arise, construction will be halted, and the proper steps will be taken to proceed following all appropriate guidelines.

The total cost of this project is currently estimated at \$67,500,000.

CSO Facilities Improvements II project consists of safety improvements and building rehabilitation at all nine (9) CSO facilities. The safety improvements include fall protection, upgraded eyewash stations, and miscellaneous improvements based on site-specific requirements. The St. Aubin Screening Disinfection Facility improvements also include disinfection, screening, electrical, HVAC systems, as well as various site improvements. The control upgrades at Baby Creek and Belle Isle CSO facilities consists of installing new flow monitoring, improvements to the gas monitoring and communications equipment. The proposed improvements will increase facility reliability, flexibility, operation, and safety, and decrease maintenance at the facilities.

The temporary impact of construction activities will be minimized as all work is planned to occur within existing buildings and facilities. Regardless of construction work, proper facility operation will be ensured in cases of wet weather events.

Adverse impacts on historical, archaeological, geographic, or cultural areas are not expected. However, if any potential impacts arise, construction will be halted, and the proper steps will be taken to proceed following all appropriate guidelines.

The total cost of this project is currently estimated at \$23,500,000.

The Public Hearing on the proposed projects will be held for the purpose of receiving comments from interested persons. The presentations at the hearing will provide a description of the improvements, its evaluation, estimated costs, and cost per household impact for customer communities. Comments and viewpoints from the public are requested. A copy of each draft project plan will be available for review online after April 8, 2025, on the GLWA website: <https://www.glwater.org/>.

THE MEETING WILL BE HELD ON:

DATE: Wednesday, April 23, 2025
TIME: 2:00 PM, Eastern Time (US and Canada)
PLACE: In person, Zoom Videoconferencing, and Telephonic Hearing

Join Zoom Meeting

<https://glwater.zoom.us/j/87509654449?pwd=Wrm8XT8wsXhXivlRVtQnarkM6od3De.1>

Meeting ID: 875 0965 4449
Passcode: 688790

In Person (subject to capacity)
Board Room, 5th Floor
735 Randolph Street
Detroit, Michigan 48226

Telephonic
Public Call-In Number: 877-853-5247 US Toll-Free
or 888-788-0099 US Toll-Free
Meeting ID: 875 0965 4449
Passcode: 688790

Members of the public may offer comments in the following manner:

By Zoom Videoconferencing: Members of the public who wish to use Zoom videoconferencing to attend the meeting and/or offer public comment may utilize the following link to attend:

<https://glwater.zoom.us/j/87509654449?pwd=WrM8XT8wsXhXivlRVtQnarkM6od3De.1>

During the portions of the hearing designated for public participation may “raise their hand” by using that feature within the software program.

In Person (subject to capacity): Members of the public who, subject to capacity, wish to attend the meeting and/or off public comment in person may attend the meeting in the Board Room, 5th Floor, 735 Randolph, Detroit, MI 48226.

By Telephone: Members of the public who wish to attend the meeting and/or offer public comment by telephone should call in at the number indicated above, press *9 on their keypad to “raise their hand for public comment.” During other portions of the meeting, members of the public are asked to mute their line by pressing *6 on their keypad to mute or unmute their line.

By E-Mail: Members of the public may provide written comments to the Board by emailing those comments to CEO@glwater.org on or before 5:00 p.m. EST. on Wednesday, April 23, 2025, and should reference “April 23, 2025 Public Hearing on proposed FY 2026 Clean Water State Revolving Fund (CWSRF) Projects” in the subject line of the e-mail. The opportunity to submit written comments by e-mail may remain open throughout the duration of the Public Hearing.

By U.S. Mail: Members of the public may provide written comments by United States mail addressed to:

Suzanne R. Coffey, Chief Executive Officer
Great Lakes Water Authority
735 Randolph
Detroit, Michigan, 48226

Written comments by U.S. mail should reference “April 23, 2025 Public Hearing FY 2026 Clean Water State Revolving Fund (CWSRF) Projects” in the letter. The opportunity to submit written comments by U.S. mail may remain open throughout the duration of the Public Hearing.

If a member of the public requires accommodation due to a disability, please contact CEO@glwater.org or (844) 455-GLWA (4592) not less than 72 hours prior to the date of the meeting.

GLWA

Great Lakes Water Authority



Monthly Financial Report Binder

September 2024

**Presented to the
Great Lakes Water Authority
Audit Committee on February 17, 2025**

TABLE OF CONTENTS

Executive Summary Dashboard 1

Budget to Actual Analysis.....3

Basic Financial Statements 9

Liquidity 18

Capital Improvement Plan Financial Summary 20

Master Bond Ordinance Transfers 23

Cash and Investments 30

Retail Revenues, Receivables, & Collections 34

Wholesale Billings, Receivables, & Collections..... 40

Trust Receipts and Disbursements 45

Key Financial Metrics

The table below provides key report highlights and flags the financial risk of a budget shortfall by year-end as follows: No Risk (green) - Potential (yellow) - Likely (red)

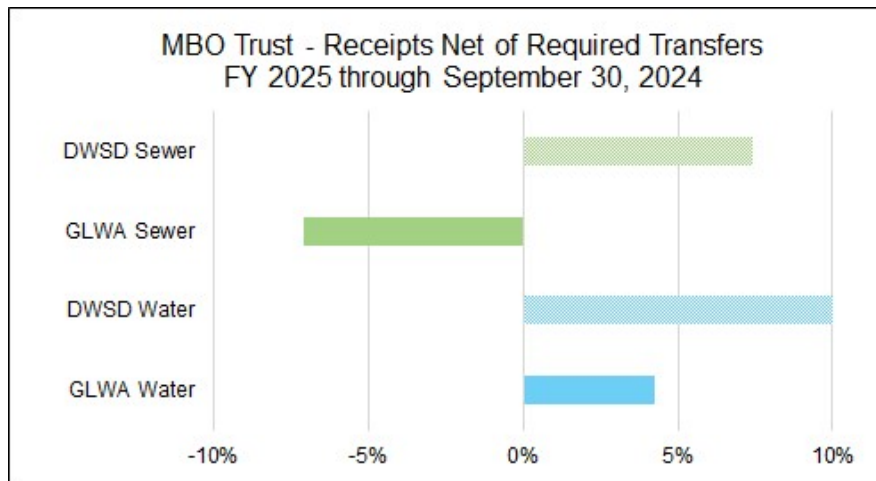
Variances are monitored by the Great Lakes Water Authority (GLWA) management and operating and/or budget priorities are re-evaluated where appropriate. Staff reviews the need for budget amendments quarterly and requests necessary amendments when required based on the most current information available.

For the current year, water and sewer capital spend, and investment earnings reflect variances to budget outside the normal range. Capital spend variances reflect evolving changes in timing that the Capital Improvement Planning group continues to monitor and review. Investment earnings reflect positive balances due to an interest rate environment that continues to favor investors.

As of September 30, 2024					
Metric	FY 2025 Budget	FY 2025 Amended Budget	FY 2025 Actual	Variance from Financial Plan	Report Page Reference
Wholesale Water Billed Revenue (\$M)	\$97.8	\$97.8	\$96.5	-1%	41
Wholesale Water Billed Usage (mcf)	4,102,000	4,102,000	3,960,000	-3%	
Wholesale Sewer Billed Revenue (\$M)	\$71.7	\$71.7	\$71.7	0%	43
Wholesale Water Operations & Maintenance (\$M)	\$42.4	\$42.4	\$42.4	0%	5
Wholesale Sewer Operations & Maintenance (\$M)	\$57.2	\$57.2	\$57.2	0%	
Investment Income (\$M)	\$5.6	\$5.6	\$13.9	150%	30
Water Prorated Capital Spend w/SRA* (\$M)	\$52.5	\$52.5	\$40.8	-22%	21
Sewer Prorated Capital Spend w/SRA* (\$M)	\$42.5	\$42.5	\$33.0	-22%	22

*SRA refers to the capital spending ratio assumption which allows capital program delivery realities to align with the financial plan.

Master Bond Ordinance (MBO) Trust Net Receipts (page 45)



Net cash flow receipts remain positive for GLWA Sewer. This means that all legal commitments of the MBO Trust and the lease payment are fully funded – and that positive cash flow is available for additional capital program funding in subsequent year(s). GLWA Sewer reports a shortfall of \$8.1 million. The Sewer shortfall results from \$15

million Highland Park credits applied to member partners in July 2024. DWSD Water reports a surplus of \$3.4 million and DWSD Sewer reports a surplus of \$6.0 million of net receipts over disbursements through September 2024.

Budget to Actual Analysis (page 3)

- The total Revenue Requirements are on target through September 2024.
- The total overall Operations & Maintenance expenses are at 25.7% of budget through September 2024 which is above the pro-rata benchmark of 25.0%. This negative variance equates to a dollar amount of \$5.2 million.

Basic Financial Statements (page 9)

- The Basic Financial Statements are prepared on a full accrual basis and reflect preliminary, unaudited results.
- Operating income for September 2024 is \$38.5 million for the Water fund (37.5% of total revenues) and \$29.0 million for the Sewer fund (22.8% of total revenues).
- Water Net Position increased by \$23.3 million, and Sewage Disposal Net Position increased by \$10.4 million for the year to date through September 2024.

Capital Improvement Plan Financial Summary (page 20)

- Water system costs incurred to date are below the 100% Capital Spend Ratio assumption.
- Sewer system costs incurred to date are below the 100% Capital Spend Ratio assumption.

Master Bond Ordinance Transfers (page 23)

- For September, transfers of \$14.7 million and \$19.9 million were completed for the GLWA Water and Sewer funds, respectively.
- Also, for September, transfers of \$5.8 million and \$7.2 million were completed for the DWSD Water and Sewer funds, respectively.

Cash Balances & Investment Income (page 30)

- Total cash & investments are \$527 million for Water and \$644 million in the Sewer fund.
- Total, combined, cumulative, FY 2025 investment income through July is \$13.9 million.

DWSD Retail Revenues, Receivables & Collections (page 34)

- Water usage through September 30, 2024 is 94.16% and revenues are 93.11% of budget.
- Sewer usage through September 30, 2024 is 90.68% and revenues are 92.55% of budget.
- Combined accounts receivable balances for the water and sewer funds report an increase of \$40.9 million over the prior year.
- Past dues over 180 days make up of 68.7% the total accounts receivable balance. The current bad debt allowance covers 93.2% of past dues over 60 days.

GLWA Wholesale Billing, Receivables & Collections (page 40)

- GLWA accounts receivable past due balance net of Dearborn is 2.32% of the total accounts receivable balance. Discussions remain underway between GLWA and Dearborn regarding the water balance in dispute.
- Average wholesale water collections for the period of October 2023 through September 2024 are trending below the prior year.
- Average wholesale sewer collections for the period of October 2023 through September 2024 are below the prior year.

Questions? Contact the Office of the Chief Financial Officer at CFO@glwater.org.



The Monthly Budget to Actual Analysis report includes the following three sections.

1. Revenue Requirements Budget Basis Analysis
2. Operations & Maintenance Budget – Major Budget Categories
3. Alignment of Operations & Maintenance Budget Priorities – Expense Variance Analysis

Revenue Requirements Budget Basis Analysis

GLWA's annual revenue requirements represent the basis for calculating Member Partner charges and aligns with the Master Bond Ordinance flow of funds categories. The budget basis is not the same as the full accrual basis used for financial reporting although the revenues and operations and maintenance expenses are largely reported on an accrual basis. The primary difference between the revenue requirements budget basis to the financial reporting basis is the treatment of debt service, legacy pension obligations, and lease related activities. The Revenue Requirements Basis is foundational to GLWA's daily operations, financial plan, and of most interest to key stakeholders.

Table 1A – Water Revenue Requirements Budget and **Table 1B – Sewer Revenue Requirements Budget** presents a year-over-year budget to actual performance report. The revenue requirements budget is accounted for in the operations and maintenance fund for each system. Since this report is for September 2024 the pro-rata benchmark is 25.0% (3 of 12 months of the fiscal year).

Items noted below are highlighted in gold on Tables 1A (Water) and 1B (Sewer).

1. **Revenues:** For *both* systems, total revenues for FY 2025 are slightly above the pro-rata benchmark; the *water* system is at 26.9% while the *sewer* system is at 25.1%. Detailed schedules related to revenues are provided in the *Wholesale Billings, Collections, and Receivables* section of this financial report binder.

Water revenues presented in Table 1A differ from those presented in *Table 2 – Statement of Revenues, Expenses and Changes in Net Position* found in the *Basic Financial Statement* section of this report. Water Revenues presented in Table 1A for revenue requirement purposes are reduced by the monthly payment to the City of Flint for a license to raw water rights under the Flint Raw Water Contract as documented in Appendix A-2 of the [Flint Water Agreement](#). Through September 30, 2024, these payments total \$1.4 million for FY 2025.

2. **Investment Earnings:** For the water system, investment earnings is below the pro-rata benchmark for FY 2025 the *water* system is at 22.9% while the *sewer* system is above the pro-rata benchmark for FY 2025 at 30.8%. Detailed analysis of investment earnings activity to date can be found in the *Cash & Investment Income* section of this financial report binder.
3. **Other Revenues:** These are one-time and unusual items that do not fit an established revenue category. Both the *water* and *sewer* systems actual amount will vary from budget due to the nature of the items recorded in this category.
4. **Operations & Maintenance Expense:** Actual expenses¹ for the *water* system is at the pro-rata benchmark for FY 2025 at 25.0% while the *sewer* system O&M is above the pro-rata benchmark for FY 2025 at 25.0%.
5. **Debt Service:** For FY 2025, both systems are below the pro-rata benchmark for debt service; the *water* system is at 25.5% while the *sewer* system is at 25.8%. The activity is based on the payment schedules adjusted for the State Revolving Fund loans that are still being drawn down.
6. **Operating Reserve Deposit:** GLWA has established a target balance in the O&M Fund of 45 days of operating expense which works in tandem with the I&E Funds to provide liquidity to the utility.
7. **DWSD Budget Shortfall Pending:** To the extent that the local (DWSD) system experiences budgetary shortfalls as defined by the Water & Sewer Services Agreement, the GLWA budget is impacted.² Steps to proactively detect, and ideally prevent, this shortfall scenario were put into place with the 2018 Memorandum of Understanding (dated June 27, 2018). For FY 2025, neither the DWSD *water* system nor the DWSD *sewer* system have a budgetary shortfall through September 30, 2024. GLWA and DWSD staff meet regularly to discuss steps to mitigate shortfalls, when they occur, as outlined in the 2018 MOU.
8. **Improvement & Extension (I&E) Fund Transfer Pending:** The contribution to the I&E Fund is for improvements, enlargements, extensions, or betterment of the *water* and *sewer* systems.
9. **Other Revenue Requirements:** The remaining revenue requirements for *both* systems are funded on a 1/12th basis each month in accordance with the Master Bond Ordinance.
10. **Overall:** Total revenue requirements for *both* systems are in line with the benchmark.

¹The tables in this analysis reflect actual amounts spent. If this analysis was on a master bond ordinance (MBO) basis, like that used for calculating debt service coverage, O&M "expense" would equal the pro-rata budget because 1/12 of the O&M budget is transferred monthly outside the MBO trust to an O&M bank account.

² As a reminder, the monthly O&M transfer for MBO purposes is at 1/12 of the budget to a DWSD O&M bank account outside the trust. Actual budget may be less than that amount providing an actual positive variance for DWSD.

All amounts are unaudited unless otherwise noted.

Table 1A – Water Revenue Requirements Budget (year-over-year) – (\$000)

	FY 2024 Amended Budget	FY 2024 Activity Thru 9/30/2023	Percent Year-to-Date 9/30/2023	FY 2025 Board Adppted Budget	FY 2025 Amended Budget	FY 2025 Activity Thru 9/30/2024	Percent Year-to-Date 9/30/2024
Water System							
Revenues							
Suburban Wholesale Customer Charges	\$328,203	\$91,033	27.7%	\$347,758	\$347,758	\$94,396	27.1%
Retail Service Charges	25,537	6,384	25.0%	27,095	27,095	6,774	25.0%
Investment Earnings	18,051	2,116	11.7%	9,874	9,874	2,260	22.9%
Other Revenues	943	74	7.9%	400	400	51	12.7%
Total Revenues	\$372,734	\$99,608	26.7%	\$385,127	\$385,127	\$103,481	26.9%
Revenue Requirements							
Operations & Maintenance	\$168,873	\$40,243	23.8%	\$169,625	\$169,625	\$42,406	25.0%
General Retirement System Legacy Pension	-	-	0.0%	-	-	-	0.0%
Debt Service	162,236	40,509	25.0%	175,301	175,301	44,776	25.5%
General Retirement System Accelerated Pension	1,506	849	56.4%	2,283	2,283	571	25.0%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	1,852	463	25.0%	1,948	1,948	487	25.0%
Regional System Lease	22,500	5,625	25.0%	22,500	22,500	5,625	25.0%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending	-	-	0.0%	-	-	-	0.0%
Receiving Fund Working Capital Requirement	-	-	0.0%	6,200	6,200	-	0.0%
Improvement & Extension Fund Transfer Pending	15,768	7,545	47.8%	7,270	7,270	1,818	25.0%
Total Revenue Requirements	\$372,734	\$95,233	25.5%	\$385,127	\$385,127	\$95,683	24.8%
Net Difference		\$4,375				\$7,798	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$6,424				\$7,199	
Revenue Requirement Variance		(2,049)				599	
Overall Variance		\$4,375				\$7,798	

Table 1B – Sewer Revenue Requirements Budget (year-over-year) – (\$000)

	FY 2024 Amended Budget	FY 2024 Activity Thru 9/30/2023	Percent Year-to-Date 9/30/2023	FY 2025 Board Adopted Budget	FY 2025 Amended Budget	FY 2025 Activity Thru 9/30/2024	Percent Year-to-Date 9/30/2024
Sewer System							
Revenues							
Suburban Wholesale Customer Charges	\$267,879	\$69,854	26.1%	\$287,518	\$287,518	\$72,089	25.1%
Retail Service Charges	196,570	49,142	25.0%	205,925	205,925	51,481	25.0%
Industrial Waste Control Charges	8,560	2,153	25.2%	8,719	8,719	2,218	25.4%
Pollutant Surcharges	5,328	1,142	21.4%	5,434	5,434	1,055	19.4%
Investment Earnings	22,882	(3,492)	-15.3%	12,356	12,356	3,802	30.8%
Other Revenues	1,130	71	6.3%	700	700	111	15.8%
Total Revenues	\$502,349	\$118,871	23.7%	\$520,652	\$520,652	\$130,755	25.1%
Revenue Requirements							
Operations & Maintenance	\$224,874	\$51,146	22.7%	\$228,934	\$228,934	\$57,234	25.0%
General Retirement System Legacy Pension	-	-	0.0%	-	-	-	0.0%
Debt Service	230,976	58,168	25.2%	226,279	226,279	58,328	25.8%
General Retirement System Accelerated Pension	3,097	1,620	52.3%	4,846	4,846	1,212	25.0%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	2,503	626	25.0%	2,652	2,652	487	18.4%
Regional System Lease	27,500	6,875	25.0%	27,500	27,500	5,625	20.5%
Operating Reserve Deposit	-	51,411	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending	-	-	0.0%	-	-	-	0.0%
Receiving Fund Working Capital Requirement	-	9,388	0.0%	2,300	2,300	-	0.0%
Improvement & Extension Fund Transfer Pending	13,400	7,543	56.3%	28,141	28,141	7,035	25.0%
Total Revenue Requirements	\$502,349	\$186,777	37.2%	\$520,652	\$520,652	\$129,920	25.0%
Net Difference		(\$67,906)				\$835	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		(\$6,716)				\$592	
Revenue Requirement Variance		(61,190)				243	
Overall Variance		(\$67,906)				\$835	

Operations & Maintenance Budget – Major Budget Categories

The year-over-year benchmark ratio as of September 30, 2024, is 25.7% (three months). When comparing FY 2025 to FY 2024 in **Table 2 – Operations & Maintenance Budget – Major Budget Categories**, the overall spending is higher in FY 2025.

In addition to the four major budget categories, an internal charge cost center for employee benefits is shown in the table below. If the number is positive, it indicates that the internal cost allocation rate charges to other cost centers is not sufficient. A negative number indicates a surplus in the internal cost center. A moderate surplus is preferred as it provides a hedge for mid-year benefit program cost adjustments (premiums adjust on January 1 each year) as well as managing risk as the program is partially self-insured.

Table 2 – Operations & Maintenance Budget – Major Budget Categories – (\$000)

Major Budget Categories	FY 2024 Amended Budget	FY 2024 Activity Thru 9/30/2023	Percent Year-to-Date at 9/30/2023	FY 2025 Board Adopted Budget	FY 2025 Amended Budget	FY 2025 Activity Thru 9/30/2024	Percent Year-to-Date at 9/30/2024
A Water	\$ 90,810	\$ 22,365	24.6%	\$ 94,670	\$ 94,670	\$ 25,349	26.8%
B Sewer	146,722	34,769	23.7%	147,245	147,245	38,063	25.9%
C Centralized	117,468	26,111	22.2%	116,980	116,980	29,622	25.3%
D Administrative	38,747	8,144	21.0%	39,664	39,664	8,744	22.0%
Employee Benefits	-	-	0.0%	-	-	-	0.0%
Total O&M Budget	<u>\$ 393,747</u>	<u>\$ 91,389</u>	23.2%	<u>\$ 398,559</u>	<u>\$ 398,559</u>	<u>\$ 101,779</u>	25.5%

Totals may be off due to rounding

Alignment of Operations & Maintenance Budget Priorities – Expense Variance Analysis

The purpose of **Table 3 – Operations & Maintenance Expense Variance Analysis** is to evaluate whether the actual spend rate within a natural cost category is in alignment with the budget. Given the effort to develop an accurate budget, a variance is a red flag of a *potential* budget amendment or misalignment of priorities.

Total: In total, the overall O&M expenses are at 25.5% which is below the pro-rata benchmark of 25.0%. This negative variance equates to a dollar amount of \$5.2 million. The expense category commentary is provided below for items highlighted on Table 3.

Personnel Costs: The overall category is below the pro-rata benchmark; coming in at 26.2% through September 2024.

Utilities: The overall category is in-line with the pro-rata benchmark; coming in at 25.0% through September 2024. Variances within this category, when they occur, are not unexpected as usage varies throughout the year.

- **Electric** is below the pro-rata benchmark, coming in at 28.2%. It should be noted that variances are not unexpected as usage varies throughout the year. The first three months of GLWA's fiscal year (July, August, and September) are typically peak months for the usage of electricity. June, the last month of GLWA's fiscal year, is typically a peak month as well.
- **Gas** is coming in at 22.1% which is above than the benchmark of 25.0%.
- **Sewage service** is higher than the benchmark, coming in at 10.7%. Increased usage has been reported at the WRRF (in part due to bills being received for actual meter readings when in the past the bills had been estimated), the Biosolids Dryer Facility (BDF), and the Southwest Water Plant. The FY 2023 budget was adjusted for the increased usage and this category continues to be closely monitored.
- **Water service** is slightly higher than the benchmark, coming in at 16.7%. As meters have been repaired or replaced at the WRRF, the billings that previously reported estimated readings have been replaced with actual readings. The actual readings have been coming in higher than the estimated billings. In addition, a new water billing structure was implemented in early FY 2023 which has resulted in an increase in the water billing rate. The FY 2025 budget was adjusted for the increased meter readings and billing rate.

Chemicals: This category is lower than the benchmark; coming in at 26.4% through September 2024. The FY 2025 budget is being closely monitored to account for rising chemical costs.

Supplies & Other: This category is slightly higher than the pro-rata benchmark; coming in at 25.4% through September 2024. Given that the nature of the items in this category are subject to one-time expenses that do not occur evenly throughout the year, variances are not unexpected.

Contractual Services: The overall category is lower than the pro-rata benchmark; coming in at 27.1% through September 2024. Variances in this category, when they occur, are not unexpected as the usage of contracts varies throughout the year (projects scheduled to begin during the latter half of the year as well as contracts that are on an as needed basis). Budget amendments are processed for those projects in which the actual start dates have been delayed from that in which they were budgeted.

Capital Program Allocation: This category is higher than the benchmark; coming in at 12.9% through September 2024. The amount in the Capital Program Allocation account is shown as negative as this is a "contra" account which represents an offset to the Personnel Costs section of the Operations & Maintenance (O&M) budget.

Shared Services: This category is lower than the benchmark; coming in at 24.1% through September 2024. The shared services reimbursement is comprised of both labor (tracked via BigTime) and expenses, such as annual fees for software licensing. Staff from both GLWA and DWSD have been working together to evaluate and refine the budget for the shared services agreements. Based on these evaluations, adjustments have been made to both the billings and accounting accruals to reflect the forecasted activity more accurately for FY 2025. In addition, it is important to note that

some of the shared services agreements are not billed at a monthly rate of 1/12 of the annual budgeted amount and activity includes true-up billings from prior years.

Table 3 – Operations & Maintenance Expense Variance Analysis

Expense Categories Entity-wide	FY 2024 Amended Budget	FY 2024 Activity Thru 9/30/2023	Percent Year-to- Date at 9/30/2023	FY 2024 Activity Thru 6/30/2024	Percent Year-to- Date at 6/30/2024	FY 2025 Adopted Budget	FY 2025 Prorated Amended Budget (3 months)	FY 2025 Activity Thru 9/30/2024	Percent Year-to- Date 9/30/2024	Prorated Amended Budget Less FY 2025
Salaries & Wages	\$77,415	\$17,477	22.6%	\$77,595	22.5%	\$81,644	\$20,411	\$18,391	22.5%	\$2,020
Workforce Development	1,820	492	27.0%	1,949	25.2%	2,105	526	599	28.5%	(73)
Overtime	8,672	2,266	26.1%	9,171	24.7%	8,074	2,019	6,072	75.2%	(4,053)
Employee Benefits	27,869	6,621	23.8%	27,491	24.1%	30,347	7,587	7,092	23.4%	495
Transition Services	9,877	2,722	27.6%	9,249	29.4%	8,198	2,050	2,024	24.7%	26
Allocated Personnel Services	-	-	0.0%	-	0.0%	-	-	-	0.0%	-
Employee Benefits Fund	-	-	0.0%	-	0.0%	-	-	-	0.0%	-
Personnel Costs	125,653	29,578	23.5%	125,455	23.6%	130,368	32,592	34,178	26.2%	(1,585)
Electric	50,716	13,522	26.7%	49,806	27.2%	49,021	12,255	13,831	28.2%	(1,576)
Gas	7,767	1,240	16.0%	7,211	17.2%	7,000	1,750	1,548	22.1%	202
Sewage	2,538	696	27.4%	2,337	29.8%	2,980	745	318	10.7%	427
Water	12,803	3,047	23.8%	12,586	24.2%	11,602	2,900	1,940	16.7%	961
Allocated Utilities	-	-	0.0%	-	0.0%	-	-	-	0.0%	-
Utilities	73,823	18,505	25.1%	71,939	25.7%	70,603	17,651	17,636	25.0%	14
Chemicals	32,824	7,826	23.8%	31,075	25.2%	34,835	8,709	9,195	26.4%	(486)
Supplies & Other	45,364	8,915	19.7%	43,603	20.4%	43,539	10,885	11,067	25.4%	(182)
Contractual Services	120,914	27,492	22.7%	119,298	23.0%	113,871	28,468	30,874	27.1%	(2,407)
Capital Program Allocation	(2,624)	(524)	19.9%	(2,847)	18.4%	(4,582)	(1,145)	(590)	12.9%	(556)
Shared Services	(2,207)	(402)	18.2%	(2,280)	17.6%	(2,280)	(570)	(550)	24.1%	(19)
Administrative & Centralized Services	-	-	0.0%	-	0.0%	-	-	-	0.0%	-
Unallocated Reserve	-	-	0.0%	-	0.0%	12,205	3,051	-	0.0%	-
Total Expenses	\$194,271	\$91,389	47.0%	\$386,243	23.7%	\$398,559	\$99,640	\$101,810	25.5%	(\$5,221)

Totals may be off due to rounding



The Basic Financial Statements report includes the following four tables.

1. Statement of Net Position - All Funds Combined
2. Statement of Revenues, Expenses and Changes in Net Position – All Funds Combined
3. Supplemental Schedule of Operations & Maintenance Expenses -All Funds Combined
4. Supplemental Schedule of Nonoperating Expenses – All Funds Combined

At a macro level GLWA has two primary funds for financial reporting purposes: *Water Fund* and *Sewage Disposal Fund*. These funds represent the combined total of four sub-funds for each system that are used internally to properly account for sources and uses of funds. Those sub-funds for each system are: *Operations & Maintenance Fund*, *Improvement & Extension Fund*, *Construction Fund*, and *Capital Asset Fund*.

The June 2024 comparative amounts shown in the tables below are presented based on final audited figures.

Statement of Net Position – All Funds Combined

Explanatory notes follow the Statement of Net Position shown in Table 1 below.

Table 1 – Statement of Net Position - All Funds Combined
As of September 30, 2024
(\$000)

	Water	Sewage Disposal	Total Business- type Activities	Comparative June 30, 2024
Assets				
Cash - unrestricted (a)	\$ 140,404	\$ 236,043	\$ 376,447	\$ 443,799
Cash - restricted (a)	131,423	101,782	233,206	662,614
Investments - unrestricted (a)	145,557	160,249	305,806	175,045
Investments - restricted (a)	91,422	162,485	253,908	108,102
Accounts Receivable	91,021	67,062	158,082	135,263
Due from (to) Other Funds (b)	28,142	(28,142)	-	()
Other Assets (c)	636,756	377,633	1,014,389	1,016,028
Cash held FBO DWSD Advance	-	-	-	-
Capital Assets, net of Depreciation	1,254,835	1,897,538	3,152,372	3,211,032
Land	293,624	126,816	420,440	420,440
Construction Work in Process (e)	458,590	371,567	830,157	752,481
Total assets	3,271,774	3,473,032	6,744,806	6,924,804
Deferred Outflows (f)	29,362	59,090	88,452	89,954
Liabilities				
Liabilities - Liabilities-ST	227,534	269,547	497,081	537,600
Due to (from) Other Funds (b)	-	-	-	-
Other Liabilities (h)	2,222	5,836	8,058	7,500
Cash Held FBO DWSD (d)	31,604	41,160	72,764	58,147
Liabilities - Long-Term (i)	3,064,126	3,217,423	6,281,549	6,468,572
Total liabilities	3,325,486	3,533,967	6,859,452	7,071,818
Deferred Inflows (f)	63,480	67,002	130,482	133,364
Total net position (j)	\$ (87,830)	\$ (68,846)	\$ (156,676)	\$ (190,425)

Totals may be off due to rounding

In general, the Statement of Net Position reflects a mature organization with no unexpected trends.

An ongoing challenge is the Net Position Deficit. The underlying causes took years to build (largely heavy use of debt to finance capital asset investment versus a strategic blend of debt, state revolving funds, and cash). The effect is reflected in GLWA's high debt interest expense. The GLWA is regularly updating the FY 2032 forecast which helps to provide a pathway to a positive Net Position in the future.

Footnotes to Statement of Net Position

- a. *Cash and Investments* are reported at market value. Investments at June 30, 2024 are also reported at market value. The September 30, 2024 values differ from the Cash and Investment section of this Financial Report Binder due to timing of certain items recognized on a cash versus accrual basis.
- b. *Due from Other Funds* and *Due to Other Funds* are shown at gross for sub-fund activity.
- c. *Other Assets* primarily consists of the contractual obligation receivable from DWSD related to reimbursement of bonded indebtedness for local system improvements.
- d. *Cash Held FBO Advance (for benefit of) DWSD* and *Cash Held FBO DWSD* represents the net difference between DWSD retail cash received from customers and net financial commitments as outlined in the Master Bond Ordinance.
- e. *Construction Work in Process* represents the beginning balance of CWIP plus any construction spending during the fiscal year. The balance will fluctuate based on the level of spend less any capitalizations or write-offs.
- f. *Deferred Inflow* and *Deferred Outflow* relate mainly to financing activity and GLWA's share of the legacy General Retirement System (GRS) pension obligation.
- g. *Liabilities - Short-term* include accounts payable, retainage payable, and certain accrued liabilities. Some items, such as compensated absences and worker's compensation, are reviewed periodically but only adjusted in the interim if there is a material change.
- h. *Other Liabilities* account for the cash receipts set aside for the Budget Stabilization Fund and the Water Residential Assistance Program.
- i. *Liabilities – Long-term* include bonds payable, lease payable, and legacy General Retirement System pension liabilities.
- j. *Net Position Deficit* is defined by accounting standards as the residual of all other elements presented in a statement of financial position. It is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. A net deficit occurs when the liabilities and deferred inflows exceed assets and deferred outflows. GLWA's net deficit is largely driven by an increase in depreciation expense because of the increase in the acquisition valuation approach for recording capital asset values in the opening Statement of Net Position on January 2016. Efforts are underway to evaluate the net operating effect of this matter over the long term.

Statement of Revenues, Expenses and Changes in Net Position – All Funds Combined

This statement, shown in Table 2, is presented in summary format. The accrual basis of revenues and operations and maintenance expense vary from the revenue requirement basis presented in the *Budget to Actual Analysis* and the *Wholesale Billings, Receivables & Collections* sections of the September 2024 Financial Report Binder. Prior year ending balances are provided in the June 30, 2024 column as a reference for comparative purposes. Explanatory notes follow this statement.

Water revenues presented below in Table 2 differ from those presented in *Table 1A – Water Revenue Requirement Budget* found in the *Budget to Actual Analysis* section of this report because water revenues presented in Table 1A for revenue requirement purposes are reduced by the monthly payment to the City of Flint for a license to raw water rights.

**Table 2 – Statement of Revenues, Expenses and Changes in Net Position
– All Funds Combined
For the Three Months ended September 30, 2024
(\$000)**

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business- Type Activities	Comparative June 30, 2024
Revenue						
Wholesale customer charges	\$ 95,834	93.4%	\$ 72,089	56.8%	\$ 167,922	\$ 599,569
Local system charges	6,774	6.6%	51,481	40.6%	58,255	222,107
Industrial waste charges	-	0.0%	2,218	1.7%	2,218	8,617
Pollutant surcharges	-	0.0%	1,055	0.8%	1,055	4,089
Other revenues	51	0.0%	111	0.1%	162	1,149
Total Revenues	102,658	100.0%	126,953	100.0%	229,612	835,531
Operating expenses						
Operations and Maintenance	39,556	38.5%	62,041	48.9%	101,597	376,757
Depreciation	23,470	22.9%	35,633	28.1%	59,102	265,044
Amortization of intangible assets	1,099	1.1%	317	0.3%	1,417	4,837
Total operating expenses	64,125	62.5%	97,991	77.2%	162,116	646,638
Operating Income	38,533	37.5%	28,962	22.8%	67,495	188,893
Total Nonoperating (revenue) expense	15,232	14.8%	18,515	14.6%	33,747	147,736
Increase/(Decrease) in Net Position	23,301	22.7%	10,447	8.2%	33,748	41,157
Net Position (deficit), beginning of year	(111,131)		(79,294)		(190,425)	(231,582)
Net position (deficit), end of year	\$ (87,830)		\$ (68,846)		\$ (156,676)	\$ (190,425)

Totals may be off due to rounding

Water Fund

- ✓ The increase in Water Fund Net Position is \$23.3 million.
- ✓ Wholesale water customer charges of \$95.8 million account for 93.4% of Water System revenues.
- ✓ Operating expenses of \$64.1 million represent 62.5% of total operating revenue. Depreciation is the largest operating expense at \$23.5 million or 36.6% of operating expense.
- ✓ Amortization of intangible assets represents activity for raw water rights.
- ✓ Operating income after operating expenses (including depreciation) equals \$38.5 million or 37.5% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$14.3 million (this equates to the bonded debt interest expense less the offset from DWSD contractual obligation income).

Sewage Disposal Fund

- ✓ The increase in the Sewage Disposal Fund Net Position is \$10.4 million.
- ✓ Wholesale customer charges of \$72.1 million account for 56.8% of Sewer System revenues. Wholesale customer charges are billed one-twelfth each month based on an agreed-upon historical average “share” of each customer’s historical flows which are formally revisited on a periodic basis. The result is no revenue shortfall or overestimation.
- ✓ Local system (DWSD) charges of \$51.5 million account for 40.6% of total operating revenues. These are also billed at one-twelfth of the annual revenue requirement.
- ✓ Operating expenses of \$98.0 million represent 77.2% of total operating revenue. Depreciation is the largest operating expense at \$35.6 million or 36.4% of total operating expense.
- ✓ Amortization of intangible assets represents activity for a warehouse lease.
- ✓ Operating income after operating expenses (including depreciation) equals \$29.0 million or 22.8% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$17.1 million (this equates to the bonded debt interest expense less the offset from DWSD contractual obligation income).

Supplemental Schedule of Operations & Maintenance Expenses – All Funds Combined

This Supplemental Schedule of Operations & Maintenance Expenses (O&M) schedule is shown below in Table 3. This accrual basis of operations and maintenance expense may vary from the revenue requirement basis presented in the *Budget to Actual Analysis* section of the September 2024 Financial Report Binder. Explanatory notes follow this schedule.

**Table 3 – Supplemental Schedule of Operations & Maintenance Expenses
– All Funds Combined
For the Three Months ended September 30, 2024
(\$000)**

	Water	Percent of Total	Sewage Disposal	Percent of Total	Total Business- Type Activities	Percent of Total
Operating Expenses						
Personnel						
Salaries & Wages	5,763	14.6%	15,290	24.6%	21,053	20.7%
Overtime	4,192	10.6%	1,880	3.0%	6,072	6.0%
Employee Benefits	4,540	11.5%	2,094	3.4%	6,634	6.5%
Total Personnel	\$ 14,495	36.6%	\$ 19,264	31.0%	\$ 33,759	33.2%
Utilities						
Electric	9,166	23.2%	4,666	7.5%	13,831	13.6%
Gas	89	0.2%	1,459	2.4%	1,548	1.5%
Sewage	73	0.2%	245	0.4%	318	0.3%
Water	18	0.0%	1,922	3.1%	1,940	1.9%
Total Utilities	\$ 9,345	23.6%	\$ 8,291	13.4%	\$ 17,636	17.4%
Chemicals	3,806	9.6%	5,389	8.7%	9,195	9.1%
Supplies and other	3,081	7.8%	7,975	12.9%	11,056	10.9%
Contractual services	9,321	23.6%	21,778	35.1%	31,099	30.6%
Capital Adjustment	-	0.0%	-	0.0%	-	0.0%
Capital Program allocation	(295)	-0.7%	(303)	-0.5%	(598)	-0.6%
Intergovernmental Agreement	178	0.5%	(178)	-0.3%	-	0.0%
Shared Services allocation	(376)	-0.9%	(175)	-0.3%	(550)	-0.5%
Operations and Maintenance Expenses	\$ 39,556	100.0%	\$ 62,041	100.0%	\$ 101,597	100.0%

Totals may be off due to rounding

- ✓ Core expenses for water and sewage disposal systems are utilities (17.4% of total O&M expenses) and chemicals (9.1% of total O&M expenses).
- ✓ Personnel costs (33.2% of total O&M expenses) include all salaries, wages, and benefits for employees as well as staff augmentation contracts that fill a vacant position (contractual transition services).
- ✓ Contractual services (30.6%) includes:
 - Water System costs of sludge removal and disposal services at the Northeast, Southwest and Springwells Water Treatment Plants (approximately \$4.5 million);
 - Sewage Disposal System costs for the operation and maintenance of the biosolids dryer facility (approximately \$3.1 million); and
 - Centralized and administrative contractual costs allocated to both systems for information technology, building maintenance, field, planning and other services.
- ✓ The Capital Program Allocation, Intergovernmental Agreement and Shared Services Allocation are shown as negative amounts because they are 'contra' expense accounts representing offsets to associated costs in other Operations and Maintenance expense categories.

Supplemental Schedule of Nonoperating Expenses – All Funds Combined

The Supplemental Schedule of Nonoperating Expenses – All Funds Combined is shown in Table 4. Explanatory notes follow this schedule.

Table 4 – Supplemental Schedule of Nonoperating Expenses – All Funds Combined
For the Three Months ended September 30, 2024
(\$000)

	Water	Sewage Disposal	Total Business- type Activities	Comparative June 30, 2024
Nonoperating (Revenue)/Expense				
Interest income contractual obligation	\$ (5,806)	\$ (3,769)	\$ (9,575)	\$ (39,855)
Investment earnings	(6,067)	(7,909)	(13,976)	(59,786)
Net (incr) decr in fair value of invstmt	(621)	(1,045)	(1,667)	(2,068)
Other nonoperating revenue	(3)	(1,399)	(1,402)	(9,405)
Interest Expense				
Bonded debt	28,086	29,689	57,775	236,892
Lease obligation	4,099	5,009	9,108	36,780
Other obligations	854	407	1,261	5,286
	<u>33,039</u>	<u>35,106</u>	<u>68,144</u>	<u>278,958</u>
Other non-capital expense	-	-	-	-
Memorandum of Understanding	-	-	-	-
Capital Contribution	-	-	-	(40,432)
Amortization, issuance costs, debt	(5,321)	(2,486)	(7,807)	4,155
(Gain) loss on disposal of capital assets	-	-	-	2,694
Loss on impairment of capital assets	-	-	-	-
Discontinued Capital Projects	-	-	-	-
Water Residential Assistance Program	12	17	29	6,772
Legacy pension expense	-	-	-	6,703
Total Nonoperating (Revenue)/Expense	<u>\$ 15,232</u>	<u>\$ 18,515</u>	<u>\$ 33,747</u>	<u>\$ 147,736</u>

Totals may be off due to rounding

- ✓ Interest income on contractual obligation relates to the portion of the total GLWA debt obligation attributable to DWSD. This interest income offsets the total debt interest expense paid by GLWA on behalf of both entities monthly.
- ✓ Interest income DWSD shortfall represents interest from a budgetary shortfall loan from fiscal years 2016, 2017 and 2018 and is paid in accordance with the 2018 Memorandum of Understanding (MOU). This loan was paid in full in FY 2022.
- ✓ Investment earnings in this report are reflected at book value. Any differences between the Basic Financial report and Cash and Investment section of this Financial Report binder are due to accrued interest.

- ✓ Net (increase) decrease in fair value of investments consists of market value of investments and realized gain/loss on sale of investments. FY 2021 market value adjustments for Water and Sewer total \$1.5 million and \$1.0 million, respectively. FY 2022 market value adjustments for Water and Sewer total \$2.8 million and \$3.9 million, respectively. Any difference is due to realized gain or loss on investments.
- ✓ Interest expense, the largest category of nonoperating expenses, is made up of three components:
 - Bonded debt;
 - Lease obligation for the regional assets from the City of Detroit; and
 - Other obligations such as an obligation payable to the City of Detroit for an allocation BC Notes related to assumed DWSD liabilities; acquisition of raw water rights related to the KWA Pipeline.
- ✓ FY 2023 other non-operating income primarily represents FEMA Covid-19 grant income for the Water and Sewage Disposal systems.
- ✓ The FY 2023 capital contribution in Nonoperating (revenue) expense represents funds from the Evergreen Farmington Sewer District for a maximum discharge capacity of 227 cubic feet per second (cfs) to the regional sewer system.
- ✓ The FY 2022 capital contribution in Nonoperating (revenue) expense represents \$7.0 million from the Oakland Macomb Interceptor Drainage District for assets placed in service during FY 2022.
- ✓ FY 2023 Sewage Disposal loss on disposal of capital assets includes sale of McKinstry warehouse.
- ✓ For FY 2023, GLWA is recognizing non-operating pension revenue rather than expense as a result of improved investment earnings for the plan.

Financial Operations KPI - Liquidity

This key performance indicator shown in **Chart 1 – Historical Schedule of Days Cash on Hand – Liquidity – Regional System** and **Table 1 – Schedule of Days Cash on Hand – Liquidity – Regional System** below provides a measure of a utility's ability to meet expenses, cope with emergencies and navigate business interruptions. Liquidity is one of several key metrics monitored by bond rating agencies reflecting an organization's financial strength. A best practice benchmark for this key performance indicator is greater than 250 days cash on hand as shown by the dashed line in Chart 1 below.

Both GLWA Water and Sewer funds continue to exceed this target with Water at 603 and Sewer at 632 days cash on hand as of September 30, 2024. These balances remain strong for the regional system but did decrease in FY 2022 as I&E funds were used as planned to fund capital improvement projects. A December 2023 revenue bond transaction replenished the construction bond funds and reduced the emphasis on I&E funding. The FY 2025 projection is calculated based on values from the GLWA FY 2025 – 2029 Budget & Five-Year Plan.

Chart 1 – Historical Schedule of Days Cash on Hand – Liquidity – Regional System



Note: The GLWA Annual Comprehensive Financial Reports are the source of all historic data referenced. Refer to these reports for detailed calculations by fiscal year.

Table 1 – Schedule of Days Cash on Hand – Liquidity – Regional System

	June 30, 2024	September 30, 2024	Projected June 30, 2025
Water Fund			
Cash and Investments - Unrestricted	\$ 276,591,000	\$ 285,960,000	\$ 238,600,000
Operating Expense			
Operating Expense (a)	\$ 272,350,000	\$ 65,698,000	\$ 262,792,000
Less: Depreciation (a)	(110,557,000)	(21,508,000)	(86,033,000)
Less: Amortization of Intangible Asset (a)	(3,982,000)	(892,000)	(3,567,000)
Net Operating Expense	\$ 157,811,000	\$ 43,298,000	\$ 173,192,000
Operating Expense per Day	\$ 432,000	\$ 474,000	\$ 474,000
Days Cash			
Number of Days Cash	640	603	503
Sewage Disposal Fund			
Cash and Investments - Unrestricted	\$ 342,253,000	\$ 396,292,000	\$ 309,000,000
Operating Expense			
Operating Expense (a)	\$ 374,287,000	\$ 93,034,000	\$ 372,134,000
Less: Depreciation (a)	(154,486,000)	(35,800,000)	(143,200,000)
Less: Amortization of Intangible Asset (a)	(855,000)	-	-
Net Operating Expense	\$ 218,946,000	\$ 57,234,000	\$ 228,934,000
Operating Expense per Day	\$ 600,000	\$ 627,000	\$ 627,000
Days Cash			
Number of Days Cash	571	632	493
Combined			
Cash and Investments - Unrestricted	\$ 618,844,000	\$ 682,253,000	\$ 547,600,000
Operating Expense			
Operating Expense (a)	\$ 646,638,000	\$ 158,731,000	\$ 634,926,000
Less: Depreciation (a)	(265,044,000)	(57,308,000)	(229,233,000)
Less: Amortization of Intangible Asset (a)	(4,837,000)	(892,000)	(3,567,000)
Net Operating Expense	\$ 376,757,000	\$ 100,531,000	\$ 402,126,000
Operating Expense per Day	\$ 1,032,000	\$ 1,102,000	\$ 1,102,000
Days Cash			
Number of Days Cash	600	619	497
<i>Totals may be off due to rounding</i>			

(a) Current year expenses are expressed as a proration of the annual budget for the purposes of this metric.



The Monthly Capital Improvement Plan Financial Summary includes the following.

1. Water System Capital Improvement Plan Spend Incurred to date
2. Sewer System Capital Improvement Plan Spend Incurred to date

Capital Improvement Plan Financial Summary

Great Lakes Water Authority (GLWA) capital improvement projects generally span two or more years due to size and complexity. Therefore, the GLWA Board of Directors (Board) adopts a five-year capital improvement plan (CIP). The CIP is a five-year, rolling plan which is updated annually and formally adopted by the GLWA Board of Directors. In addition, the Board of Directors adopts a capital spending ratio assumption (SRA) which allows the realities of capital program delivery to align with the financial plan. The SRA is an analytical approach to bridge the total dollar amount of projects in the CIP with what can realistically be spent due to limitations beyond GLWA's control and/or delayed for nonbudgetary reasons. Those limitations, whether financial or non-financial, necessitate the SRA for budgetary purposes, despite the prioritization established.

This report presents quarterly and monthly CIP spending against the prorated CIP in total and the CIP adjusted for the SRA. The prorated CIP is calculated by dividing the total fiscal year 2025 board-approved CIP plan by twelve equal months. It should be noted that for operational purposes, GLWA utilizes Primavera P6 for refined monthly projections for cash management and project management.

Capital spend reflects a noticeable variance from budgeted CIP for both the water and sewer funds. For the purposes of this metric, we compare actual spend with the Board-approved budget. For the purposes of managing the financial plan, budget amendments are made to align spending with resources available. The capital spend rate adjustment is 100% of the Board approved CIP planned spend for the water fund and 100% of the Board approved CIP planned spend for the sewer fund.

As of July 31, 2024, the State Revolving Fund (SRF) activity reported in Charts 1 and 2 has been revised to reflect changes in approved, GLWA SRF funding.

Chart 1 – Water System Capital Improvement Plan Spend Incurred to Date

As of September 2024, the water system incurred \$41 million of construction costs to date. This spend represents 78% of the original, Board-approved CIP, and 78% of the Board-reviewed spend rate adjustment.

Economic factors affecting the CIP spend are considered by the Board quarterly at which time the Board may amend the planned spend rate adjusted.

Chart 1 – Water System Capital Improvement Plan Spend Incurred to Date – Spend Rate Adjusted

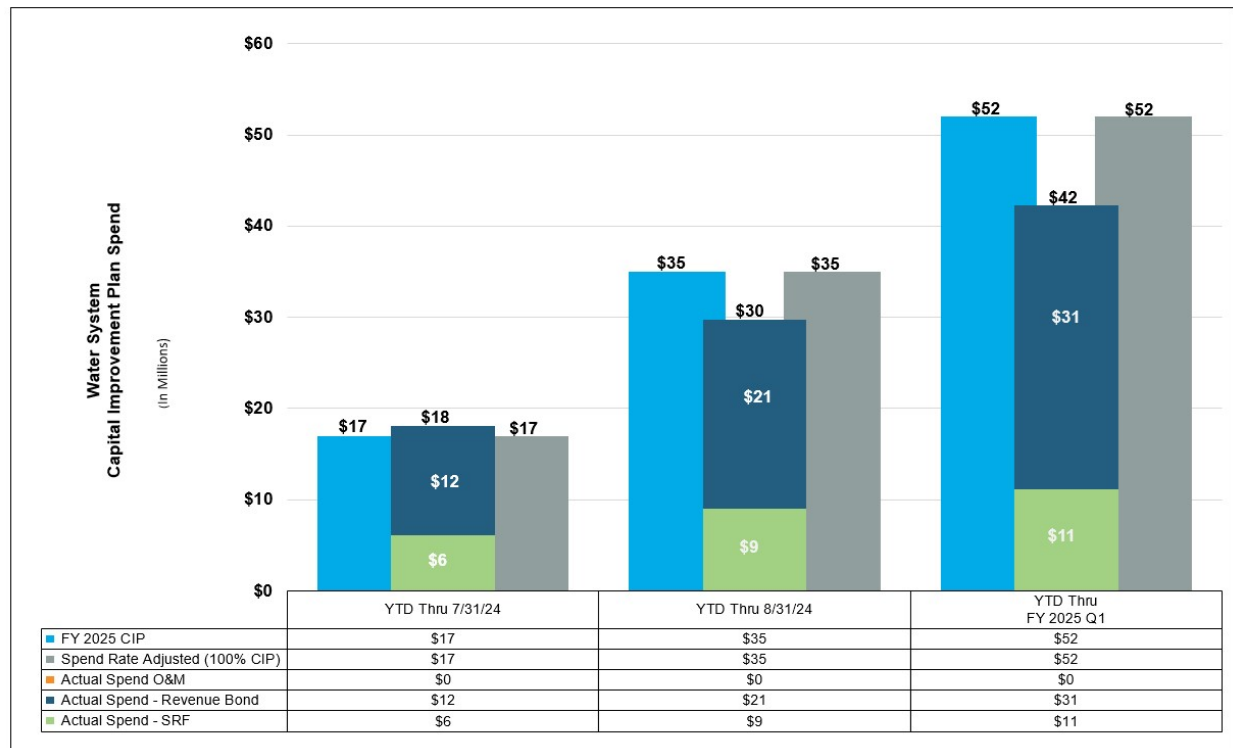
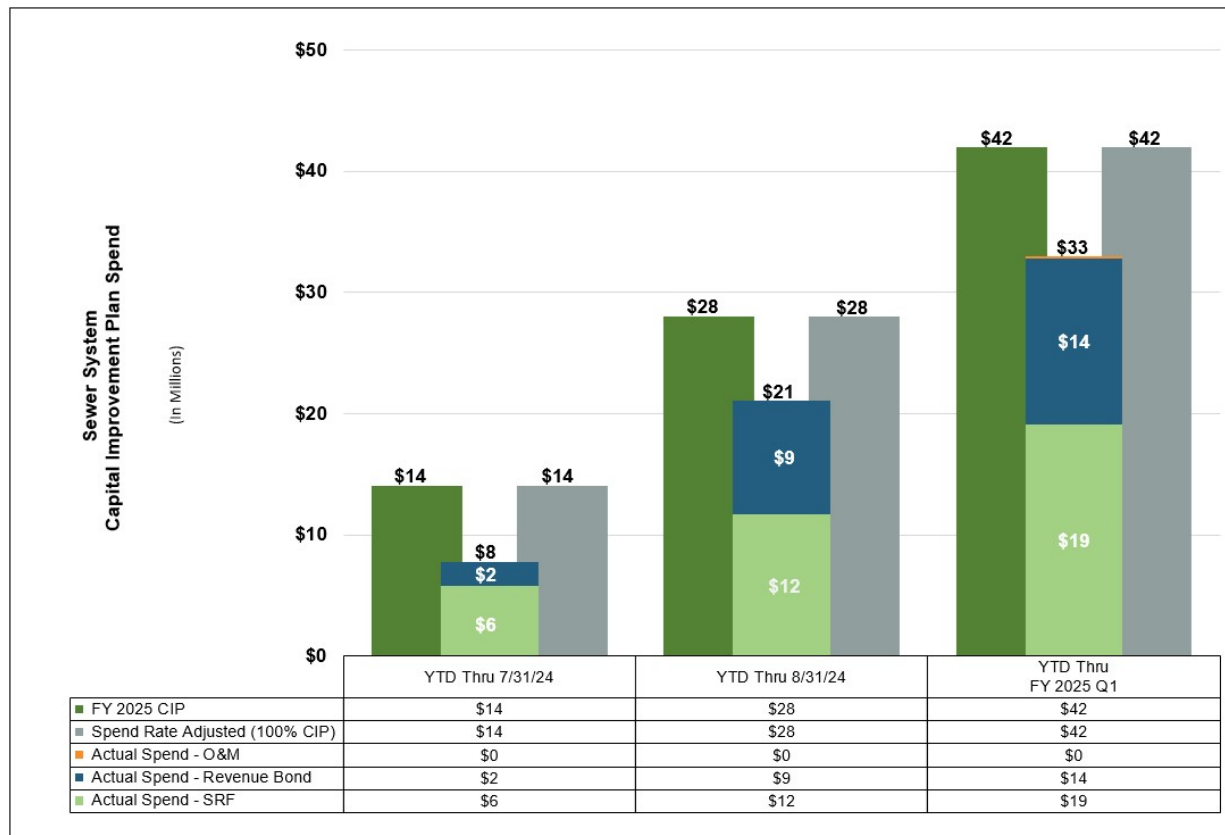


Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date

As of September 2024, the Sewer system incurred \$33 million of construction costs to date. This spend represents 78% of the original, Board-approved CIP, and 78% of the Board-reviewed spend rate adjustment.

Economic factors affecting the CIP spend are considered by the Board quarterly at which time the Board may amend the planned spend rate adjusted.

Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date – Spend Rate Adjusted





This report includes the following.

1. Master Bond Ordinance (MBO) Required Transfers to Accounts Held by GLWA
2. Master Bond Ordinance (MBO) Required Transfers to Accounts Held by DWSD

MBO Transfers to Accounts Held by GLWA

GLWA Transfers: The Treasury team completes required MBO transfers on the first business day of each month. These transfers are completed in accordance with the Great Lakes Water Authority (GLWA) and Detroit Water & Sewerage Department (DWSD) budgets as approved and adopted by the GLWA Board of Directors and DWSD Board of Water Commissioners annually.

Monthly transfers for Operations & Maintenance (O&M), Pension, and Water Residential Assistance Program (WRAP) are one-twelfth of the annual, budgeted amount. Budget stabilization should not require additional funding due to new, baseline funding levels established as part of the June 2018 Memorandum of Understanding but is included to reflect historical activity. If there are transfers to the Extraordinary Repair & Replacement (ER&R) fund they would be completed annually based on budget and year-end fund status.

Table 1 – GLWA FY 2025 Water MBO Transfers reflects the required transfers for FY 2025 completed through September 2024. MBO transfers for water totaling \$44.1 million have been transferred to GLWA accounts.

Table 2 – GLWA FY 2025 Sewer MBO Transfers reflects the required transfers for FY 2025 completed through September 2024. MBO transfers for sewer totaling \$59.8 million have been transferred to GLWA accounts.

Table 3 – GLWA MBO Transfer History reflects historical transfers for FY 2016 through FY 2025 to date.

Table 1 – GLWA FY 2025 Water MBO Transfers

WATER							
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Water
FY 2025							
July 2024	\$ 14,135,417	\$ -	\$ 324,642	\$ 236,359	\$ -	\$ -	\$ 14,696,418
August 2024	14,135,417	-	324,642	236,359	-	-	14,696,418
September 2024	14,135,417	-	324,642	236,359	-	-	14,696,418
October 2024							
November 2024							
December 2024							
January 2025							
February 2025							
March 2025							
April 2025							
May 2025							
June 2025							
Total FY 2025	\$ 42,406,251	\$ -	\$ 973,926	\$ 709,077	\$ -	\$ -	\$ 44,089,254

Table 2 – GLWA FY 2025 Sewer MBO Transfers

SEWER							
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Sewer
FY 2025							
July 2024	\$ 19,077,833	\$ -	\$ 510,516	\$ 332,933	\$ -	\$ -	\$ 19,921,282
August 2024	19,077,833	-	510,516	332,933	-	-	19,921,282
September 2024	19,077,833	-	510,516	332,933	-	-	19,921,282
October 2024							
November 2024							
December 2024							
January 2025							
February 2025							
March 2025							
April 2025							
May 2025							
June 2025							
Total FY 2025	\$ 57,233,499	-	\$ 1,531,548	\$ 998,799	\$ -	\$ -	\$ 59,763,846

Table 3 – GLWA MBO Transfer History

WATER								
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Water	
Total FY 2016	\$ 71,052,000	\$ 6,037,100	\$ 10,297,200	\$ 1,983,300	\$ 2,326,900	\$ 606,000	\$	92,302,500
Total FY 2017	111,879,600	6,037,200	10,297,200	2,077,200	360,000	-		130,651,200
Total FY 2018	121,562,604	6,048,000	10,695,696	2,159,400	-	-		140,465,700
Total FY 2019	121,562,604	6,048,000	10,695,696	2,061,000	-	-		140,367,300
Total FY 2020	126,840,204	6,048,000	10,695,683	1,980,804	-	-		145,564,691
Total FY 2021	134,127,300	6,048,000	10,695,700	2,324,200	-	-		153,195,200
Total FY 2022	143,933,800	6,048,000	10,695,700	2,376,600	-	-		163,054,100
Total FY 2023	156,747,700	6,048,000	10,695,700	2,611,800	-	2,200,000		178,303,200
Total FY 2024	168,873,100	-	2,568,700	2,710,200	-	2,836,000		176,988,000
Total FY 2025 (year to date)	42,406,251	-	973,926	709,077	-	-		44,089,254
Life to Date	\$ 1,198,985,163	\$ 48,362,300	\$ 88,311,201	\$ 20,993,581	\$ 2,686,900	\$ 5,642,000	\$	1,364,981,145

SEWER								
	Operations & Maintenance	Pension Sub Account	Pension Obligation	WRAP	Budget Stabilization (For Benefit of DWSD)	Extraordinary Repair & Replacement (ER&R)	Total Sewer	
Total FY 2016	\$ 100,865,600	\$ 10,838,400	\$ 14,025,800	\$ 2,523,400	\$ 5,591,700	\$ 779,600	\$	134,624,500
Total FY 2017	175,858,800	10,838,400	14,026,800	2,654,400	2,654,400	-		206,032,800
Total FY 2018	191,079,396	10,824,000	14,687,496	2,760,804	-	-		219,351,696
Total FY 2019	191,079,396	10,824,000	14,687,496	2,870,992	-	-		219,461,884
Total FY 2020	181,925,800	10,824,000	14,687,517	2,887,300	-	-		210,324,617
Total FY 2021	182,296,000	10,824,000	14,687,500	3,764,300	-	-		211,571,800
Total FY 2022	191,908,600	10,824,000	14,687,400	3,868,700	-	-		221,288,700
Total FY 2023	204,122,500	10,824,000	14,687,400	3,673,800	-	-		233,307,700
Total FY 2024	224,873,500	-	3,914,500	3,836,402	-	-		232,624,402
Total FY 2025 (year to date)	57,233,499	-	1,531,548	998,799	-	-		59,763,846
Life to Date	\$ 1,701,243,091	\$ 86,620,800	\$ 121,623,457	\$ 29,838,897	\$ 8,246,100	\$ 779,600	\$	1,948,351,945

MBO Required and Lease Payment Transfers to DWSD

DWSD Transfers: The GLWA Treasury team completes the required MBO transfers on the first business day of each month. These transfers are completed in accordance with the GLWA and DWSD budgets as approved and adopted by the GLWA Board of Directors and DWSD Board of Water Commissioners annually. Transfers are coordinated with other areas of GLWA Financial Services in advance of the first business day of each month. GLWA Treasury sends confirmation of transfers made to DWSD Treasury.

Monthly transfers for O&M and O&M Pension are one-twelfth of the annual, budgeted amount. The annual lease payment, as stated in the Water and Sewer Lease Agreements, is \$22,500,000 for Water and \$27,500,000 for Sewer. The monthly lease transfer is one-twelfth of the amount as stated in the Lease agreements unless otherwise designated by DWSD. Per Section 3.5 of the Lease, the Lease payment may be used for (a) bond principal and interest for Local System Improvements, (b) bond principal and interest for the City's share of common-to-all System Improvements, and (c) Local System improvements.

Table 4 – DWSD FY 2025 Water MBO Transfers reflects the required transfers for FY 2025 completed through September 2024. MBO transfers for Water totaling \$17.5 million have been transferred to accounts held by DWSD.

Table 5 – DWSD FY 2025 Sewer MBO Transfers reflects the required transfers for FY 2025 completed through September 2024. MBO transfers for Sewer totaling \$21.5 million have been transferred to accounts held by DWSD.

Table 6 – DWSD Water MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2025 to date.

Table 7 – DWSD Sewer MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2025 to date.

Table 4 – DWSD FY 2025 Water MBO Transfers

WATER					
	Operations & Maintenance	Pension	Lease Payment (I&E Fund)	Total Water	
FY 2025					
July 2024	\$ 3,970,517	\$ -	\$ 1,875,000	\$	5,845,517
August 2024	3,970,517	-	1,875,000		5,845,517
September 2024	3,970,517	-	1,875,000		5,845,517
October 2024					
November 2024					
December 2024					
January 2025					
February 2025					
March 2025					
April 2025					
May 2025					
June 2025					
Total FY 2025	\$ 11,911,551	-	\$ 5,625,000	\$	17,536,551

Table 5 – DWSD FY 2025 Sewer MBO Transfers

SEWER					
	Operations & Maintenance	Pension	Lease Payment (I&E Fund)	Total Sewer	
FY 2025					
July 2024	\$ 4,889,950	\$ -	\$ 2,291,667	\$	7,181,617
August 2024	4,889,950	-	2,291,667		7,181,617
September 2024	4,889,950	-	2,291,667		7,181,617
October 2024					
November 2024					
December 2024					
January 2025					
February 2025					
March 2025					
April 2025					
May 2025					
June 2025					
Total FY 2025	\$ 14,669,850	-	\$ 6,875,001	\$	21,544,851

Table 6 – DWSD Water MBO and Lease Payment Transfer History

	WATER			
	Operations & Maintenance	Operations & Maintenance Pension	Lease Payment (I&E Fund)	Total Water
FY 2016 *				
MBO/Lease Requirement	\$ 26,185,600	\$ 4,262,700	\$ 22,500,000	\$ 52,948,300
Offset to Debt Service	-	-	(2,326,900)	(2,326,900)
Total MBO Transfer	26,185,600	4,262,700	20,173,100	50,621,400
FY 2017				
MBO/Lease Requirement	33,596,400	4,262,400	22,500,000	60,358,800
Offset to Debt Service	-	-	-	-
Total MBO Transfer	33,596,400	4,262,400	22,500,000	60,358,800
FY 2018				
MBO/Lease Requirement	35,059,704	4,272,000	22,500,000	61,831,704
Offset to Debt Service	-	-	(1,875,000)	(1,875,000)
Total MBO Transfer	35,059,704	4,272,000	20,625,000	59,956,704
FY 2019				
MBO/Lease Requirement	35,484,300	4,272,000	22,500,000	62,256,300
Offset to Debt Service	-	-	(3,972,200)	(3,972,200)
Total MBO Transfer	35,484,300	4,272,000	18,527,800	58,284,100
FY 2020				
MBO/Lease Requirement	34,662,400	4,272,000	22,500,000	61,434,400
Offset to Debt Service	-	-	(3,548,000)	(3,548,000)
Total MBO Transfer	34,662,400	4,272,000	18,952,000	57,886,400
FY 2021				
MBO/Lease Requirement	35,833,900	4,272,000	22,500,000	62,605,900
Offset to Debt Service	-	-	(8,278,300)	(8,278,300)
Total MBO Transfer	35,833,900	4,272,000	14,221,700	54,327,600
FY 2022				
MBO/Lease Requirement	29,989,000	4,272,000	22,500,000	56,761,000
Offset to Debt Service	-	-	(8,925,400)	(8,925,400)
Total MBO Transfer	29,989,000	4,272,000	13,574,600	47,835,600
FY 2023				
MBO/Lease Requirement	42,581,600	4,272,000	22,500,000	69,353,600
Offset to Debt Service	-	-	(2,922,100)	(2,922,100)
Total MBO Transfer	42,581,600	4,272,000	19,577,900	66,431,500
FY 2024				
MBO/Lease Requirement	44,776,800	-	22,500,000	67,276,800
Offset to Debt Service	-	-	-	-
Total MBO Transfer	44,776,800	-	22,500,000	67,276,800
FY 2025 (year to date)				
MBO/Lease Requirement	11,911,551	-	5,625,000	17,536,551
Offset to Debt Service	-	-	-	-
Total MBO Transfer	11,911,551	-	5,625,000	17,536,551
Life-to-Date				
MBO/Lease Requirement	318,169,704	34,157,100	202,500,000	554,826,804
Offsets	-	-	(31,847,900)	(31,847,900)
Total Water	\$ 330,081,255	\$ 34,157,100	\$ 176,277,100	\$ 540,515,455

Table 7 – DWSD Sewer MBO and Lease Payment Transfer History

	SEWER			
	Operations & Maintenance	Operations & Maintenance Pension	Lease Payment (I&E Fund)	Total Sewer
FY 2016 *				
MBO/Lease Requirement	\$ 19,774,300	\$ 2,861,800	\$ 27,500,000	\$ 50,136,100
Offset to Debt Service	-	-	(19,991,500)	(19,991,500)
Total MBO Transfer	19,774,300	2,861,800	7,508,500	30,144,600
FY 2017				
MBO/Lease Requirement	41,535,600	2,862,000	27,500,000	71,897,600
Offset to Debt Service	-	-	-	-
Total MBO Transfer	41,535,600	2,862,000	27,500,000	71,897,600
FY 2018				
MBO/Lease Requirement	60,517,992	2,856,000	27,500,000	90,873,992
Offset to Debt Service	-	-	(9,166,664)	(9,166,664)
Total MBO Transfer	60,517,992	2,856,000	18,333,336	81,707,328
FY 2019				
MBO/Lease Requirement	56,767,920	2,856,000	27,500,000	87,123,920
Offset to Debt Service	-	-	(4,415,000)	(4,415,000)
Total MBO Transfer	56,767,920	2,856,000	23,085,000	82,708,920
FY 2020				
MBO/Lease Requirement	62,343,500	2,856,000	27,500,000	92,699,500
Offset to address shortfall	(7,100,000)	-	-	(7,100,000)
Offset to Debt Service	-	-	(5,032,700)	(5,032,700)
Total MBO Transfer	55,243,500	2,856,000	22,467,300	80,566,800
FY 2021				
MBO/Lease Requirement	69,915,700	2,856,000	27,500,000	100,271,700
Offset to Debt Service	-	-	(3,257,200)	(3,257,200)
Total MBO Transfer	69,915,700	2,856,000	24,242,800	97,014,500
FY 2022				
MBO/Lease Requirement	61,301,000	2,856,000	27,500,000	90,735,453
Offset to Debt Service	-	-	(5,529,297)	(4,607,750)
Total MBO Transfer	61,301,000	2,856,000	21,970,703	86,127,703
FY 2023				
MBO/Lease Requirement	51,396,400	2,856,000	27,500,000	81,752,400
Offset to Debt Service	-	-	(4,388,300)	(4,388,300)
Total MBO Transfer	51,396,400	2,856,000	23,111,700	77,364,100
FY 2024				
MBO/Lease Requirement	55,705,700	-	27,500,004	83,205,704
Offset to Debt Service	-	-	-	-
Total MBO Transfer	55,705,700	-	27,500,004	83,205,704
FY 2025 (year to date)				
MBO/Lease Requirement	14,669,850	-	6,875,001	21,544,851
Offset to Debt Service	-	-	-	-
Total MBO Transfer	14,669,850	-	6,875,001	21,544,851
Life-to-Date				
MBO/Lease Requirement	493,927,962	22,859,800	254,375,005	770,241,220
Offsets	(7,100,000)	-	(51,780,661)	(57,959,114)
Total Sewer	\$ 486,827,962	\$ 22,859,800	\$ 202,594,344	\$ 712,282,106

* Note: FY 2016 lease transfer amounts shown do not include prepayment on the lease amount for the 6 months period before bifurcation.



This report includes the following:

1. Monthly Cash Balances Compared to Investment Income
2. Cash Balance Detail

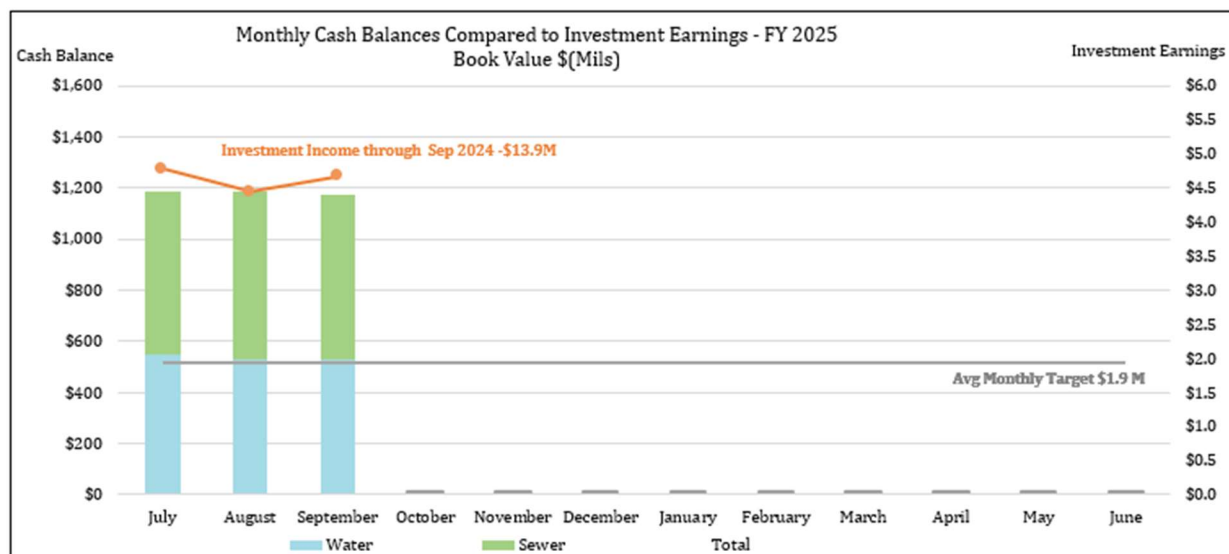
Monthly Cash Balances Compared to Investment Income

GLWA's investment holdings comply with the requirements of Public Act 20 of 1948, as amended and the GLWA Investment Policy. The cash balances shown in this report include bank deposits, money market funds, a local government investment pool, U.S. Treasuries, Federal Agencies, and commercial paper.

Cash and investment balances change each month based on Master Bond Ordinance (MBO) funding requirements, operational needs, capital spending pace, and mandatory debt payments. Investment income fluctuates monthly based on cash and investment balances as well as market conditions and investment strategy. For the month of September 2024, GLWA earned investment income of \$4.7 million and cumulative FY 2025 earnings through September 2024 of \$13.9 million. Total investment income reported includes earnings from revenue requirement funds as well as construction bond funds.

GLWA continues to refine cash flows and work with its investment advisor to identify strategies to maximize future investment income while meeting the objectives of safety and liquidity.

Chart 1 – Monthly Cash Balances Compared to Investment Income – Through September 2024



\$(Mils)	July	August	September	October	November	December	January	February	March	April	May	June
Water	549	527	527	-	-	-	-	-	-	-	-	-
Sewer	638	662	644	-	-	-	-	-	-	-	-	-
Total	1,187	1,189	1,171	-	-	-	-	-	-	-	-	-
Investment Income	4.8	4.4	4.7	-	-	-	-	-	-	-	-	-

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee February 17, 2025

Cash Balance Detail

Funds Held By GLWA: GLWA cash balances are held in accounts as defined by the Master Bond Ordinance. The accounts are funded by monthly transfers, as stipulated in the MBO, on the first business day of each month. The “operations and maintenance” (O&M) fund transfer amounts are based upon the annual O&M budget approved by the GLWA Board of Directors for the regional systems and by the Board of Water Commissioners for the Detroit Water & Sewerage Department (DWSD) local system budgets. The water and sewer funds held by GLWA and their purpose, as defined by the MBO, are listed below.

Funds Held Within Trust:

- Receiving – all retail and wholesale revenues collected which are distributed in subsequent month(s)
- Debt Service – funds set aside for debt service and debt reserve requirements
- Pension Obligation – funds set aside to meet GLWA’s annual funding requirements for the legacy General Retirement System Pension Plan
- Water Residential Assistance Program (WRAP) – funds set aside to be used to provide financial assistance to qualified residents throughout the local and regional water system as directed by program guidelines
- Budget Stabilization – funds held by GLWA on behalf of DWSD that can be applied against shortfalls in retail revenues
- Emergency Repair & Replacement (ER&R) – funds set aside to pay the costs for major unanticipated repairs and replacements of the local and regional systems
- Improvement & Extension (I&E) – funds set aside to be used for the improvements, enlargements, and extensions of the regional system

Funds Held Outside Trust:

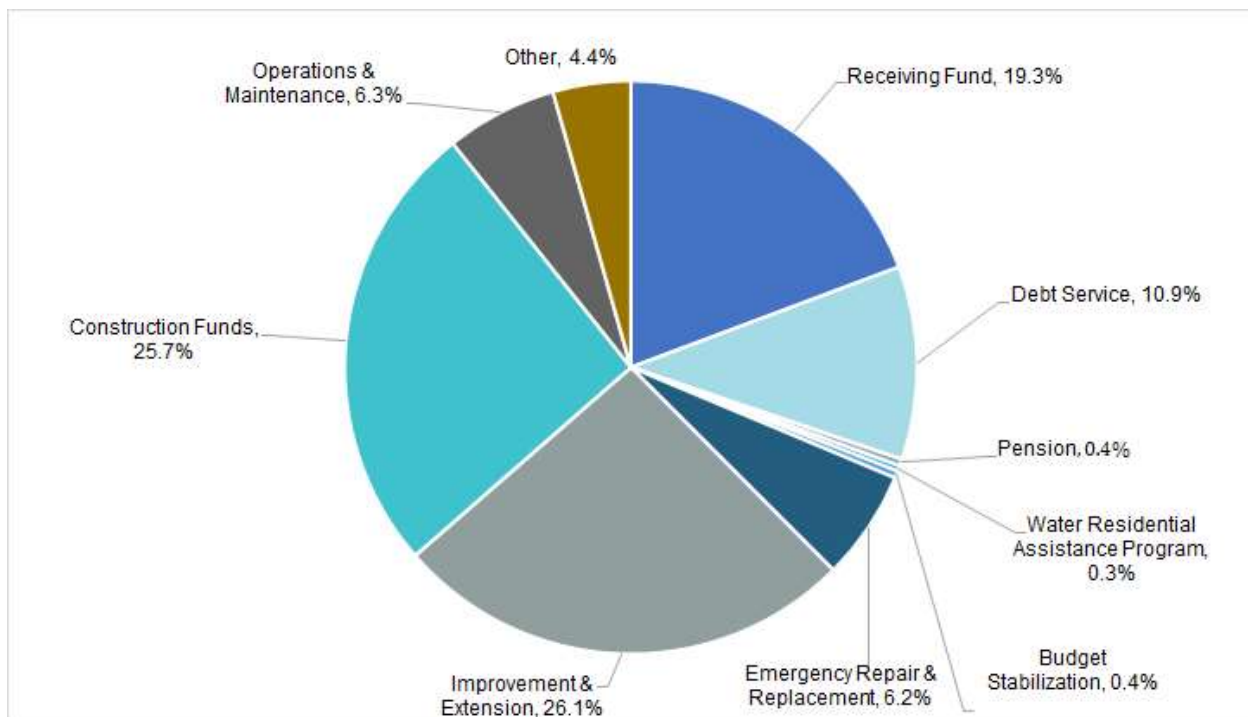
- Bond Proceeds – funds raised from debt issuance used for costs of repairs, construction, and improvements of the regional system
- Operations & Maintenance (O&M) – funds used to meet the operational and maintenance requirements of the regional system
- Other – retainage funds held on behalf of contractors and security deposit funds held on behalf of the City of Flint, and capital contribution funds provided by the Evergreen Farmington Sewer District recognized as related project work is completed

A [chart](#) depicting the follow of funds is online at glwater.org as well as the [MBO](#) documents.

Chart 2 – Cash Balances - Water Funds as of September 2024 - Shows the allocation of the balance among the different categories defined in the section above. The total cash balance for Water Funds as of September 30, 2024 is \$527 million. The allocation of balances among the I&E, bond proceeds, and debt service reserve funds reflects GLWA's commitment to funding capital improvements and meeting debt reserve requirements while simultaneously increasing I&E resources to fund pay-as-you-go capital funding to reduce long-term debt in the future.

GLWA completed a bond transaction of \$148.5 million in December 2023 to support water system improvements. These funds along with I&E and SRF low-interest loans will fund the capital program going forward.

Chart 2 – Cash Balances - Water Funds as of September 2024

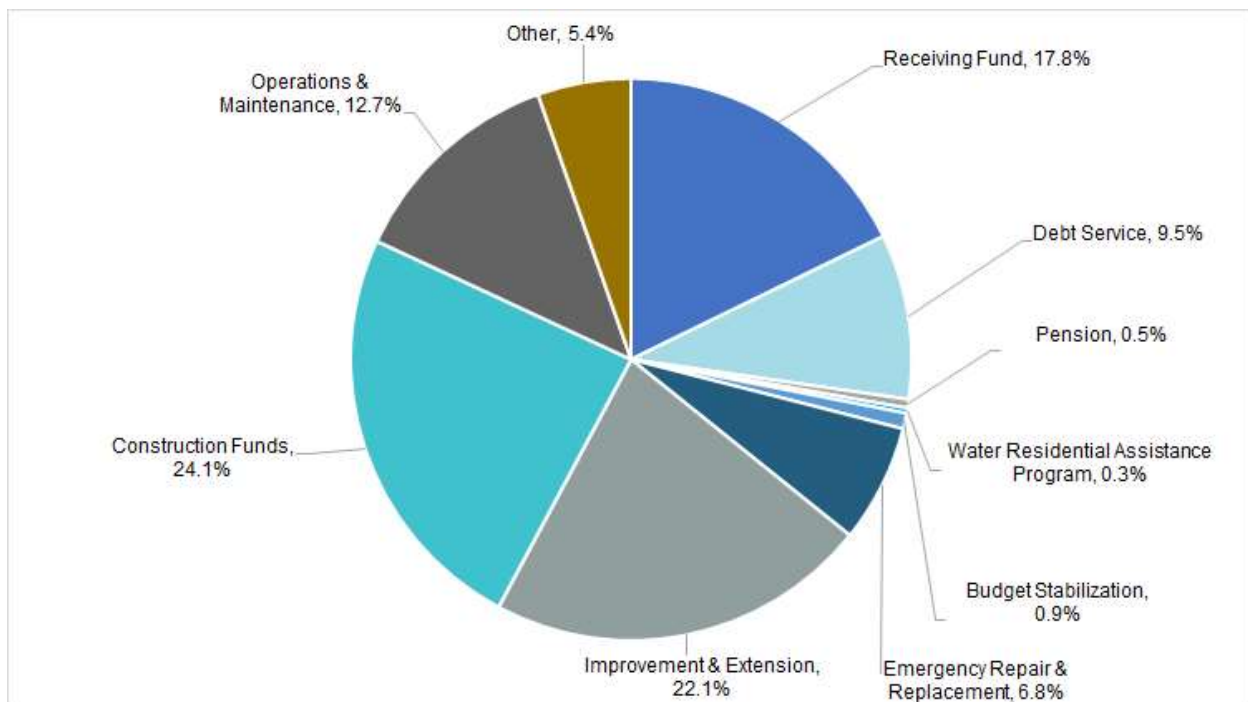


Note: Due to rounding totals may not equal 100%.

Chart 3 – Cash Balances - Sewer Funds as of September 2024 - Shows the allocation of the balance among the different funds defined in the section above. The total cash balance for Sewer Funds as of September 30, 2024 is \$644 million. Like the Water Funds, the allocation of balances among the I&E, bond proceeds, and debt service reserve funds reflects GLWA's commitment to funding capital improvements and meeting debt reserve requirements while simultaneously increasing I&E resources to fund pay-as-you-go capital funding to reduce long-term debt in the future.

In conjunction with the Water Fund transaction, GLWA completed a bond transaction of \$96.8 million in December 2023 to support sewage disposal system improvements. These funds along with I&E and SRF low-interest loans will fund the capital program going forward.

Chart 3 – Cash Balances - Sewer Funds as of September 2024



Note: Due to rounding totals may not equal 100%.



Retail Revenues, Receivables, and Collections: Pursuant to the terms of the lease agreement between the City of Detroit and the Great Lakes Water Authority (GLWA), the Detroit Water & Sewerage Department (DWSD) serves as GLWA's agent for billing activities for the City of Detroit retail customer class. All water and sewer service collections from DWSD customers are deposited in a trust account and are administered in accordance with the GLWA Master Bond Ordinance.

The Monthly Retail Revenues, Receivables, & Collections Report includes the following.

1. DWSD Retail Water Revenue Billings and Collections
2. DWSD Retail Sewer Revenue Billings and Collections
3. DWSD Retail Water and Sewer System Accounts Receivable Aging Report

Note: Wholesale customer revenues are billed by the Great Lakes Water Authority.

DWSD Retail Water Billings and Collections

Retail Billing Basis: DWSD bills retail customers monthly. Customers are billed throughout the month in cycles based on a meter reading schedule beginning with residential accounts and ending with commercial and industrial customers.

Table 1 - DWSD Retail Billings shows the FY 2025 water usage and billed revenue which are provided by DWSD staff. As of September 30, 2024, the DWSD usage was at 94.16% of the budget and billed revenue was at 93.11% of budget.

DWSD Retail Water Collections: The collections represent payments made by DWSD retail customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

Table 2 - Retail Water Collections shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods.

Table 1 – DWSD Retail Water Billing

RETAIL WATER CUSTOMERS								
Month (1)	FY 2025 - Original Budget		FY 2025 - Actual		FY 2025 - Variance		FY 2024 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	241,000	12,395,932	226,703	11,590,136	(14,297)	(805,796)	248,307	12,606,397
August	261,000	13,459,400	240,621	12,171,324	(20,379)	(1,288,076)	255,079	12,913,867
September	248,000	12,773,235	238,868	12,205,143	(9,132)	(568,092)	214,796	11,119,261
October	212,000	10,944,671					222,909	11,409,427
November	208,000	10,711,071					210,687	10,898,684
December	198,000	10,200,009					214,139	11,246,818
January	195,000	10,077,416					224,414	11,263,184
February	207,000	10,656,080					225,042	11,774,408
March	201,000	10,347,960					206,204	11,096,805
April	203,000	10,437,186					213,950	10,552,343
May	193,000	9,948,001					214,474	10,667,783
June	211,000	10,879,139					226,703	10,637,883
Total	2,578,000	132,830,100	706,192	35,966,603	(43,808)	(2,661,964)	2,676,703	136,186,859
Subtotals ytd	750,000	38,628,567	706,192	35,966,603	(43,808)	(2,661,964)		
Achievement of Budget			94.16%	93.11%				

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.

(2) Retail revenues include miscellaneous revenues and penalties

Table 2 – DWSD Retail Water Collections

Water				
Month	Current Year	Prior Year	Variance	Ratio
October	9,884,937	13,082,745	(3,197,808)	-24.44%
November	10,499,606	10,270,582	229,024	2.23%
December	13,663,688	11,630,994	2,032,694	17.48%
January	8,506,008	8,857,268	(351,261)	-3.97%
February	8,996,740	8,244,713	752,027	9.12%
March	15,842,538	10,417,832	5,424,705	52.07%
April	13,840,518	9,417,449	4,423,069	46.97%
May	5,960,146	12,162,719	(6,202,573)	-51.00%
June	9,045,195	13,467,858	(4,422,663)	-32.84%
July	12,645,121	5,943,286	6,701,835	112.76%
August	10,203,737	11,794,131	(1,590,394)	-13.48%
September	10,837,378	9,790,065	1,047,313	10.70%
Rolling, 12-Month Total	129,925,610	125,079,642		
Rolling, 12-Month Average	10,827,134	10,423,303		

DWSD Retail Sewer Billings and Collections

Retail billing basis: DWSD bills retail customers monthly. Customers are billed throughout the month in cycles based on a meter reading schedule beginning with residential accounts and ending with commercial and industrial customers.

Table 3 - DWSD Retail Sewer Billings shows the FY 2025 sewer billed revenue which are provided by DWSD staff. As of September 30, 2024, the DWSD usage was at 90.68% of the budget and billed revenue was at 92.55% of budget.

DWSD Retail Sewer Collections: The collections represent payments made by DWSD retail customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

Table 4 – DWSD Retail Sewer Collections shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods.

Table 3 - DWSD Retail Sewer Billings

RETAIL SEWER CUSTOMERS								
Month (1)	FY 2025 - Original Budget		FY 2025 - Actual		FY 2025 - Variance		FY 2024 - Actuals	
	Volume	Revenue	Volume (2)	Revenue (3)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	214,000	30,316,100	173,084	26,350,527	(40,916)	(3,965,573)	207,574	29,192,723
August	196,000	29,206,000	195,207	28,301,325	(793)	(904,675)	211,503	29,278,720
September	215,000	30,359,800	198,474	28,536,169	(16,526)	(1,823,631)	178,576	27,476,376
October	180,000	28,256,800					184,382	27,700,094
November	181,000	28,322,800					175,498	26,939,338
December	166,000	27,436,800					156,168	26,546,712
January	160,000	27,139,500					182,643	26,882,316
February	177,000	28,085,500					179,551	27,455,737
March	166,000	27,448,400					165,992	26,725,597
April	169,000	27,639,700					179,514	26,737,898
May	166,000	27,458,600					170,754	26,225,089
June	175,000	27,995,600					173,084	26,149,588
Total	2,165,000	339,665,600	566,765	83,188,021	(58,235)	(6,693,879)	2,165,240	327,310,189
<i>Subtotals ytd</i>	<i>625,000</i>	<i>89,881,900</i>	<i>566,765</i>	<i>83,188,021</i>	<i>(58,235)</i>	<i>(6,693,879)</i>		
<i>Achievement of Budget/Goal</i>			90.68%	92.55%				

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.

(2) Reflects billed volume based on actual usage except for residential customers where the billed volume differs from actual usage due to residential sewer volume caps implemented in FY 2023.

(3) Retail revenues include miscellaneous revenues and penalties

Table 4 – DWSD Retail Sewer Collections

Sewer				
Month	Current Year	Prior Year	Variance	Ratio
October	21,610,149	28,182,933	(6,572,784)	-23.32%
November	25,951,736	21,994,899	3,956,838	17.99%
December	23,249,973	23,756,153	(506,180)	-2.13%
January	26,248,512	23,760,629	2,487,883	10.47%
February	24,230,304	23,867,073	363,230	1.52%
March	26,438,687	30,697,464	(4,258,777)	-13.87%
April	23,532,381	21,542,671	1,989,710	9.24%
May	22,487,372	24,419,561	(1,932,189)	-7.91%
June	20,945,929	23,769,626	(2,823,696)	-11.88%
July	36,297,569	32,379,222	3,918,346	12.10%
August	22,591,511	25,391,891	(2,800,380)	-11.03%
September	22,367,425	23,489,448	(1,122,023)	-4.78%
Rolling 12-Month Total	295,951,548	303,251,570		
Rolling, 12-Month Average	24,662,629	25,270,964		

DWSD Retail Water and Sewer Accounts Receivable Aging Report

The DWSD detailed accounts receivable aging is categorized by customer category.

Table 5 is a summary of the monthly sales, total receivables, bad debt allowance and net water and sewer receivables as of September 30, 2024 with comparative totals from June 30, 2024, June 30, 2023 and June 30, 2022. This table does not include past due accounts that have been transferred to the City of Detroit for collection as tax liens.

The table provides a comparison of days in accounts receivable calculated as net receivables divided by daily sales and confirms that over time days in AR is held in check overall due to a consistent practice of adjusting the allowance for doubtful accounts monthly. To the extent this allowance is adjusted, and bad debt expense is recognized in the DWSD budget, it does not impact GLWA.

Table 6 is a summary of the total, current and non-current Water and Sewer receivables by category as of September 30, 2024 with comparative totals from September 30, 2024. This table does not include past due accounts that have been transferred to the City of Detroit for collection as tax liens.

The Total Balance and Total Bad Debt Allowance as of September 30, 2024 are reflective of the values in both the Table 5 Summary and Table 6 breakdown.

Table 5 – DWSD Retail Accounts Receivable Aging Report – Summary

Summary					
Period Ending	Monthly Sales	Receivables		Net	Days in AR (1)
		Total	Allowance		
June 30, 2022	39,022,000	300,346,000	(253,924,000)	46,422,000	36
June 30, 2023	39,443,000	327,023,000	(272,012,000)	55,011,000	42
June 30, 2024 (2)	38,352,000	324,867,000	(249,922,000)	58,437,000	46
Sep 30, 2024	40,880,000	344,945,000	(265,149,000)	79,796,000	59
Totals may be off due to rounding					

(1) Days in AR is calculated as net receivables divided by daily sales (monthly sales/30 days)

(2) The annual AR Tax Roll Transfer totaling \$22,892,000 was made in October 2023.

Table 6 – DWSD Retail Accounts Receivable Aging Report – Water & Sewer Combined

	Avg. Balance	Current	> 30 Days	> 60 Days	> 180 Days	A/R Balance
Residential	909.75	19,375,000 9.6%	11,238,000 5.6%	33,050,000 16.4%	137,760,000 68.4%	201,423,000 100.0%
Commercial	1,438.26	8,651,000 28.1%	2,670,000 8.7%	4,951,000 16.1%	14,527,000 47.2%	30,799,000 100.0%
Industrial	4,071.71	5,471,000 36.7%	1,078,000 7.2%	2,050,000 13.7%	6,328,000 42.4%	14,927,000 100.0%
Tax Exempt	812.97	603,000 19.4%	226,000 7.3%	581,000 18.7%	1,692,000 54.5%	3,102,000 100.0%
Government	457.41	4,747,000 24.4%	1,922,000 9.9%	1,187,000 6.1%	11,587,000 59.6%	19,443,000 100.0%
Drainage	683.12	2,552,000 8.3%	1,145,000 3.7%	4,091,000 13.4%	22,789,000 74.5%	30,577,000 100.0%
Subtotal - Active Accounts	889.51	41,399,000 13.8%	18,279,000 6.1%	45,910,000 15.3%	194,684,000 64.8%	300,271,000 100.0%
Inactive Accounts	119.95	288,000 0.6%	418,000 0.9%	1,515,000 3.4%	42,453,000 95.0%	44,673,000 100.0%
Total	485.83	41,687,000	18,696,000	47,425,000	237,136,000	344,945,000
% of Total A/R		12.1%	5.4%	13.7%	68.7%	100.0%
Water Fund	100.98	12,265,000	4,798,000	10,577,000	44,060,000	71,699,000
Sewer Fund	385.51	29,422,000	13,898,000	36,848,000	193,077,000	273,246,000
Total Sep 30, 2024 (a)	485.83	41,687,000	18,696,000	47,425,000	237,136,000	344,945,000
Water Fund- Allowance						(51,309,000)
Sewer Fund- Allowance						(213,840,000)
Total Bad Debt Allowance						(265,149,000)
Comparative - Sep 2023 (b)	593.20	39,667,000	18,297,000	44,663,000	201,687,000	304,315,000
Difference (a) - (b)		2,020,000	399,000	2,762,000	35,449,000	40,630,000



The Monthly Wholesale Billings, Receivables, and Collections Report includes the following.

- 1. Wholesale Water Billings and Collections
- 2. Wholesale Sewer Billings and Collections
- 3. Wholesale Water & Sewer Accounts Receivable Aging Reports

Wholesale Water Billings and Collections

Wholesale Water Contracts: Great Lakes Water Authority (GLWA) provides wholesale water service to 87 member-partners through a variety of service arrangements.

Service Arrangement Type

Model Contract	85
Emergency	0
Older Contracts	2
Total	<u>87</u>

***Note:** Services are provided to the Detroit Water & Sewerage Department (DWSD) via a Water and Sewer Services Agreement (WSSA). See the “Retail Revenues, Receivables, and Collections Report” section of this monthly report.*

Wholesale Water Billing Basis: Beginning with FY 2016, wholesale water charges were restructured to create a more stable revenue stream by using a historical rolling average to project customer volumes which accounts for 40% of the monthly charges and 60% of the annual customer revenue requirement as a monthly fixed charge.

***Table 1 - Wholesale Water Billings** shows the FY 2025 water billed usage and revenues. As of September 30, 2024, the billed usage was at 96.52% of the original plan and billed revenue at 98.69% of the original plan. Billings and usage from the City of Flint *are* included as they were assumed in the FY 2025 Budget.*

Wholesale Water Collections: The collections represent payments made by wholesale customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA’s Master Bond Ordinance.

***Table 2 - Wholesale Water Collections** shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods. Current year collections are trending below the prior year for the twelve-month period ending September 30, 2024.*

Table 1 – FY 2025 Wholesale Water Billings Report

WHOLESALE WATER CHARGES								
Month (1)	FY 2025 Charges (2)		FY 2025 - Actual		FY 2025 - Variance		FY 2024 - Actuals	
	Volume	Revenue	Volume	Revenue (3)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
1 July	1,471,701	33,806,600	1,347,527	32,449,201	(124,174)	(1,357,399)	1,396,012	31,956,320
2 August	1,378,066	32,779,600	1,297,169	31,977,986	(80,897)	(801,614)	1,295,617	30,947,078
3 September	1,252,529	31,226,000	1,315,030	32,104,405	62,501	878,405	1,212,814	29,862,077
4 October	1,040,750	28,617,400					1,043,901	27,856,141
5 November	902,080	27,224,500					899,934	26,481,380
6 December	965,968	27,817,100					947,841	26,904,465
7 January	979,263	27,960,900					984,406	27,231,881
8 February	869,226	26,840,000					877,428	26,143,840
9 March	946,913	27,587,200					930,938	26,675,356
10 April	904,594	27,235,000					886,646	26,342,756
11 May	1,122,987	29,809,800					1,101,158	28,684,891
12 June	1,440,113	33,505,700					1,313,310	31,043,002
Total	13,274,190	354,409,800	3,959,726	96,531,592	(142,570)	(1,280,608)	12,890,005	340,129,187
Subtotals ytd	4,102,296	97,812,200	3,959,726	96,531,592	(142,570)	(1,280,608)		
Achievement of Original Plan			96.52%	98.69%				

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.

(2) Charges are based on the approved FY 2025 water supply system charge schedule.

(3) Water Revenues differ from Table 1A because amounts are reduced by the monthly payment to the City of Flint for a license to raw water rights under the Flint Raw Water Contract in Table 1A

Table 2 - Wholesale Water Collections

Water				
Month	Current Year	Prior Year	Variance	Ratio
October	26,617,271	38,029,648	(38,029,648)	-100.00%
November	35,490,010	30,903,329	4,586,681	14.84%
December	28,246,829	34,298,469	(6,051,640)	-17.64%
January	24,448,936	19,182,054	5,266,882	27.46%
February	29,100,065	26,553,529	2,546,536	9.59%
March	24,740,554	26,074,213	(1,333,659)	-5.11%
April	26,856,179	20,940,451	5,915,728	28.25%
May	25,838,255	29,265,308	(3,427,053)	-11.71%
June	24,182,036	29,370,704	(5,188,669)	-17.67%
July	30,278,936	22,645,008	7,633,928	33.71%
August	25,054,796	36,275,672	(11,220,876)	-30.93%
September	31,569,804	29,955,755	1,614,049	5.39%
Rolling 12-Month Total	332,423,671	343,494,140		
Rolling, 12-Month Average	27,701,973	28,624,512		

Wholesale Sewer Billings and Collections

Wholesale Sewer Contracts: GLWA provides wholesale sewer service to 18 member-partners via multiple service arrangements.

Service Arrangement Type

Model Contract	14
Emergency	0
Older Contracts	4
Total	<u>18</u>

Note: Services are provided to the Detroit Water & Sewerage Department via a Water and Sewer Services Agreement (WSSA). See the “Retail Revenues, Receivables, and Collections Report” section of the monthly report.

Wholesale Sewer Billing Basis: Beginning in FY 2015, the “sewer rate simplification” initiative was applied which provides for a stable revenue stream and predictability for our member partners. Wholesale sewer customers are billed a fixed monthly fee based upon the annual revenue requirement.

Table 3 - Wholesale Sewer Billings shows the FY 2025 sewer billed revenue. As of September 30, 2024 the billed revenue is at 100.00% of the original plan.

Wholesale Sewer Collections: The collections represent payments made by wholesale customers. These receipts are deposited directly into a lockbox with a trustee for administration of the flow of funds defined by GLWA's Master Bond Ordinance.

Table 4 - Wholesale Sewer Collections shows collections by month for the past 12 months compared to collections for the prior year as well as the calculated difference between the periods.

The shift in wholesale sewer collection patterns is largely attributable to the timing of payments received. There are several large accounts whose payments swing between the end of the current month and the beginning of the next month. Current year collections are trending at the twelve-month period ending September 30, 2024.

Table 3 – FY 2025 Wholesale Sewer Billings Report

WHOLESALE SEWER CHARGES								
Month (1)	FY 2025 Charges		FY 2025 - Actual		FY 2025 - Variance		FY 2024 - Actuals	
	Volume (2)	Revenue	Volume (2)	Revenue	Volume (2)	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
1 July	N/A	23,883,900	N/A	23,883,900	N/A	-	N/A	23,494,800
2 August	N/A	23,883,900	N/A	23,883,900	N/A	-	N/A	23,494,800
3 September	N/A	23,883,900	N/A	23,883,900	N/A	-	N/A	23,494,800
4 October	N/A	23,883,900	N/A		N/A		N/A	23,494,800
5 November	N/A	23,883,900	N/A		N/A		N/A	23,494,800
6 December	N/A	23,883,900	N/A		N/A		N/A	23,494,800
7 January	N/A	23,883,900	N/A		N/A		N/A	23,494,800
8 February	N/A	23,883,900	N/A		N/A		N/A	23,494,800
9 March	N/A	23,883,900	N/A		N/A		N/A	23,494,800
10 April	N/A	23,883,900	N/A		N/A		N/A	23,494,800
11 May	N/A	23,883,900	N/A		N/A		N/A	23,494,800
12 June	N/A	23,883,900	N/A		N/A		N/A	23,494,800
Total		286,606,800		71,651,700		-		281,937,600
Subtotals ytd		71,651,700		71,651,700		-		

Achievement of Original Plan

100.00%

(1) Figures are stated as "Service Months"; that is, July figures represent bills issued in August, etc.

(2) Not tracked as part of the wholesale sewer charges.

Table 4 - Wholesale Sewer Collections

Sewer				
Month	Current Year	Prior Year	Variance	Ratio
October	23,107,016	24,707,249	(1,600,233)	-6.48%
November	27,958,885	19,882,939	8,075,946	40.62%
December	21,351,498	18,314,222	3,037,276	16.58%
January	21,117,470	17,636,972	3,480,498	19.73%
February	27,856,400	33,102,769	(5,246,369)	-15.85%
March	23,460,900	23,746,469	(285,569)	-1.20%
April	18,685,600	17,769,710	915,890	5.15%
May	28,363,300	18,213,966	10,149,334	55.72%
June	23,300,100	38,287,549	(14,987,449)	-39.14%
July	18,438,961	22,331,831	(3,892,870)	-17.43%
August	13,987,797	22,377,366	(8,389,569)	-37.49%
September	25,450,281	18,770,419	6,679,862	35.59%
Rolling 12-Month Total	273,078,208	275,141,461		
Rolling, 12-Month Average	22,756,517	22,928,455		

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee February 17, 2025

Wholesale Water & Sewer Accounts Receivable Aging Report

The detailed accounts receivable aging is in the Appendix to this monthly report. This report reflects the wholesale receivables only and does not include DWSD.

Table 5 - Wholesale Accounts Receivable Aging Report Summary is a summary of the total, current and non-current receivables by category as of September 30, 2024.

Table 6 - Wholesale Accounts Receivable Aging Report, Net Dearborn is the same summary *without* the past due balances for the City of Dearborn. The Billing & Collections team has been in contact with the Water past due account holders and balances reported as past due in this report have been collected in full as of January 2025.

The Sewer past due account was paid in full in October. The IWC past due balances are under review and have been significantly reduced in subsequent months. The Pollutant Surcharge past due balance consists of smaller account holders that GLWA staff continue to communicate with.

Table 5 - Wholesale Accounts Receivable Aging Report Summary

	Total	Current	1-45 Days	46-74 Days	75-104 Days	>105 Days
Water	47,420,847	39,200,522	573,056	-	7,647,269	-
Sewer	13,134,315	12,788,215	-	-	346,100	-
IWC	596,717	569,375	13,836	-	13,507	-
Pollutant Surcharge	488,313	370,823	125,528	-	(8,038)	-
Total	61,640,192	52,928,934	712,419	-	7,998,839	-
	100.00%	85.87%	1.16%	0.00%	12.98%	0.00%

Table 6 - Wholesale Accounts Receivable Aging Report, Net of Dearborn

	Total	Current	1-45 Days	46-74 Days	75-104 Days	>105 Days
Water	39,109,121	38,364,341	508,889	-	235,890	-
Sewer	13,134,315	12,788,215	-	-	346,100	-
IWC	596,717	569,375	13,836	-	13,507	-
Pollutant Surcharge	488,313	370,823	125,528	-	(8,038)	-
Total	53,328,465	52,092,753	648,253	-	587,460	-
	100.00%	97.68%	1.22%	0.00%	1.10%	0.00%

Note: percentages vary from 100% due to rounding.



The Monthly Trust Receipts & Disbursements Report includes the following.

1. GLWA Trust Receipts & Disbursements – Net Cash Flows and Receipts
2. DWSD Trust Receipts & Disbursements – Net Cash Flows and Receipts
3. Combined System Trust Receipts & Disbursements – Net Cash Flows

GLWA Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e., Great Lakes Water Authority or GLWA) and local retail (i.e., Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

This report provides an ongoing status of the net cash flow of both organizations (GLWA and DWSD) to fund their allocated share of Master Bond Ordinance requirements in accordance with the leases for the regional systems.

Table 1 – GLWA Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year. Fiscal year 2025 reflects three months of activity to date.

Water fund receipts exceeded required disbursements by 4% through September 30, 2024 compared to the four-year historical average ratio of required receipts exceeding disbursements by 6% since July 1, 2020.

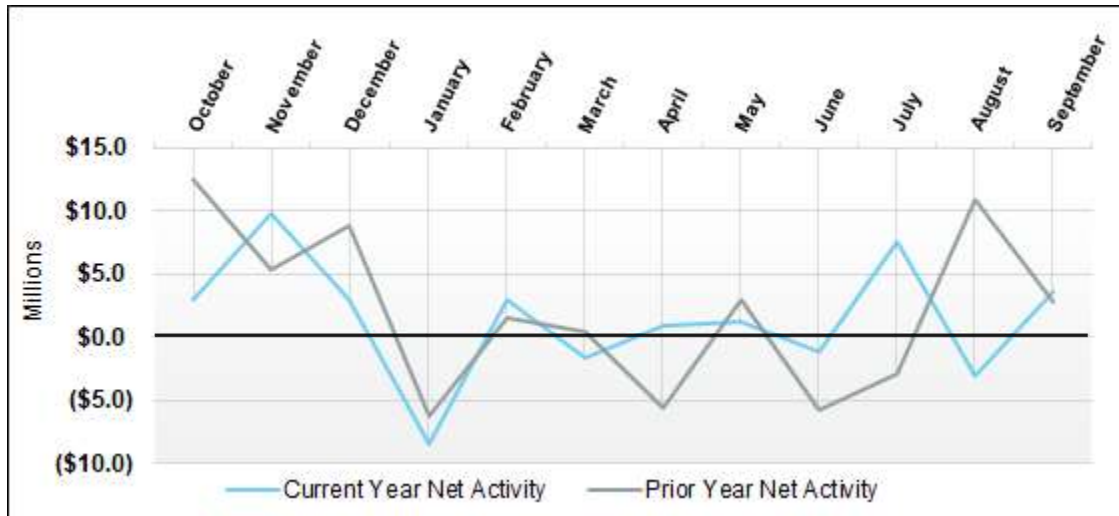
Sewer fund receipts fell short of required disbursements by 7% through September 30, 2024 compared to the four-year historical average ratio of required receipts exceeding disbursements by 4% since July 1, 2020.

Chart 1 – GLWA 12-Month Net Receipts – Water outlines monthly cash receipt trends across two points of reference for the regional water system—current year and prior years. The black line at the zero highlights the minimum goal for net receipts.

Chart 2 – GLWA 12-Month Net Receipts – Sewer outlines monthly cash receipt trends across two points of reference for the regional sewer system—current year and prior years. The black line at the zero highlights the minimum goal for net receipts.

Table 1 – GLWA Net Cash Flows from Trust Receipts & Disbursements

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Thru September 30
Water					
1 Receipts	\$ 336,642,021	\$ 338,117,694	\$ 363,335,474	\$ 374,252,221	\$ 98,012,672
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	336,642,021	338,117,694	363,335,474	374,252,221	98,012,672
4 Disbursements	(308,713,407)	(316,495,360)	(349,186,375)	(353,639,121)	(93,865,201)
5 Receipts Net of Required Transfers	27,928,614	21,622,334	14,149,099	20,613,100	4,147,471
6 I&E Transfer	(31,991,687)	(26,622,862)	(9,898,100)	(28,618,500)	-
7 Net Receipts	\$ (4,063,073)	\$ (5,000,528)	\$ 4,250,999	\$ (8,005,400)	\$ 4,147,471
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	109%	107%	104%	106%	104%
Sewer					
9 Receipts	\$ 472,871,853	\$ 471,979,297	\$ 498,888,416	\$ 506,731,576	\$ 115,721,005
10 MOU Adjustments	-	-	-	-	-
11 Adjusted Receipts	472,871,853	471,979,297	498,888,416	506,731,576	115,721,005
12 Disbursements	(436,600,883)	(450,701,751)	(473,516,238)	(477,450,794)	(123,902,403)
13 Receipts Net of Required Transfers	36,270,970	21,277,546	25,372,178	29,280,782	(8,181,398)
14 I&E Transfer	(40,504,727)	(37,651,788)	(26,766,200)	(12,468,000)	-
15 DWSD Shortfall Advance	-	-	-	-	-
16 Shortfall Repayment (principal)	18,206,431	8,296,578	-	-	-
17 Net Receipts	\$ 13,972,674	\$ (8,077,664)	\$ (1,394,022)	\$ 16,812,782	\$ (8,181,398)
18 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	108%	105%	105%	106%	93%
Combined					
19 Receipts	\$ 809,513,874	\$ 810,096,991	\$ 862,223,890	\$ 880,983,797	\$ 213,733,677
20 MOU Adjustments	-	-	-	-	-
21 Adjusted Receipts	809,513,874	810,096,991	862,223,890	880,983,797	213,733,677
22 Disbursements	(745,314,290)	(767,197,111)	(822,702,613)	(831,089,915)	(217,767,604)
23 Receipts Net of Required Transfers	64,199,584	42,899,880	39,521,277	49,893,882	(4,033,927)
24 I&E Transfer	(72,496,414)	(64,274,650)	(36,664,300)	(41,086,500)	-
25 Shortfall Advance	-	-	-	-	-
26 Shortfall Repayment	18,206,431	8,296,578	-	-	-
27 Net Receipts	\$ 9,909,601	\$ (13,078,192)	\$ 2,856,977	\$ 8,807,382	\$ (4,033,927)
28 <i>Ratio of Receipts to Required Disbursements (Line 21/Line 22)</i>	109%	106%	105%	106%	98%

Chart 1 – GLWA 12-Month Net Receipts – Water

Chart 2 – GLWA 12-Month Net Receipts – Sewer


DWSD Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e. Great Lakes Water Authority or GLWA) and local retail (i.e. Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

This report provides an ongoing status of the net cash flow of both organizations (GLWA and DWSD) to fund their allocated share of Master Bond Ordinance requirements in accordance with the leases for the regional systems.

Table 2 – DWSD Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year. Fiscal year 2025 reflects three months of activity to date.

Water fund receipts exceeded required disbursements by 11% through September 30, 2024 compared to the four-year historical average ratio of required receipts exceeding disbursements by 6% since July 1, 2020.

Sewer fund receipts exceeded required disbursements by 8% through September 30, 2024 compared to the four-year historical average of required receipts exceeding disbursements by 5% since July 1, 2020.

Table 2 – DWSD Net Cash Flows from Trust Receipts & Disbursements

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Thru September 30
Water					
1 Receipts	102,067,423	101,964,963	123,766,624	123,818,287	33,700,625
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	102,067,423	101,964,963	123,766,624	123,818,287	33,700,625
4 Disbursements	(100,707,200)	(94,495,601)	(117,666,100)	(117,290,591)	(30,336,079)
5 Receipts Net of Required Transfers	1,360,223	7,469,362	6,100,524	6,527,696	3,364,546
6 I&E Transfer	-	-	-	-	-
7 Net Receipts	1,360,223	7,469,362	6,100,524	6,527,696	3,364,546
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	101%	108%	105%	106%	111%
Sewer					
9 Receipts	308,210,767	291,280,896	298,896,942	296,088,194	81,286,630
10 MOU Adjustments	-	-	-	-	-
11 Adjusted Receipts	308,210,767	291,280,896	298,896,942	296,088,194	81,286,630
12 Disbursements	(295,100,771)	(285,256,000)	(283,095,100)	(288,119,517)	(75,265,648)
13 Receipts Net of Required Transfers	13,109,996	6,024,896	15,801,842	7,968,677	6,020,982
14 I&E Transfer	-	-	-	-	-
15 Shortfall Advance from GLWA	-	-	-	-	-
16 Net Receipts	13,109,996	6,024,896	15,801,842	7,968,677	6,020,982
17 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	104%	102%	106%	103%	108%
Combined					
18 Receipts	410,278,190	393,245,859	422,663,566	419,906,481	114,987,255
19 MOU Adjustments	-	-	-	-	-
20 Adjusted Receipts	410,278,190	393,245,859	422,663,566	419,906,481	114,987,255
21 Disbursements	(395,807,971)	(379,751,601)	(400,761,200)	(405,410,108)	(105,601,727)
22 Receipts Net of Required Transfers	14,470,219	13,494,258	21,902,366	14,496,373	9,385,528
23 I&E Transfer	-	-	-	-	-
24 Shortfall Advance from GLWA	-	-	-	-	-
25 Net Receipts	14,470,219	13,494,258	21,902,366	14,496,373	9,385,528
26 <i>Ratio of Receipts to Required Disbursements (Line 20/Line 21)</i>	104%	104%	105%	104%	109%

Chart 3 – DWSD 12-Month Net Receipts – Water outlines monthly activity trends across two points of reference for the local water system—current year and prior year. The black line at the zero highlights the breakeven goal for net receipts.

Chart 4 – DWSD 12-Month Net Receipts – Sewer outlines monthly activity trends across two points of reference for the local sewer system—current year and prior year. The black line at the zero highlights the breakeven goal for net receipts.

Chart 3 – DWSD 12-Month Net Receipts – Water

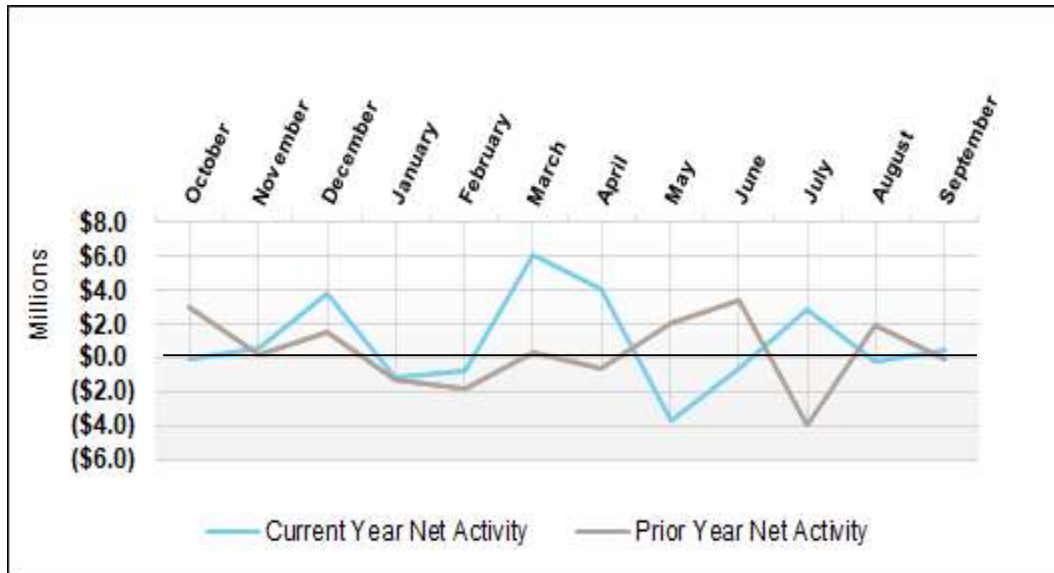
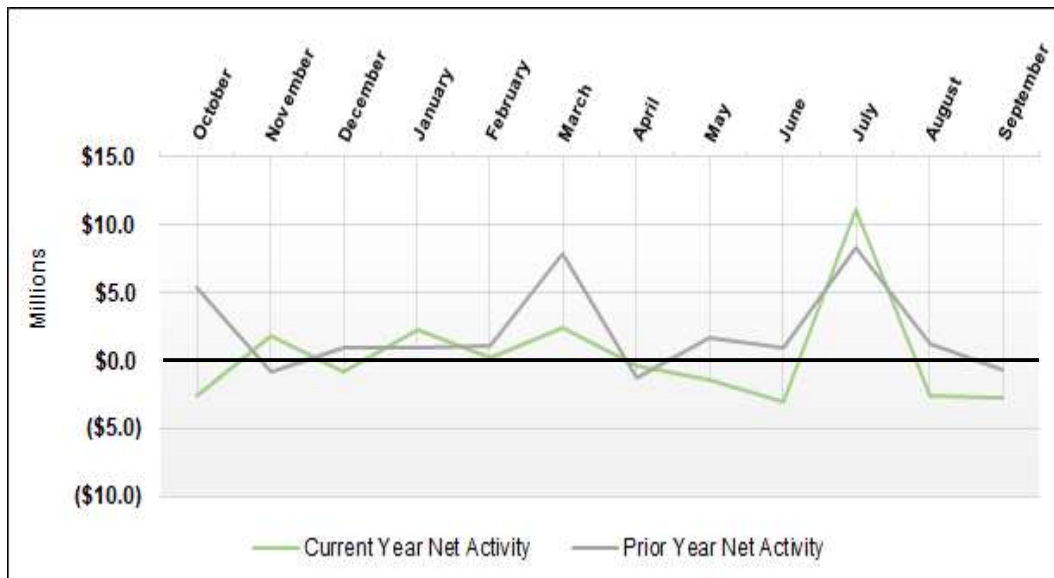


Chart 4 – DWSD 12-Month Net Receipts – Sewer



Combined System Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e., Great Lakes Water Authority or GLWA) and local retail (i.e. Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

Table 3 – Combined Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year. Fiscal year 2025 reflects three months of activity to date.

Water fund net receipts exceeded required disbursements by 6% through September 30, 2024 in line with the four-year historical average ratio of required receipts exceeding disbursements by 6% since July 1, 2020.

Sewer fund receipts by 1% through September 30, 2024 compared to the four-year historical average ratio of required receipts exceeding disbursements by 4% since July 1, 2020.

Table 3 – Combined Net Cash Flows from Trust Receipts & Disbursements

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Thru September 30
Water					
1 Receipts	\$ 438,709,444	\$ 440,082,657	\$ 487,102,098	\$ 498,070,508	\$ 131,713,297
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	438,709,444	440,082,657	487,102,098	498,070,508	131,713,297
4 Disbursements	(409,420,607)	(410,990,961)	(466,852,475)	(470,929,712)	(124,201,280)
5 Receipts Net of Required Transfers	29,288,837	29,091,696	20,249,623	27,140,796	7,512,017
6 I&E Transfer	(31,991,687)	(26,622,862)	(9,898,100)	(28,618,500)	-
7 Net Receipts	\$ (2,702,850)	\$ 2,468,834	\$ 10,351,523	\$ (1,477,704)	\$ 7,512,017
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	107%	107%	104%	106%	106%
Sewer					
9 Receipts	\$ 781,082,620	\$ 763,260,193	\$ 797,785,358	\$ 802,819,770	\$ 197,007,635
10 MOU Adjustments	-	-	-	-	-
11 Adjusted Receipts	781,082,620	763,260,193	797,785,358	802,819,770	197,007,635
12 Disbursements	(731,701,654)	(735,957,751)	(756,611,338)	(765,570,311)	(199,168,051)
13 Receipts Net of Required Transfers	49,380,966	27,302,442	41,174,020	37,249,459	(2,160,416)
14 I&E Transfer	(40,504,727)	(37,651,788)	(26,766,200)	(12,468,000)	-
15 Shortfall Advance	-	-	-	-	-
16 Shortfall Repayment (principal)	18,206,431	8,296,578	-	-	-
17 Net Receipts	\$ 27,082,670	\$ (2,052,768)	\$ 14,407,820	\$ 24,781,459	\$ (2,160,416)
18 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	107%	104%	105%	105%	99%
Combined					
19 Receipts	\$ 1,219,792,064	\$ 1,203,342,850	\$ 1,284,887,456	\$ 1,300,890,278	\$ 328,720,932
20 MOU Adjustments	-	-	-	-	-
21 Adjusted Receipts	1,219,792,064	1,203,342,850	1,284,887,456	1,300,890,278	328,720,932
22 Disbursements	(1,141,122,261)	(1,146,948,712)	(1,223,463,813)	(1,236,500,023)	(323,369,331)
23 Receipts Net of Required Transfers	78,669,803	56,394,138	61,423,643	64,390,255	5,351,601
24 I&E Transfer	(72,496,414)	(64,274,650)	(36,664,300)	(41,086,500)	-
25 Shortfall Advance	-	-	-	-	-
26 Shortfall Repayment	18,206,431	8,296,578	-	-	-
27 Net Receipts	\$ 24,379,820	\$ 416,066	\$ 24,759,343	\$ 23,303,755	\$ 5,351,601
28 <i>Ratio of Receipts to Required Disbursements (Line 21/Line 22)</i>	107%	105%	105%	105%	102%



Financial Services Audit Committee Communication

Date: February 17, 2025

To: Great Lakes Water Authority Audit Committee

From: Haran Stanley, Affordability & Assistance Management Professional

Re: Affordability & Assistance Update

Service Delivery Partner Engagement

As we move into 2025, the Affordability & Assistance team will actively engage with our service delivery partners to evaluate the projected needs in their respective areas. It is imperative that we effectively address the evolving needs of households across our region, especially as the challenges of water affordability continue to shift.

The Wayne Metropolitan Community Action Agency is once again hosting quarterly water program meetings on Tuesdays for the municipalities in Water Residential Assistance Program (WRAP) Area 3, which encompasses Wayne County, Monroe County, and Washtenaw County. The Great Lakes Water Authority (GLWA) also participates in those meetings.

Affordability Update

In 2023, Michigan State Senator Stephanie Chang organized a Water Affordability Work Group made up of various lawmakers, utilities, non-profit groups, and other stakeholders. The group has been meeting weekly since its inception and is focused on refining legislation that would provide the framework for a sustainable statewide water affordability plan. This legislation was introduced in the fall of 2024 but was not voted on during the lame-duck session. The group plans to continue its efforts to advance water affordability initiatives across the state. One way we support the effort is by providing WRAP-related knowledge and information sharing.

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: February 17, 2025

To: Great Lakes Water Authority Audit Committee

From: Alicia Schwartz, Grants Manager

Re: Grants, Gifts, and Other Resources Report Through December 31, 2024

Highlights: Key activities to note in this month's report through December 31, 2024 include the following.

- ✓ **State and Local Cybersecurity Grant Program (SLCGP) - Cybersecurity Assessment** – GLWA submitted a proposal to receive \$80,000 to conduct a cybersecurity assessment.
- ✓ **State and Local Cybersecurity Grant Program (SLCGP) - Cybersecurity Professional Training for IT/Security Staff** – GLWA submitted a proposal to receive \$191,194 for the training of IT and Security Staff.
- ✓ **Building Resilient Infrastructure and Communities (BRIC) Grant** – GLWA submitted a Notice of Intent (NOI) for a \$14 million grant for a project related to Dedicated Microgrid Critical Water Infrastructure for Flood Prevention.
- ✓ Items highlighted in yellow in the attached tables reflect changes from the prior report.

Background: The Great Lakes Water Authority (GLWA) delegated authority to the Chief Executive Officer to oversee and report on activities identified in the GLWA Articles of Incorporation related to solicitation and receipt of grants, gifts, and other resources ⁽¹⁾ as stated in Article 4 – Powers, Section B (4):

(4) Solicit, receive, and accept gifts, grants, labor, loans, contributions of money, property, or other things of value, and other aid or payment from any federal, state, local, or intergovernmental government agency or from any other person or entity, public or private, upon terms and conditions acceptable to the Authority, or participate in any other way in a federal, state, local, or intergovernmental government program⁽²⁾.

⁽¹⁾ Other resources as referenced above refer to labor, contributions of money, property, or other things of value from any other person or entity, public or private with the exception for loans, subject to provisions of the GLWA Board Debt Management Policy, and Intergovernmental agreements and other activities that are addressed in the GLWA Board Procurement Policy.

(2) Participation in any other way in a federal, state local, or intergovernmental government program includes participation in research projects at universities.

GLWA's Grants, Gifts, and Other Resources Delegation Policy is online at [Grants, Gifts, and Other Resources Delegation Policy - GLWA \(glwater.org\)](https://glwater.org/Grants-Gifts-and-Other-Resources-Delegation-Policy).

Analysis: The tables in each section of this report present GLWA grant activity by each phase. As a grant moves through each phase, it is shown in the corresponding table.

The **pre-award** phase includes the process of applying for a grant and the period prior to the signing of the grant agreement between the awarding agency and GLWA.

The **award phase** reflects the period after the agreement is executed with the awarding agency. In this phase, GLWA becomes responsible for meeting the administrative, financial, and programmatic reporting requirements of the award.

The **post award** phase is the final stage of grant activity and includes final reporting requirements, auditing, and closeout. There are final financial and programmatic reports that must be submitted to formally close out the grant as defined in each grant agreement.

The **programs not awarded or programs that GLWA will not continue to pursue** is a table that reflects programs that GLWA was not awarded, or alternatively, programs that will not continue to be pursued by GLWA.

Items of note related to each table include the following.

Table 1 – Pre-Award Programs reflects open submissions for FY 2023, FY 2024 and FY 2025 to date. The summarized activity below identifies four earmarked EPA Community Grants, one BRIC NOI, three application submissions and the I-94 Modernization Project grant which is in the National Environmental Policy Act (NEPA) process to identify any environmental impacts related to the grant activities.

Table 2 - Awarded Programs reflects all open, awarded grants from FY 2021 through FY 2025. Current month summarized activity below includes one award for a local nonprofit apprenticeship grant with outstanding requests totaling \$16,000, six reimbursement requests submitted for six associated FEMA Flood projects, one reimbursement received from a SRF ARPA funded project (7532-02), the Department of Energy grant in which a reimbursement request was received for \$176,240, and a flood study grant where we are required to track costs incurred by GLWA.

Table 3 – Post Award Programs Three FEMA Flood projects are fully received and in the process of being closed out.

Table 4 –Programs not awarded or Programs that GLWA will not continue to pursue is a table that reflects programs that GLWA was not awarded, or alternatively, programs that will not continue to be pursued by GLWA. The Safeguarding Tomorrow Revolving Fund Program was not pursued due to the nature of the loan program.



Financial Services Audit Committee Communication

Table 1 – Pre-Award Programs reflects open submissions for FY 2023, FY 2024 and FY 2025 to date. The programs listed under this section do not have a grant agreement between the awarding agency and GLWA at this time, but an application has been submitted or the funds have been identified in legislation (i.e. earmarks). The summarized activity below identifies four earmarked EPA Community Grants, one BRIC NOI, three application submissions and the I-94 Modernization Project grant which is in the National Environmental Policy Act (NEPA) process to identify any environmental impacts related to the grant activities.

Table 1 – Pre-Award Programs

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2023-002	3/15/2022	FY2022 Environmental Protection Agency Community Grant – Detroit River Interceptor	Federal Grant (Reimbursement Basis)	\$2,000,000	Federal Audit Requirements	Earmark (20% Cost Share)
2023-003	12/19/2022	FY2023 Environmental Protection Agency Community Grant – PFAS Compounds remediations project	Federal Grant (Reimbursement Basis)	\$3,452,972	Federal Audit Requirements	Earmark (20% Cost Share)
2023-023	8/30/2023	I-94 Modernization Project	MDOT Federal pass-through State (Reimbursement Basis)	\$34,400,000	Federal Audit Requirements	NEPA Review with the State of Michigan
2024-005	12/15/2023	Fiscal Year 2023 Building Resilient Infrastructure and Communities (BRIC) Project Scoping	Federal pass-through State (Reimbursement Basis)	\$856,000	Federal Audit Requirements	Application Submitted by GLWA

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Amount to be Provided	Compliance and/or Performance Requirements	Status
2024-009	3/9/2024	FY2024 Environmental Protection Agency Community Grant – Conveyance System Infrastructure Improvements	Federal Grant (Reimbursement Basis)	\$959,752	Federal Audit Requirements	Earmark (20% Cost Share)
2024-009b	3/9/2024	FY2024 Environmental Protection Agency Community Grant – Oakwood District Intercommunity Relief Sewer Modifications	Federal Grant (Reimbursement Basis)	\$959,752	Federal Audit Requirements	Earmark (20% Cost Share)
2025-001	12/19/2024	State and Local Cybersecurity Grant Program (SLCGP) - Cybersecurity Assessments	Federal Grant (Reimbursement Basis)	\$80,000	Federal Audit Requirements	Application Submitted by GLWA
2025-002	12/19/2024	State and Local Cybersecurity Grant Program (SLCGP) - Cybersecurity Professional Training for IT/Security Staff	Federal Grant (Reimbursement Basis)	\$191,194	Federal Audit Requirements	Application Submitted by GLWA
2025-003	11/14/2024	Fiscal Year 2024 Building Resilient Infrastructure and Communities (BRIC) Grant - Dedicated Microgrid-Critical Water Infrastructure for Flood Prevention project	Federal Grant (Reimbursement Basis)	\$14,000,000	Federal Audit Requirements	NOI Submitted

Table 2 Awarded Programs reflects all open, awarded grants from FY 2021 through FY 2025. Current month summarized activity below includes one award for a local nonprofit apprenticeship grant with outstanding requests totaling \$16,000, six reimbursement requests submitted for six associated FEMA Flood projects, one SRF ARPA funded project (7532-02), the Department of Energy grant, and a flood study grant where we are required to track costs incurred by GLWA.

Table 2 – Awarded Programs

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-005	3/28/2023	Department of Energy – Hydrothermal Liquefaction Project	Federal Grant (Reimbursement Basis)	\$1,000,000	Federal Audit Requirements	Reimbursement request of \$176,240 received Nov 2024
2023-009	03/27/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660133 – Obligated \$80,129 Puritan Fenkell CSO	Federal pass-through State (Reimbursement Basis)	\$80,129	Federal Audit Requirements	Reimbursement Request of \$80,129 submitted in May 2024
2023-010	3/30/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660118 – Obligated \$180,000 WRRF	Federal pass-through State (Reimbursement Basis)	\$180,000	Federal Audit Requirements	Reimbursement Request of \$180,000 submitted in May 2024
2023-012	3/30/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660110 – Obligated \$319,911 Fairview PS	Federal pass-through State (Reimbursement Basis)	\$319,911	Federal Audit Requirements	Reimbursement Request of \$319,911 submitted in May 2024
2023-013	8/31/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 714729 Outfalls	Federal pass-through State (Reimbursement Basis)	\$1,332,235	Federal Audit Requirements	Reimbursement Request of \$275,167 submitted in February 2024
2023-014	8/23/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 664811 Conner Creek Sewer System	Federal pass-through State (Reimbursement Basis)	\$8,888,277	Federal Audit Requirements	Reimbursement Request of \$1,805,600 submitted in February 2024
2023-015	9/26/2024	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 670521	Federal pass-through State (Reimbursement Basis)	\$90,541	Federal Audit Requirements	Reimbursement Request of \$90,541 submitted in November

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
		CAT-Z – Allocation of Management Costs				
2023-019	3/3/2021	American Rescue Plan – State Revolving Fund (ARPA) Funded Project 7532-02 96 Inch Water Transmission Main Relocation Phase 2 EGLE	Federal pass-through State (Reimbursement Basis)	\$11,751,730	Federal Audit Requirements	Reimbursement Requests of \$6,554,375 received through December 2024
2024-011	7/10/2024	Southeast Michigan Flood Study	Federal (Cost Share Only)	0	Federal Audit Requirements	Cost Share Agreement – GLWA share \$1,500,000
2024-014	06/07/2023	Focus Hope – Michigan Industry Cluster Approach (MICA 4.0)	Focus Hope (Nonprofit)	\$43,000	None	Reimbursement Requests of \$16,000 submitted November 2024

Table 3 – Post Award Programs the below awards were closed. GLWA reimbursement has been received in full and the programs are in the process of being closed out, including any closeout reporting requirements.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2023-006	2/21/2023	FEMA June Flood DR-4607 Project 660138 Seven Mile CSO	Federal pass through-State (Reimbursement Basis)	\$46,996	Federal Audit Requirements	Working with MSP to close out grant
2023-007	3/27/2023	FEMA June Flood DR-4607 Project 660076 Springwell Water Treatment Plant	Federal pass through-State (Reimbursement Basis)	\$180,000	Federal Audit Requirements	Working with MSP to close out grant
2023-008	3/30/2023	FEMA June Flood DR-4607 Project 668336 Fairview PS Protective Measures	Federal pass through-State (Reimbursement Basis)	\$180,000	Federal Audit Requirements	Working with MSP to close out grant

Table 4 –Programs not awarded or Programs that GLWA will not continue to pursue is a table that reflects programs that GLWA was not awarded, or alternatively, programs that will not continue to be pursued by GLWA. The Safeguarding Tomorrow Revolving Fund Program was not pursued due to lack of interest from potential partners.

Reference Number	Date Originally Awarded or Requested	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2024-007	5/9/2024	Safeguarding Tomorrow Revolving Fund Program	Federal pass-through State (Reimbursement Basis)	\$3,000,000	Federal Audit Requirements	Award Not Being Pursued

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: February 17, 2025

To: Great Lakes Water Authority Audit Committee

From: William Baker, Financial Management Professional, Construction Accounting &
Reporting

Re: FY 2025 Q1 Construction Work-in-Progress Report through September 30, 2024
(Unaudited)

Background: The quarterly construction work-in-progress (CWIP) provides information and analysis related to the execution of the Great Lakes Water Authority capital improvement program (CIP).

Analysis: The attached documents summarize the FY 2025 Q1 CWIP positions and provides a detailed snapshot to inform decision makers and stakeholders.

Proposed Action: Receive and file this report.



**Construction Work-in-Progress Quarterly Report
(Unaudited)**

As of September 30, 2024

For questions, please contact:

William Baker
Construction Accounting and Reporting
Phone: 313.378.9760
Email: william.baker@glwater.org



Table of Contents

Introduction..... 1

Capital Delivery - Cost Summaries and Analysis 3

Capital Delivery - Executive Summaries 3

Construction Work-in-Progress 4

A1 - Water - Summary Construction Work-in-Progress Rollforward by Jurisdiction 6

A2 - Wastewater - Summary Construction Work-in-Progress Rollforward 7

B1 - Water – Summary Construction Work-in-Progress Rollforward 9

B2 - Wastewater - Summary Construction Work-in-Progress Rollforward..... 10

B3 - Water - Detailed Construction Work-in-Progress Rollforward 11

B4 - Wastewater - Detailed Construction Work-in-Progress Rollforward 14

C1 - Water - Project Amendment Summary..... 19

C2 - Wastewater - Project Amendment Summary..... 20

February 17, 2025**To Our Stakeholders:**

The contents of this report represent the financial presentation of construction work-in-progress activity for the Great Lakes Water Authority (GLWA) as of September 30, 2024. The information in this report presents a detailed snapshot and is important as we track the execution of the FY 2025–2029 Capital Improvement Plan (CIP) and look to inform decision makers as we evaluate the FY 2026–2030 CIP.

As we continue to refine this report to better communicate pertinent information to inform decision makers and stakeholders, content and formatting may be changed. With the summary of active projects now regularly being reported to the Capital Planning Committee the project highlights previously being reported have been removed from this report.

Report Contents and Organization

Construction Work-in-Progress (CWIP) Appendices: Includes breakdown by jurisdiction which provides a summary of the planned and actual project activity by the jurisdictions identified within the FY 2025 – 2029 Board Approved CIP Plan, detailed CWIP rollforward, which lists all projects in the CIP along with financial activity. These tables may be used to revisit priorities, workload, and phasing. In addition, this section contains project amendment summaries which consider the award of CIP contracts and the related execution thereof may result in deviations from the amount and timing of project activity. Project amendments are prepared to fund the related increase or decrease with either an adjustment to Capital Reserve or Program / Allowance accounts to amend the board approved fiscal year CIP accordingly and to inform decision makers in the development of future Capital Improvement Plans.

Financial Information

All project amounts are unaudited. This means that direct contractor costs are generally included in these totals with most pay estimates entered through September 30, 2024. There may, however, be some pay estimates that lag. The totals do not include indirect overhead.

Budget vs. Plan

Generally, GLWA's CIP projects span two or more fiscal years. The GLWA Board of Directors adopts a biennial "budget" and a five-year capital improvement "plan".

- ✓ The adopted **budget** relates to operations and maintenance expense, annual fixed commitments such as debt service, and incremental adjustments to reserves. The budget provides authority to spend within defined amounts. The budget is also referred to as the "revenue requirement" for the utility.
- ✓ After contracts are awarded at amounts variant from the CIP plan and more reliable anticipated spend data becomes available, the amended budget for the current fiscal year may increase or decrease by way of "Capital Reserve" budget amendments.
- ✓ The five-year capital improvement **plan** is a rolling plan that is updated at an administrative tracking level as projects move from estimated to actual bid numbers. An updated mid-cycle CIP would be presented to the Board for approval if the prioritization strategy was revised and/or the plan was in need of material revisions.
- ✓ In addition, the Board of Directors adopts a capital spending ratio assumption (SRA) which allows the realities of capital program delivery to align with the financial plan. The SRA is an analytical approach to bridge the total dollar amount of projects in the CIP with what can realistically be spent due to limitations beyond GLWA's control and/or delayed for nonbudgetary reasons. Those limitations, whether financial or non-financial, necessitate the SRA for budgetary purposes, despite the prioritization established.

Executive Summary

The rate of spend is a key performance indicator. The development of the FY 2025-2029 and related CIP Plan for FY 2025 were based on anticipation of FY 2025 activity resulting in 100% of planned spend for the Water system and 100% of planned spend for the Wastewater system.

The Water System spend for the period ending September 30, 2024, is 78.5% of the FY 2024 board approved CIP, 77.6% of the FY 2024 board approved CIP with project amendments, 78.5% of the FY 2024 Approved Capital Spending Rate Assumption (SRA) and 78.5% of the FY 2024 Adjusted Capital Spending Rate Assumption (SRA). Detailed analysis of the projects for which FY 2024 Board Approved CIP was amended from \$207.3M to \$209.8M is provided in the subsequent Project Amendment Summary appendix of this report.

Water System Projects	FY 2024	FY 2024 Activity	FY 2024 Percentage	FY 2025	FY 2025 Prorated (Three Months)	FY 2025 Activity (Unaudited)	FY 2025 Percentage
(in millions)							
FY 2024 Board Approved CIP	\$ 239.3	\$ 177.6	74.2%				
FY 2024 Board Approved CIP With Project Amendments	200.7	177.6	88.5%				
FY 2024 Capital Spend Rate Assumption (SRA) - Approved	239.3	177.6	74.2%				
FY 2024 Capital Spend Rate Assumption (SRA) - Adjusted	190.0	177.6	93.5%				
 FY 2025 Board Approved CIP				\$ 207.3	\$ 51.8	\$ 40.7	78.5%
FY 2025 Board Approved CIP With Project Amendments				209.8	\$ 52.5	40.7	77.6%
FY 2025 Capital Spend Rate Assumption (SRA) - Approved				207.3	\$ 51.8	40.7	78.5%
FY 2025 Capital Spend Rate Assumption (SRA) - Adjusted				207.3	\$ 51.8	40.7	78.5%

Executive Summary (Continued)

The Wastewater System spend for the period ending September 30, 2024, is 78.0% of the FY 2024 board approved CIP, 89.1% of the FY 2025 board approved CIP with project amendments, 78.0% of the FY 2025 Approved Capital Spending Rate Assumption (SRA) and 78.0% of the FY 2025 Adjusted Capital Spending Rate Assumption (SRA). Detailed analysis of the projects for which FY 2025 Board Approved CIP was amended from \$169.2M to \$179.5M is provided in the subsequent Project Amendment Summary appendix of this report.

Wastewater System Projects	FY 2024	FY 2024 Activity	FY 2024 Percentage	FY 2025	FY 2025 Prorated (Three Months)	FY 2025 Activity (Unaudited)	FY 2025 Percentage
(in millions)							
FY 2024 Board Approved CIP	\$ 199.0	\$ 136.4	68.5%				
FY 2024 Board Approved CIP With Project Amendments	206.6	136.4	66.0%				
FY 2024 Capital Spend Rate Assumption (SRA) - Approved	199.0	136.4	68.5%				
FY 2024 Capital Spend Rate Assumption (SRA) - Adjusted	139.9	136.4	97.5%				
FY 2025 Board Approved CIP				\$ 169.2	\$ 42.3	\$ 33.0	78.0%
FY 2025 Board Approved CIP With Project Amendments				179.5	\$ 44.9	33.0	73.5%
FY 2025 Capital Spend Rate Assumption (SRA) - Approved				169.2	\$ 42.3	33.0	78.0%
FY 2025 Capital Spend Rate Assumption (SRA) - Adjusted				169.2	\$ 42.3	33.0	78.0%

Appendix A - Construction Work-in-Progress Rollforward Summaries by Jurisdiction

The purpose of the construction work-in-progress (CWIP) summary rollforward by jurisdiction is to provide a high-level overview of the financial status of the projects identified within the current board approved CIP by their jurisdiction. Within the FY 2025 – 2029 Board Approved CIP Plan, projects are identified and categorized as either City of Detroit, Wayne County - Outside Detroit, Lapeer County, Macomb County, Oakland County, Saint Clair County or Multiple Counties and reflected accordingly in this report.

\$453.4 million is in CWIP as of September 30, 2024 as shown for the Water System in A1 - Water - CWIP Rollforward by Jurisdiction

\$368.3 million is in CWIP as of September 30, 2024 as show for the Wastewater System in A2 - Wastewater - CWIP Rollforward by Jurisdiction

The order of these appendices on the subsequent pages are in ascending by jurisdiction alphabetically.

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority

A1 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward Summary By Jurisdiction

Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Jurisdiction	Total Project Plan		CWIP Balance		FY 2025 Board	FY 2025 Board	FY 2025 Activity	CWIP Balance				
	Estimate		July 1, 2024	Approved CIP	Approved CIP	With Project	through					
							September 30, 2024	September 30, 2024				
City of Detroit	\$	507,502,995	\$	66,649,664	\$	59,589,941	\$	7,792,085	\$	74,441,749		
Lapeer County		137,740,664		5,537,987		-		156		5,538,144		
Mutiple Counties		609,139,627		119,221,792		57,270,219		58,315,819		11,351,142	130,572,934	
Oakland County		359,499,129		137,210,012		4,855,489		4,855,489		3,291,195	140,501,207	
Saint Clair County		295,118,528		20,481,055		27,217,339		27,454,401		3,460,249	23,941,305	
Wayne County - Outside Detroit		985,724,849		63,531,051		58,399,537		59,606,037		14,838,976	78,370,027	
Grand Total	\$	2,894,725,791	\$	412,631,562	\$	207,332,526	\$	209,821,688	\$	40,733,804	\$	453,365,365

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority

A2 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward Summary By Jurisdiction

Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Jurisdiction	FY 2025 Board		FY 2025 Board		FY 2025 Activity		CWIP Balance September 30, 2024
	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	Approved CIP With Project Amendments	through September 30, 2024		
City of Detroit	\$ 1,946,757,924	\$ 196,051,594	\$ 117,840,771	\$ 126,344,995	\$ 22,473,533	\$	218,525,127
Mutiple Counties	1,319,856,726	136,709,069	48,316,404	50,102,159	9,826,504		146,535,573
Wayne County - Outside Detroit	135,181,862	2,509,110	3,031,807	3,031,807	690,361		3,199,471
Grand Total	\$ 3,401,796,513	\$ 335,269,773	\$ 169,188,982	\$ 179,478,961	\$ 32,990,397	\$	368,260,170

Appendix B - Construction Work-in-Progress Rollforwards

The purpose of the construction work-in-progress (CWIP) rollforward is to analyze the current year activity for each project in relation to the overall capital improvement program as well as the project portfolio overall.

As part of our project life cycle review the Construction Accounting team identifies when it is appropriate for projects to be capitalized. Projects are to be capitalized when they have been completed in totality or are inclusive of identifiable assets that have been placed in service.

No projects reached completion or readiness for use in Q1 FY2025.

\$453.4 million is in CWIP as of September 30, 2024, as shown for the Water System in B1 - Water - Detailed CWIP Rollforward

\$368.3. million is in CWIP as of September 30, 2024, as shown for the Wastewater System in B2 - Wastewater - Detailed CWIP Rollforward

The order of these appendices on the subsequent pages are in ascending order by Project Category followed by CIP project number.

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority

B1 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Project Category	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through September 30, 2024	FY 2025 Capitalizations And Other Activity Through September 30, 2024	CWIP Balance September 30, 2024	Life to Date Capitalizations And Other Activity	Life to Date Activity Through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
Engineering	-	-	-	-	-	-	-	780,158	780,158	0%
Field Services - Water	284,556,507	189,804,536	67,721,395	68,493,695	11,044,357	-	200,848,893	148,473,463	349,322,356	123%
General Purpose - Water	-	-	-	-	-	-	-	330,349	330,349	0%
Programs - Water	454,485,457	38,519,882	31,652,389	31,925,689	3,530,299	-	42,050,181	83,443,610	125,493,792	28%
Security	-	-	-	-	-	-	-	10,357,757	10,357,757	0%
Systems Control Center	670,966,473	57,469,295	4,055,773	5,262,273	1,129,092	-	58,598,387	6,778,120	65,376,507	10%
Water Treatment Plants & Facilities	1,454,591,909	126,837,848	103,897,915	104,134,976	25,030,056	-	151,867,904	311,571,827	463,439,731	32%
Programs - Centralized Services	30,125,445	-	5,055	5,055	-	-	-	-	-	0%
Grand Total	2,894,725,791	412,631,562	207,332,526	209,821,688	40,733,804	-	453,365,365	561,735,285	1,015,100,650	35%

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority

B2 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward

Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Project Category	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through September 30, 2024	FY 2025 Capitalizations And Other Activity Through September 30, 2024	CWIP Balance September 30, 2024	Life to Date Capitalizations And Other Activity	Life to Date Activity through September 30, 2024	Life to Date Activity / Total Project
CSO Facilities	196,591,459	14,847,025	10,915,914	10,915,914	3,193,532	-	18,040,557	737,296	18,777,853	10%
Engineering	-	-	-	-	-	-	-	1,185,751	1,185,751	0%
Facilities	-	-	-	-	-	-	-	1,123,056	1,123,056	0%
Field Services - Wastewater	135,802,092	62,830,398	12,705,931	14,491,686	2,781,030	-	65,611,428	-	65,611,428	48%
Programs	1,366,653,733	161,964,885	59,392,411	59,690,911	14,382,805	-	176,347,690	92,315,334	268,663,024	20%
Programs - Water	-	257,750	-	-	-	-	257,750	83,000	340,750	0%
Security	-	-	-	-	-	-	-	3,200,851	3,200,851	0%
Systems Control Center	521,472,754	16,608,106	21,068,148	21,068,148	878,937	-	17,487,044	52,342,726	69,829,769	13%
Water Resource Recovery Facility	1,181,276,475	78,761,609	65,106,578	73,312,302	11,754,093	-	90,515,702	356,931,351	447,447,053	38%
Grand Total	3,401,796,513	335,269,773	169,188,982	179,478,961	32,990,397	-	368,260,170	507,919,365	876,179,535	26%

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Project Category	Project	Project Name	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity Through September 30, 2024	FY 2025 Capitalizations And Other Activity Through September 30, 2024	CWIP Balance September 30, 2024	Life to Date Capitalizations And Other Activity	Life to Date Activity Through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
Engineering	361001	Consolidated Process Control System Upgrades	-	-	-	-	-	-	-	312,732	312,732	0%
	361003	SCADA Radio Network Upgrade	-	-	-	-	-	-	-	467,427	467,427	0%
Engineering Total			-	-	-	-	-	-	-	780,158	780,158	0%
Field Services - Water	122001	Parallel 42-Inch Main in 24 Mile Road from Rochester Station to Romeo Plank Road	-	-	-	-	-	-	-	33,241,721	33,241,721	0%
	122002	Replacement of Five (5) PRV Pits of Treated Water Transmission System	-	-	-	-	-	-	-	2,785,001	2,785,001	0%
	122003	New Waterworks Park to Northeast Transmission Main	-	-	-	-	-	-	-	29,790,267	29,790,267	0%
	122004	96-inch Main Relocation, Isolation Valves Installations, and New Parallel Main	153,253,226	90,719,143	32,074,172	32,846,472	8,608,284	-	99,327,427	148,741	99,476,168	65%
	122005	Replacement Schoolcraft Watermain	-	(0)	-	-	-	-	(0)	16,947,443	16,947,443	0%
	122006	Transmission System Water Main Work-Wick Road Parallel Water Main	-	5,499,751	-	-	-	-	5,499,751	20,751,264	26,251,015	0%
	122007	Design and Construction of a new Newburgh Road 24" Main along Newburgh Road between Ch	26,209,246	-	-	-	-	-	-	-	-	0%
	122009	Water System Improvements in Joy Road from Southfield Road to Trinity	-	-	-	-	-	-	-	106,881	106,881	0%
	122011	Park-Merriman Water Main-Final Phase	-	-	-	-	-	-	-	6,835,145	6,835,145	0%
	122012	36-inch Water Main in Telegraph Road	-	-	-	-	-	-	-	9,986,284	9,986,284	0%
	122013	Lyon Township Transmission Main Extension Project	799,716	89,245,966	799,716	799,716	2,328,701	-	91,574,667	17,510,830	109,085,497	13641%
	122014	48-Inch Water Main Installation at Vining and Wick Roads in Romulus	-	-	-	-	-	-	-	4,011,084	4,011,084	0%
	122015	30-Inch Water Main	-	-	-	-	-	-	-	2,460,774	2,460,774	0%
	122016	Downriver Transmission Loop	64,273,297	3,053,805	15,130,878	15,130,878	107,372	-	3,161,177	-	3,161,177	5%
	122017	7 Mile/Nevada Transmission Main Rehab and Carrie/Nevada Flow Control Station	1,018,990	0	215,612	215,612	-	-	0	3,898,028	3,898,028	383%
	122019	Jefferson Main Replacement	39,002,032	1,285,871	19,501,016	19,501,016	-	-	1,285,871	-	1,285,871	3%
Field Services - Water Total			284,556,507	189,804,536	67,721,395	68,493,695	11,044,357	-	200,848,893	148,473,463	349,322,356	123%
General Purpose - Water	161001	Comprehensive Water Master Plan Update	-	-	-	-	-	-	-	330,349	330,349	0%
General Purpose - Water Total			-	-	-	-	-	-	-	330,349	330,349	0%
Programs - Water	170011	Miscellaneous Heating Improvements Southwest WTP	-	-	-	-	-	-	-	604,397	604,397	0%
	170102	Water Production Plant Flow Metering Improvements at NE, SP & SW WTP	-	-	-	-	-	-	-	373,640	373,640	0%
	170103	Belle Isle Water Supply Intake and Ice Boom Improvements	-	-	-	-	-	-	-	286,596	286,596	0%
	170104	Orion and Newburgh Pumping Stations Improvements	-	-	-	-	-	-	-	2,086,335	2,086,335	0%
	170105	Phosphoric Acid and Heating System and NE-WTP	-	-	-	-	-	-	-	1,935,792	1,935,792	0%
	170107	Intake Lagoon	-	-	-	-	-	-	-	298,344	298,344	0%
	170117	Instrument Air Compressor Systems Replacement at NE-WTP	-	-	-	-	-	-	-	226,483	226,483	0%
	170118	1958 Sedimentation Basin	-	-	-	-	-	-	-	859,290	859,290	0%
	170120	Phosphoric Acid Feed System Improvements at Southwest WTP	-	-	-	-	-	-	-	634,509	634,509	0%
	170300	Water Treatment Plant Automation Program	23,317,393	-	-	-	-	-	-	-	-	0%
	170302	SW WTP SCADA Improvements	3,036,969	7,922,171	3,036,969	3,036,969	402,395	-	8,324,565	-	8,324,565	274%
	170303	WWP WTP Power Monitoring Installation	-	-	-	-	-	-	-	1,811,356	1,811,356	0%
	170304	WWP WTP SCADA Upgrade	-	650,984	-	-	-	-	650,984	-	650,984	0%
	170305	WWP SCADA Network Upgrade	7,542,009	-	-	-	-	-	-	-	-	0%
	170306	SPW SCADA PLC Network Upgrade	6,780,215	-	2,244,613	2,244,613	-	-	-	-	-	0%
	170400	Water Transmission Improvement Program	32,174,788	-	-	-	-	-	-	-	-	0%
	170401	Emergency Bypass Around Ypsilanti Station	-	-	-	-	-	-	-	2,633,282	2,633,282	0%
	170500	Transmission System Valve Assessment and Rehabilitation/Replacement Program	59,284,637	-	17,778	17,778	-	-	-	-	-	0%
	170502	Transmission System Valve Assessment and Rehabilitation/Replacement A	-	-	-	-	-	-	-	7,689,584	7,689,584	0%
	170503	Transmission System Valve Assessment and Rehabilitation/Replacement B	537,390	2,072,752	417,362	417,362	21,603	-	2,094,355	14,053,848	16,148,203	3005%
	170504	Repair of WTM, Valves, & Priority Repair	6,735,028	9,813,370	2,965,362	2,965,362	86,960	-	9,900,330	-	9,900,330	147%
	170506	Water Transmission Main, Valves, & Other	15,000,000	-	2,743,702	2,743,702	-	-	-	-	-	0%
	170600	Water Transmission Main Asset Assessment Program	77,870,115	-	4,138,162	4,138,162	-	-	-	-	-	0%
	170601	Linear System Integrity Program	21,686,013	105,943	20,317	20,317	-	-	105,943	-	105,943	0%
	170602	36" 24 Mile Rd. Transmission Main Conduit	971,905	2,537,578	-	273,300	487,014	-	3,024,592	-	3,024,592	311%
	170701	Booster Station & Reservoirs Program Management	-	-	-	-	-	-	-	12,976,698	12,976,698	0%
	170800	Reservoir Inspection, Design and Rehabilitation Program	-	-	-	-	-	-	-	-	-	0%
	170801	Reservoir Inspection, Design and Rehabilitation	294,627	9,851	294,627	294,627	8,251	-	18,102	25,247,071	25,265,173	8575%
	170802	Reservoir Inspection, Design	38,476,609	9,255,592	9,608,051	9,608,051	2,139,030	-	11,394,622	661,409	12,056,031	31%

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Project Category	Project	Project Name	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through September 30, 2024	FY 2025 Capitalizations And Other Activity Through September 30, 2024	CWIP Balance September 30, 2024	Life to Date Capitalizations And Other Activity	Life to Date Activity Through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
Programs - Water	170803	Reservoir Inspection, Design, and Construction Mangement Services Phase III	94,432,172	-	-	-	-	-	-	-	-	0%
	170900	Suburban Water Meter Pit Rehabilitation and Meter Replacement Program	33,108,255	-	2,523,159	2,523,159	-	-	-	-	-	0%
	170901	Suburban Water Meter Pit Rehabilitation and Meter Replacement	-	4,707,563	-	-	-	-	4,707,563	7,703,013	12,410,576	0%
	170904	Phase II Wholesale Water Meter Pit Rehab	14,579,133	1,444,080	3,642,288	3,642,288	385,046	-	1,829,125	7,120	1,836,245	13%
	171500	Roof Replacement - Var Facilities Program	15,948,441	-	-	-	-	-	-	-	-	0%
	171501	Roof Replacements - Var Facilities Program	-	-	-	-	-	-	-	3,354,843	3,354,843	0%
	171502	Lake Huron and Southwest Roof Replacement	2,709,759	-	-	-	-	-	-	-	-	0%
Programs - Water Total			454,485,457	38,519,882	31,652,389	31,925,689	3,530,299	-	42,050,181	83,443,610	125,493,792	28%
Security	341001	Security Infrastructure Improvements	-	-	-	-	-	-	-	10,357,757	10,357,757	0%
Security Total										10,357,757	10,357,757	0%
Systems Control Center	132001	Wick Road Station Rehabilitation	-	-	-	-	-	-	-	135,073	135,073	0%
	132002	Replacement of Switchgear at Joy Road Pumping Station	-	-	-	-	-	-	-	669,196	669,196	0%
	132003	Isolation Gate Valves for Line Pumps for West Service Center Pumping Station	-	-	-	-	-	-	-	1,742,479	1,742,479	0%
	132006	Pressure and Control Improvements at the Electric, Ford Road, Michigan, and West Chica	-	-	-	-	-	-	-	3,226,045	3,226,045	0%
	132007	Energy Management: Freeze Protection Pump Installation at Imlay Pumping Station	-	5,267,777	-	-	156	-	5,267,933	-	5,267,933	0%
	132010	West Service Center/Duval Rd Division Valve Upgrades	1,523,683	45,612,158	1,523,683	1,523,683	353,837	-	45,965,995	-	45,965,995	3017%
	132012	Ypsilanti PS Improvements	40,240,697	2,571,515	-	-	-	-	2,571,515	-	2,571,515	6%
	132014	Adams Road Booster Pumping Improvements	61,675,354	102,450	-	-	-	-	102,450	-	102,450	0%
	132015	Newburgh BPS	45,132,994	1,331,136	-	1,206,500	166,442	-	1,497,577	30,000	1,527,577	3%
	132016	North Service Center BPS Improvements	234,675,816	2,154,751	2,532,090	2,532,090	608,657	-	2,763,408	-	2,763,408	1%
	132018	Schoolcraft BPS	24,643,378	-	-	-	-	-	-	-	-	0%
	132019	Wick Road BPS - Switchgear	24,723,454	64,610	-	-	-	-	64,610	-	64,610	0%
	132020	Franklin BPS - Isolation Gate Valves	60,824,560	94,688	-	-	-	-	94,688	-	94,688	0%
	132021	Imlay BPS - Replace VFDs, Pumps & Motors	137,740,664	270,211	-	-	-	-	270,211	-	270,211	0%
	132022	Joy Road BPS - Replace Reservoir Pumps	39,785,874	-	-	-	-	-	-	-	-	0%
	132026	Franklin Pumping Station Valve Replacement	-	-	-	-	-	-	-	975,327	975,327	0%
Systems Control Center Total			670,966,473	57,469,295	4,055,773	5,262,273	1,129,092	-	58,598,387	6,778,120	65,376,507	10%
Water Treatment Plants & Facilities	111001	Energy Management: Lake Huron Water Treatment Plant Low Lift Pumping Improvements	135,538,773	4,712,096	1,674,293	1,674,293	417,629	-	5,129,725	-	5,129,725	4%
	111002	LHWTP Backflow Replacement	-	-	-	-	-	-	-	8,717,768	8,717,768	0%
	111004	Electrical Tunnel Rehabilitation at Lake Huron WTP	-	-	-	-	-	-	-	3,892,299	3,892,299	0%
	111005	Miscellaneous Concrete Improvements at the Lake Huron WTP	-	-	-	-	-	-	-	757,395	757,395	0%
	111006	Replacement of Filter Instrumentation and Raw Water Flow Metering Improvements at Lake Huron WTP-Raw Sludge Clarifier and Raw Sludge Pumping System Improvements	35,750,960	4,129,295	2,980,917	2,980,917	1,126,653	-	5,255,948	-	5,255,948	15%
	111007	LHWTP Architectural Programming - Lab	782,112	-	-	-	-	-	-	8,867,103	8,867,103	0%
	111009	Lake Huron WTP-35 MGD HLP, Flow Meters	10,153,224	10,506,704	10,125,087	10,362,149	1,835,651	-	12,342,356	-	12,342,356	122%
	111010	Lake Huron Water Treatment Plant - Filtration and Pretreatment Improvements	58,638,596	-	-	-	-	-	-	-	-	0%
	111011	Lake Huron WTP Pilot Plant	-	3,931	-	-	-	-	3,931	3,076,105	3,080,036	0%
	111012	LHWTP-Flocculation Improvements	44,204,107	1,124,785	12,437,042	12,437,042	80,316	-	1,205,100	-	1,205,100	3%
	111013	LH WTP Fireloop & Plant Water Improvements	10,050,756	4,244	-	-	-	-	4,244	-	4,244	0%
	112002	Low Lift Pumping Plant Caisson Rehabilitation at Northeast WTP	-	-	-	-	-	-	-	1,169,962	1,169,962	0%
	112003	NE WTP High Lift Pumping Electrical	171,117,865	561,027	-	-	-	-	561,027	-	561,027	0%
	112005	Northeast Water Treatment Plant - Replacement of Covers for Process Water Conduits	-	-	-	-	-	-	-	937,879	937,879	0%
	112006	Northeast Water Treatment Plant Flocculator Replacements	6,836,964	6,167,295	2,519,051	2,519,051	163,523	-	6,330,819	-	6,330,819	93%
	112007	NE WTP Structural Repair of Slab and Bea	6,382,831	238,553	2,123,731	2,123,731	1,341	-	239,893	-	239,893	4%
	112008	Northeast WTP Filter Replacement	85,550,000	101,661	3,506,656	3,506,656	16,924	-	118,585	-	118,585	0%
	113001	Southwest Water Treatment Plant, Sludge Treatment & Waste Wash water Treatment Facilit	-	-	-	-	-	-	-	171,079	171,079	0%
	113002	High Lift Pump Discharge Valve Actuators Replacement at Southwest WTP	-	-	-	-	-	-	-	5,798,535	5,798,535	0%
	113003	Replacement of Butterfly Valves	162,109,919	-	-	-	-	-	-	-	-	0%

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority
B3 - Water System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Project Category	Project	Project Name	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity Through September 30, 2024	FY 2025 Capitalizations And Other Activity Through September 30, 2024	CWIP Balance September 30, 2024	Life to Date Capitalizations And Other Activity	Life to Date Activity Through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
Water Treatment Plants & Facilities	113004	Residual Handling Facility's Decant Flow Modifications at Southwest WTP	-	-	-	-	-	-	-	4,285,993	4,285,993	0%
	113006	SW WTP Chloring Scrubber	-	-	-	-	-	-	-	6,108,070	6,108,070	0%
	113007	Architectural and Building Mechanical	8,640,647	4,149	-	-	-	-	4,149	-	4,149	0%
	113009	SW WTP Flight and Chain Upgrades	2,717,329	3,099,104	2,717,329	2,717,329	-	-	3,099,104	-	3,099,104	114%
	113010	SW WTP Flocculation Improvements	22,225,247	16,102	-	-	9,216	-	25,318	-	25,318	0%
	114001	Springwells Water Treatment Plant 1958 Filter Rehabilitation and Auxiliary Facilities	-	-	-	-	-	-	-	99,764,892	99,764,892	0%
	114002	Springwells Water Treatment Plant - Low Lift and High Lift Pump Station	270,069,795	25,818,986	28,224,789	28,224,789	9,532,292	-	35,351,278	17,553,318	52,904,596	20%
	114003	Water Production Flow Metering Improvements at NE, SW, and SPW WTP	-	-	-	-	-	-	-	8,167,884	8,167,884	0%
	114004	Miscellaneous Concrete Improvements at Springwells WTP	-	-	-	-	-	-	-	494,399	494,399	0%
	114005	Springwells WTP Admin Building Improvements	5,817,904	1,320,522	-	-	-	-	1,320,522	-	1,320,522	23%
	114006	Replacement of Rapid Mix Units at Springwells WTP 1958 Process Train	-	-	-	-	-	-	-	1,021,039	1,021,039	0%
	114008	1930 Sedimentation Basin Sluice Gates, Guides & Hoists Improvements at Springwells WTP	-	692	-	-	-	-	692	13,201,582	13,202,274	0%
	114010	Yard Piping Improvements	216,807,499	1,807,946	-	-	-	-	1,807,946	-	1,807,946	1%
	114011	Steam, Condensate Return, and Compressed Air Piping Improvements at Springwells WTP	-	2,332,742	-	-	5,297	-	2,338,039	24,356,450	26,694,488	0%
	114012	Springwells Water Treatment Plant 1930 Filter Building-Roof Replacement	-	-	-	-	-	-	-	3,911,148	3,911,148	0%
	114013	Springwells Reservoir Fill Line Improvements	-	-	-	-	-	-	-	4,706,751	4,706,751	0%
	114015	Emergency Grating Replacement at Springwells WTP	-	-	-	-	-	-	-	3,365,903	3,365,903	0%
	114016	Springwells Water Treatment Plant 1958 Settled Water Conduits Concrete Pavement Replacement	-	-	-	-	-	-	-	1,566,470	1,566,470	0%
	114017	Springwells Water Treatment Plant Flocculator Drive Replacement	20,169,820	8,687,821	7,044,961	7,044,961	4,615,963	-	13,303,783	-	13,303,783	66%
	114018	Springwells Water Treatment Plant - Service Building Electrical Substation and Miscellaneous Improvements	2,340,568	-	-	-	-	-	-	-	-	0%
	115001	Yard Piping, Valves and Venturi Meters Replacement at Water Works Park	16,688,409	42,227,731	9,985,687	9,985,687	3,197,155	-	45,424,887	-	45,424,887	272%
	115002	Miscellaneous Concrete and Road Improvements at Waterworks Park WTP	-	-	-	-	-	-	-	1,983,592	1,983,592	0%
	115004	Water Works Park WTP Chlorine System Upgrade	-	-	-	-	-	-	-	6,966,596	6,966,596	0%
	115005	WWP WTP Building Ventilation Improvements	4,503,605	12,932,947	3,867,802	3,867,802	1,427,487	-	14,360,434	-	14,360,434	319%
	115006	Water Works Park Site/Civil Improvements	5,895,650	-	-	-	-	-	-	-	-	0%
	115007	Water Works Park High Lift Pumping Station Modernization	115,089,667	-	-	-	-	-	-	-	-	0%
	115009	Water Works Park Sedimentation Basins Structural Upgrades	16,845,902	-	-	-	-	-	-	-	-	0%
	116002	Pennsylvania, Springwells and Northeast Raw Water Supply Tunnel Improvements based on	12,688,706	326,793	12,688,706	12,688,706	1,241,219	-	1,568,012	80,729,617	82,297,629	649%
	116005	Belle Isle Seawall Rehabilitation	1,539,390	712,722	1,539,390	1,539,390	1,359,391	-	2,072,113	-	2,072,113	135%
	116006	Belle Isle Intake System Rehabilitation and Improvements	2,221,841	-	-	-	-	-	-	-	-	0%
	116007	System Electrical Power Improvements	3,213,824	-	2,462,473	2,462,473	-	-	-	-	-	0%
Water Treatment Plants & Facilities Total			1,454,591,909	126,837,848	103,897,915	104,134,976	25,030,056	-	151,867,904	311,571,827	463,439,731	32%
Programs - Centralized Services	380700	As-needed Engineering Services for Concrete Testing, Geotechnical Soil Borings, other Testing Services, and Related Services Allowance	-	-	-	-	-	-	-	-	-	0%
	381000	Energy Management: Electric Metering Improvement Program	5,125,444	-	5,055	5,055	-	-	-	-	-	0%
	383300	Masonry Replacement and Rehabilitation Program	25,000,001	-	-	-	-	-	-	-	-	0%
Programs - Centralized Services Total			30,125,445	-	5,055	5,055	-	-	-	-	-	0%
Grand Total			2,894,725,791	412,631,562	207,332,526	209,821,688	40,733,804	-	453,365,365	561,735,285	1,015,100,650	35%

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Project Category	Project	Project Name	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through September 30, 2024	FY 2025 Capitalizations And Other Activity Through September 30, 2024	CWIP Balance September 30, 2024	Life to Date Capitalizations And Other Activity	Life to Date Activity through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
CSO Facilities	270001	Pilot CSO Netting Facility	37,873,837	20,713	-	-	27,188	-	47,901	-	47,901	0%
	270002	Meldrum Sewer Diversion and VR-15 Improvements	6,400,507	-	-	-	-	-	-	-	-	0%
	270003	Long Term CSO Control Plan	1,586,514	-	1,586,514	1,586,514	149,502	-	149,502	-	149,502	9%
	270004	Oakwood Lieb CSO Facility Improvement	38,368,013	4,952,040	1,394,316	1,394,316	537,574	-	5,489,614	-	5,489,614	14%
	270006	Control System Upgrades - Baby Creek/Belle	18,331,405	2,533,427	1,056,009	1,056,009	550,004	-	3,083,432	-	3,083,432	17%
	270007	Disinfection System Improvements at CSO	8,320,448	48,428	205,562	205,562	431	-	48,859	-	48,859	1%
	270008	Flushing System Improvements at Conner Creek and St. Aubin CSO Facilities	7,070,077	-	-	-	-	-	-	-	-	0%
	270009	Site Improvements at St. Aubin, Belle Isle, and Baby Creek CSO Facilities	1,389,999	-	-	-	-	-	-	-	-	0%
	270010	HVAC Improvements at Puritan Fenkell and Seven Mile CSO Facilities	1,505,868	20,696	87,981	87,981	764	-	21,459	-	21,459	1%
	270011	HVAC Improvements at Conner Creek and Belle Isle CSO Facilities	418,049	-	-	-	-	-	-	-	-	0%
	270012	Control System Upgrades at Conner Creek, Oakwood, and Puritan Fenkell CSO Facilities	5,974,808	-	-	-	-	-	-	-	-	0%
	270013	Facility Improvements at Puritan Fenkell and Seven Mile CSO Facilities	902,132	-	-	-	-	-	-	-	-	0%
	270014	Convert to Complete Capture Basin CSO Fa	4,482,478	-	-	-	-	-	-	-	-	0%
	273001	Hubbell Southfield CSO Facility Improvement	52,060,289	2,509,110	3,031,807	3,031,807	690,361	-	3,199,471	-	3,199,471	6%
	273002	CSO Hubbell Southfield VR-8 Gate Improvements	1,785,839	-	-	-	-	-	-	-	-	0%
	276002	Replacement Make-up Air Unit at CON	-	-	-	-	-	-	-	347,996	347,996	0%
	277001	Baby Creek Outfall Improvements Project	9,376,237	4,762,612	3,553,725	3,553,725	1,237,708	-	6,000,319	389,300	6,389,619	68%
	277002	Baby Creek CSO Facility Influent Flushing System	744,959	-	-	-	-	-	-	-	-	0%
CSO Facilities Total			196,591,459	14,847,025	10,915,914	10,915,914	3,193,532	-	18,040,557	737,296	18,777,853	10%
Engineering	361001	Consolidated Process Control System Upgrades	-	-	-	-	-	-	-	315,627	315,627	0%
	361002	Data Center Reliability/Availability Improvements	-	-	-	-	-	-	-	17,253	17,253	0%
	361003	SCADA Radio Network Upgrade	-	-	-	-	-	-	-	852,872	852,872	0%
Engineering Total			-	-	-	-	-	-	-	1,185,751	1,185,751	0%
Facilities	331002	Roofing Systems Replacement at GLWA Wastewater Treatment Plant, CSO Retention Treatment Basins (RTB) and Screening Disinfection Facilities (SDF)	-	-	-	-	-	-	-	1,123,056	1,123,056	0%
Facilities Total			-	-	-	-	-	-	-	1,123,056	1,123,056	0%
Field Services - Wastewater	222001	Intercommunity Relief Sewer Modifications in Detroit Oakwood District	78,791,545	2,977,295	-	1,785,755	114,319	-	3,091,614	-	3,091,614	4%
	222002	Detroit River Interceptor Evaluation and Rehabilitation	54,760,546	57,689,053	11,580,931	11,580,931	2,580,761	-	60,269,814	-	60,269,814	110%
	222008	North Interceptor East Arm (NIEA)	2,250,000	2,164,050	1,125,000	1,125,000	85,950	-	2,250,000	-	2,250,000	100%
Field Services - Wastewater Total			135,802,092	62,830,398	12,705,931	14,491,686	2,781,030	-	65,611,428	-	65,611,428	48%
Programs	260101	Plant-Wide Replacement of Emergency Lighting	-	-	-	-	-	-	-	1,245,972	1,245,972	0%
	260102	Replace Stairs - WWTP	-	-	-	-	-	-	-	109,082	109,082	0%
	260103	Replace 4 DS-706 Centrifuges WWTP	-	-	-	-	-	-	-	779,079	779,079	0%
	260104	Pur Installation of EB-25 Unit WWTP	-	-	-	-	-	-	-	20,768	20,768	0%
	260105	Replace Various Air Distribution Equip	-	-	-	-	-	-	-	867,574	867,574	0%
	260108	Sanitary Meter Replacement: Neff Road	-	-	-	-	-	-	-	376,613	376,613	0%
	260111	W-3 Construct: Overhead Door	-	-	-	-	-	-	-	551,169	551,169	0%
	260112	Connor Creek	-	-	-	-	-	-	-	353,889	353,889	0%
	260113	Fire Remediation	-	-	-	-	-	-	-	19,427,582	19,427,582	0%
	260200	Sewer and Interceptor Evaluation and Rehabilitation Program	9,171,910	-	-	-	-	-	-	-	-	0%
	260201	Conveyance System Interceptor Rehab	493,462	19,906,369	421,811	421,811	-	-	19,906,369	18,542,127	38,448,496	7792%
	260203	Conveyance System Interceptor Rehab	-	-	-	-	-	-	-	4,642,133	4,642,133	0%
	260204	Energy Services for Rehabilitation of Conveyance Sewer System	40,620,851	27,252,743	13,439,701	13,439,701	3,639,432	-	30,892,175	-	30,892,175	76%
	260205	NWI Outfall Rehabilitation	358,397	6,372,893	324,489	622,989	546,601	-	6,919,494	-	6,919,494	1931%

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Project Category	Project	Project Name	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity Through September 30, 2024	FY 2025 Capitalizations And Other Activity Through September 30, 2024	CWIP Balance September 30, 2024	Life to Date Capitalizations And Other Activity	Life to Date Activity through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
Programs	260206	Conveyance System Rehabilitation - Interceptors	16,761,830	6,992,002	5,207,587	5,207,587	682,111	-	7,674,113	-	7,674,113	46%
	260207	Rehabilitation of Woodward Sewer System	308,472	20,322,100	307,991	307,991	(821,534)	-	19,500,565	-	19,500,565	6322%
	260209	Sewer Repair Contract - As Needed	9,209,067	3,192,487	4,604,533	4,604,533	228,871	-	3,421,357	-	3,421,357	37%
	260210	Linwood/Lonyo/Ashland/2nd Ave/Shiawassee	27,505,840	1,605,677	249,178	249,178	287,745	-	1,893,422	-	1,893,422	7%
	260211	Sewer Repair Contract II	5,515,400	4,933	1,498,973	1,498,973	-	-	4,933	-	4,933	0%
	260301	Roof Replacement of Complex II	-	-	-	-	-	-	-	1,672,747	1,672,747	0%
	260500	CSO Outfall Rehab	7,636,110	-	-	-	-	-	-	-	-	0%
	260502	CSO Outfall Rehab	-	-	-	-	-	-	-	3,330,002	3,330,002	0%
	260504	Rehabilitation of Outfalls - Phase II	-	-	-	-	-	-	-	4,923,589	4,923,589	0%
	260505	Rehabilitation of Outfalls - Phase IV	-	3,700	-	-	-	-	3,700	5,709,659	5,713,359	0%
	260508	B-39 Outfall Rehab	709,336	10,461,400	676,294	676,294	-	-	10,461,400	-	10,461,400	1475%
	260509	B-40 Outfall Rehab	-	112,591	-	-	-	-	112,591	-	112,591	0%
	260510	Conveyance System Rehabilitation - Outfalls	19,766,276	4,961,829	3,992,586	3,992,586	1,847,425	-	6,809,254	-	6,809,254	34%
	260600	CSO Facilities Improvements	1,018,312,369	-	657,347	657,347	-	-	-	-	-	0%
	260601	Oakwood Drain Valve Improvements	-	-	-	-	-	-	-	804,574	804,574	0%
	260602	CSO Fire Alarm System Improvements	-	-	-	-	-	-	-	997,619	997,619	0%
	260603	Conner Creek CSO Basin Rehab	-	-	-	-	-	-	-	7,675,407	7,675,407	0%
	260604	Baby Creek CSO Rehab	-	-	-	-	-	-	-	366,612	366,612	0%
	260606	Puritan Fenkell Roof Replacement	-	-	-	-	-	-	-	346,540	346,540	0%
	260607	Lieb SDF Electrical Improvements	-	-	-	-	-	-	-	1,032,508	1,032,508	0%
	260608	Seven Mile RTB - Roof Replacement	-	-	-	-	-	-	-	496,699	496,699	0%
	260609	Seven Mile RTB - Parking Lot / Sitework	-	-	-	-	-	-	-	429,557	429,557	0%
	260610	Baby Creek MAU Replacement	-	-	-	-	-	-	-	275,151	275,151	0%
	260611	HVAC Improvements At Lieb SDF	-	-	-	-	-	-	-	412,590	412,590	0%
	260613	Baby Creek HVAC Improvements	-	-	-	-	-	-	-	545,401	545,401	0%
	260614	CSO Facilities Structural Improvements	124,343	13,961,656	124,343	124,343	8,093	-	13,969,749	-	13,969,749	11235%
	260615	PF & Lieb CSO Facilities Site & Drainage Improvements	-	-	-	-	-	-	-	582,444	582,444	0%
	260616	Baby Creek SCO Anchor & Wedge Improvements	-	-	-	-	-	-	-	770,114	770,114	0%
	260618	Oakwood HVAC Improvements	-	-	-	-	-	-	-	6,210,557	6,210,557	0%
	260619	Control System Upgrade At St. Aubin, Lieb and 7 Mile	4,049,254	3,264,463	4,049,254	4,049,254	302,661	-	3,567,124	-	3,567,124	88%
	260620	Baby Creek Roof Replacement	-	-	-	-	-	-	-	984,552	984,552	0%
	260621	Connor Creek Berm Improvements	-	2,374	-	-	-	-	2,374	2,244,862	2,247,237	0%
	260622	CSO Facilities Emergency Generator Improvements	-	-	-	-	-	-	-	1,109,567	1,109,567	0%
	260623	Baby Creek Screen Rehabilitation	30,876	2,268,321	30,876	30,876	7,078	-	2,275,399	-	2,275,399	7369%
	260700	Sewer System Infrastructure Improvements & Pumping Stations	988,838	-	54,421	54,421	-	-	-	-	-	0%
	260701	Conveyance System Infrastructure Improvements	27,826,815	34,176,122	16,080,753	16,080,753	4,140,940	-	38,317,063	-	38,317,063	138%
	260702	Pump Station Assets Updates	10,065,000	-	-	-	-	-	-	-	-	0%
	260800	WRRF Roof Replacement Program	14,700,000	-	-	-	-	-	-	-	-	0%
	260801	WRRF Sludge Pump Station #3 Roof Replacement	-	-	-	-	-	-	-	80,463	80,463	0%
	260802	2022 WRRF Roof Improvements Project	3,894,385	473,462	2,103,189	2,103,189	2,908,866	-	3,382,329	-	3,382,329	87%
	260900	WRRF Facility Optimization Program	85,000,000	-	-	-	-	-	-	-	-	0%
	260901	Rehab. Hazmat Facility at WRRF	84,347	3,253,365	84,347	84,347	237,767	-	3,491,132	-	3,491,132	4139%
	260902	WRRF Renovation of 4th Floor	-	-	-	-	-	-	-	3,551,592	3,551,592	0%
	260903	WRRF Front Entrance Rehab.	1,284,087	1,976,652	1,284,087	1,284,087	88,348	-	2,064,999	-	2,064,999	161%
	260904	WRRF 3rd Floor Renovation	3,440,401	124,674	2,016,688	2,016,688	8,761	-	133,435	-	133,435	4%
	260905	WRRF Plumbing Shop Rehab	1,352,310	1,133,960	1,352,310	1,352,310	261,828	-	1,395,789	-	1,395,789	103%
	261000	WRRF Rehabilitation of Secondary Clarifiers	39,337,242	-	-	-	-	-	-	-	-	0%
	261001	Rehabilitation of Secondary Clarifiers	18,106,514	141,112	831,652	831,652	7,813	-	148,925	-	148,925	1%
	900015	Baby Creek CON-219 Channel Meters	-	-	-	-	-	-	-	846,541	846,541	0%
Programs Total			1,366,653,733	161,964,885	59,392,411	59,690,911	14,382,805	-	176,347,690	92,315,334	268,663,024	20%
Programs - Water	171501	Roof Replacements - Var Facilities Program	-	-	-	-	-	-	-	83,000	83,000	0%
	013309	OMID	-	257,750	-	-	-	-	257,750	-	257,750	0%
Programs - Water Total			-	257,750	-	-	-	-	257,750	83,000	340,750	0%
Security	341002	Security Infrastructure Improvements	-	-	-	-	-	-	-	3,200,851	3,200,851	0%
Security Total			-	-	-	-	-	-	-	3,200,851	3,200,851	0%

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Project Category	Project	Project Name	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board Approved CIP	FY 2025 Board Approved CIP With Project Amendments	FY 2025 Activity through September 30, 2024	FY 2025 Capitalizations And Other Activity through September 30, 2024	CWIP Balance September 30, 2024	Life to Date Capitalizations And Other Activity	Life to Date Activity through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
Systems Control Center	232001	Fairview Pumping Station - Replace Four Sanitary Pumps	-	4,149	-	-	-	-	4,149	44,714,220	44,718,369	0%
	232002	Connor Creek Pump Station Improvements	440,137,019	11,909,721	21,068,148	21,068,148	759,481	-	12,669,201	6,103,686	18,772,887	4%
	232005	Freud Pump Station Improvements	-	4,694,237	-	-	119,457	-	4,813,693	-	4,813,693	0%
	233002	Collection System In System Storage Devices (ISDs) Improvements	-	-	-	-	-	-	-	1,524,819	1,524,819	0%
	233003	Rouge River In-system Storage Devices	81,335,735	-	-	-	-	-	-	-	-	0%
Systems Control Center Total			521,472,754	16,608,106	21,068,148	21,068,148	878,937	-	17,487,044	52,342,726	69,829,769	13%
Water Resource Recovery Facility	211001	Rehabilitation of Primary Clarifiers Rectangular Tanks, Drain Lines, Electrical/Mechanical Building and Pipe Gallery	-	-	-	-	-	-	-	54,748,738	54,748,738	0%
	211002	Pump Station No. 2 Pumping Improvments	-	79,609	-	-	298	-	79,908	2,676,068	2,755,976	0%
	211004	Pump Station 1 Rack & Grit and MPI Sampling Station 1 Improvements	-	-	-	-	-	-	-	27,895,001	27,895,001	0%
	211005	Pump Station No. 2 Improvements	82,826,770	558,488	2,419,891	2,419,891	393,621	-	952,109	-	952,109	1%
	211006	Pump Station No. 1 Improvements	86,348,174	20,237,524	15,064,321	15,064,321	5,725,824	-	25,963,348	-	25,963,348	30%
	211007	Replacement of Bar Racks and Grit Collection System at Pump Station No. 2	113,529,859	8,929,948	11,467,167	16,853,491	8,373	-	8,938,321	-	8,938,321	8%
	211008	Rehabilitation of Ferric Chloride Feed systems at the Pump Station -1 and Complex B Sludge Lines	-	12,736,430	-	-	121,638	-	12,858,068	-	12,858,068	0%
	211009	Rehabilitation of the Circular Primary Clarifier Scum Removal System	22,590,425	640,459	-	-	-	-	640,459	-	640,459	3%
	211010	Rehabilitation of Sludge Processing Complexes A and B	14,009,885	94,337	-	-	-	-	94,337	-	94,337	1%
	211011	WRRF PS1 Screening and Grit Improvements	96,901,217	3,401,005	2,642,810	2,642,810	125,806	-	3,526,811	-	3,526,811	4%
	212001	Returned Activated Sludge (RAS) Pumps, Influent Mixed Liquor System and Motor Control Centers (MCC) Improvements for Secondary Clarifiers	-	-	-	-	-	-	-	34,089,672	34,089,672	0%
	212002	Study, Design, & Construction, Management Services for Modified Detroit River Outfall No. 2 - WRRF	-	-	-	-	-	-	-	10,819,300	10,819,300	0%
	212003	Aeration System Improvements	-	-	-	-	-	-	-	16,524,875	16,524,875	0%
	212004	Project Chlorination/Dechlorination Process Equipment Improvements	-	-	-	-	-	-	-	5,652,101	5,652,101	0%
	212005	Rouge River Outfall No. 2 (RRO-2) Segement 1- WWTP Modifications	-	-	-	-	-	-	-	251,881	251,881	0%
	212006	PC-797 Rouge River Outfall Disinfection and CS-1781 Oversight Consulting Services Contract	-	-	-	-	-	-	-	43,788,731	43,788,731	0%
	212008	WRRF Rehabilitation of Intermediate Lift	212,664,193	8,191,304	10,783,268	10,783,268	2,789,919	-	10,981,223	-	10,981,223	5%
	212009	WRRF Aeration Improvements 3 and 4	69,528,226	-	-	-	-	-	-	-	-	0%
	212010	WRRF Conversion of Disinfection of all Flow to Sodium Hypochlorite and Sodium Bisulfite Replacement of Belt Filter Presses for Complex I and Upper Level Complex II	6,231,557	-	-	-	-	-	-	-	-	0%
	213001	Sewage Sludge Incinerator Air Quality Improvements at WRRF	-	-	-	-	-	-	-	36,669,231	36,669,231	0%
	213003	Biosolids Dryer Facility at WRRF	-	-	-	-	-	-	-	2,408,470	2,408,470	0%
	213004	Complex I Incinerators Decommissioning and Reusability	-	-	-	-	-	-	-	369,671	369,671	0%
	213005	Improvements to Sludge Feed Pumps at Dewatering Facilities	14,899,448	2,620,458	63,616	63,616	427,040	-	3,047,498	-	3,047,498	20%
	213007	Construction of the Improved Sludge Conveyance and Lighting System at the WWTP	103,826	748,833	103,826	103,826	38,233	-	787,066	22,911,759	23,698,826	22825%
	213008	Rehabilitation of the Wet and Dry Ash Handling Systems	7,032,851	151,058	-	-	142,781	-	293,840	-	293,840	4%
	213009	Phosphorous Recovery Facility at the WRRF	335,351,730	23,682	1,987,998	1,987,998	3,904	-	27,586	-	27,586	0%

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority
B4 - Wastewater System Construction Work-in-Progress (CWIP) FY 2025 Rollforward
Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

					FY 2025 Board	FY 2025 Board	FY 2025 Capitalizations				Life to Date	Life to Date	
			Total Project	CWIP Balance	FY 2025	Approved CIP	FY 2025	And Other	CWIP Balance	Capitalizations And	Life to Date	Activity /	
Project Category	Project	Project Name	Plan Estimate	July 1, 2024	Approved CIP	With Project	Activity through	Activity Through	September 30, 2024	September 30, 2024	September 30, 2024	Total Project	
Water Resource Recovery Facility	214001	Relocation of Industrial Waste Division and Analytical Laboratory Operations	-	-	-	-	-	-	-	-	14,300,183	14,300,183	0%
	215001	Rehabilitation of Combined Sewer Overflow (CSO) Retention Treatment Basins (RTB), Screening and Disinfection Facilities (SDF)	-	-	-	-	-	-	-	-	1,699,489	1,699,489	0%
	216001	Underground Electrical Duct Bank Repair and EB-1, EB-2, and EB-10 Primary Power Service Improvements - WRRF	-	-	-	-	-	-	-	-	32,685,875	32,685,875	0%
	216002	Plant-wide Fire Alarm Systems Upgrade/ Integration and Fire Protection Improvements	-	-	-	-	-	-	-	-	849,278	849,278	0%
	216004	Rehabilitation of Various Sampling Sites and PS# 2 Ferric Chloride System at WWTP	-	-	-	-	-	-	-	-	7,906,909	7,906,909	0%
	216006	Rehabilitation of the Screened Final Effluent (SFE) Pump Station and Secondary Water System	15,047,145	10,426,689	3,342,061	6,161,462	1,108,248	-	11,534,937	-	11,534,937	77%	
	216007	DTE Primary Electric 3rd Feed Supply Line to the WRRF	-	-	-	-	-	-	-	-	4,008,247	4,008,247	0%
	216008	Rehabilitation of Screened Final Effluent (SFE) Pump Station	92,504,772	4,469,069	13,499,885	13,499,885	60,460	-	4,529,529	-	4,529,529	5%	
	216011	WRRF Structural Improvements	11,706,397	5,452,715	3,731,733	3,731,733	807,947	-	6,260,662	-	6,260,662	53%	
	Water Resource Recovery Facility Total		1,181,276,475	78,761,609	65,106,578	73,312,302	11,754,093	-	90,515,702	356,931,351	447,447,053	38%	
Grand Total		3,401,796,513	335,269,773	169,188,982	179,478,961	32,990,397	-	368,260,170	507,919,365	876,179,535	26%		

Appendix C - Project Amendment Summaries

The purpose of the Project Amendment Summary is to illustrate the amendments to the current fiscal year board approved CIP for each project with an amendment resulting from the use of allowance and program funding for a specific amount necessitated by contract award.

The award of CIP contracts and the related execution thereof may result in deviation from the amount and timing of planned spend. Acknowledging the aforementioned deviation, project amendments are prepared to fund the related increase or decrease either to or from the Capital Reserve to amend the current fiscal year board approved Capital Improvement Plan accordingly and to inform decision makers in the development of future Capital Improvement Plans. Similar to the project amendments prepared for the Capital Reserve, project amendments are also prepared for contracts that are planned or funded by way of the CIP Program and Allowance accounts. As additional contracts are awarded, and other project information becomes available additional project amendments to and from the Capital Reserve will be prepared to amend the board approved FY 2025 Capital Improvement Plan.

\$2,489,162 of Capital Reserve project amendments have been prepared as of September 30, 2024, as shown for the Water System in C1 – Water FY 2024 Project Amendment Summary with project amendments detailing the assignment of funding within Program and Allowance accounts. This year-to-date total illustrates a decreased use of reserves.

\$10,289,979 of Capital Reserve project amendments have been prepared as of September 30, 2024, as shown for the Wastewater system in C2 – Wastewater FY 2024 Project Amendment Summary with project amendments detailing the assignment of funding within Program and Allowance accounts.

These amendments are in alignment with the FY 2025-2029 CIP plan.

The order of these appendices on the subsequent pages are in ascending order by CIP project number.

Great Lakes Water Authority

C1 - Water System Project Amendment Summary

Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024

Project	Project Name	Capital Reserve	Grand Total
111009	Lake Huron WTP-35 MGD HLP, Flow Meters	237,062	237,062
122004	96" WTM Relocation 84" Triple Offset Ball Valve Material Procurement	772,300	772,300
132015	Newburgh Road Booster Pumping Station Improvements	1,206,500	1,206,500
170602	Water Transmission Main, Valve and Other Priority Repairs	273,300	273,300
Grand Total		\$ 2,489,162	\$ 2,489,162

Construction Work-in-Progress Quarterly Report

As of September 30, 2024

Great Lakes Water Authority**C2 - Wastewater System Project Amendment Summary****Unaudited Activity For the Fiscal Quarter Ended September 30th, 2024**

Project	Project Name	Capital Reserve	Grand Total
211007	WRRF PS-2 Bar Racks Replacements and Grit Collection System Improvements AM#3	5,386,324	5,386,324
216006	CON-1903598 Yard Piping, Construction Manager at Risk - Change Order No. 5 & 6	1,097,834	1,097,834
216006	1903601 - Yard Piping Engineering Services, Amendment No. 5	1,721,566	1,721,566
222001	Northwest Interceptor to Oakwood CSO Sewer Construction	1,785,755	1,785,755
260205	NWI Rehabilitation	298,500	298,500
Grand Total		\$ 10,289,979	\$ 10,289,979



Financial Services Audit Committee Communication

Date: February 17, 2025

To: Great Lakes Water Authority Audit Committee

From: Michael Lasley, Procurement Manager

Re: Conflict of Interest Reporting - Final

Background & Analysis: See attached update of the Conflict-of-Interest final reporting.

Proposed Action: Receive and file this report.


**Financial Services
Procurement**

735 Randolph Street, Suite 1508
Detroit, Michigan 48226
Phone: 313-964-9157

Memorandum

Date: February 17, 2025

To: Great Lakes Water Authority Audit Committee, William M. Wolfson, Deputy Chief Executive Officer, and Nicolette N. Bateson, Chief Financial Officer & Treasurer

From: Sonya Collins, Procurement Director

Re: Conflict of Interest – Annual Report

Every year the Procurement Team distributes and collects the Conflict of Interest (COI) and Disclosure Form from all GLWA Team Members who participate in the Great Lakes Water Authority (GLWA) procurement process and all GLWA Board Members. This is GLWA's commitment to the public trust by enforcing and promoting fair, ethical, and financially sound procurement practices during every phase of the procurement process.

The [GLWA procurement policy](#) states in section 1.6 Ethics and Code of Conduct that GLWA Representatives and GLWA Board Members should be free from any real or perceived Conflict of Interest that could be viewed as adversely affecting their judgement, objectivity, or fiduciary responsibility to GLWA and the public, or otherwise affect GLWA's reputation. The annual process documents that effort. In addition, before any team member participates in a procurement evaluation, they must also sign an electronic form in the sourcing software indicating that there is no conflict of interest related to any of the responding firms.

Table 1 documents GLWA's compliance with the procurement policy as measured by completion of the conflict-of-interest disclosure forms as of December 30, 2024.

Table 1 - GLWA Conflict of Interest Reporting Data	
Conflict of Interest Forms sent to GLWA Team Members	398
Conflict of Interest Forms signed and returned to Procurement	397
Percent Complete	99.7%*
Conflicts reported by GLWA Team Members	9

**Due to leave of absence one (1) Team Member did not complete the conflict-of-interest disclosure form. Upon return that Team Member is required to complete the disclosure form.*



Welcome to the January edition of *The Procurement Pipeline*, a monthly newsletter designed to provide updates on doing business with the Great Lakes Water Authority (GLWA).

FY 2024 Annual Procurement Report

Each year, GLWA produces a report detailing all procurement activity for the last fiscal year. In addition to providing a searchable database of all contracts on the [Bonfire Procurement Portal](#), the [FY 2024 Annual Procurement Report](#) demonstrates GLWA's commitment to transparency in public procurement by providing detailed information on GLWA purchasing and spending. Key report highlights for FY 2024, which spans July 2023 through June 2024, are included below.

- ✓ Procurements awarded totaled \$453.1 million;
- ✓ Procurement executed 3,835 new purchase orders;
- ✓ The total payment to vendors was \$596.1 million; and
- ✓ 90% of all awarded purchases were connected to a formal contract.

The report also demonstrates how GLWA is a significant contributor to the regional economy of Southeast Michigan by including the top ten dollar value projects, top ten Capital Improvement Projects (CIP) invoiced and the top ten vendors by total spend. In addition, detailed appendices conclude the report which provide information on four subjects.

1. All contracts awarded, including contract number, vendor, and total amount of the contract;
2. All vendors awarded, including the contract number, the vendor, and the total amount of the contract;
3. All contracts invoiced; and
4. All vendor payments by invoice.

GLWA's mission is to exceed our member partners' expectations by providing water of unquestionable quality as well as efficient and effective wastewater services—but also, and importantly, to promote and support economic growth in the region we serve through our strategic sourcing practices.

Virtual Vendor Introduction Meetings

If you are interested in learning more about doing business with GLWA, contact us at GLWAVendorOutreach@glwater.org to schedule a virtual vendor introduction meeting. Topics include GLWA's procurement process, Business Inclusion and Diversity (B.I.D. Program), and Vendor Performance Assessment (VPA) Program as well as information on how to submit a competitive bid or proposal to any GLWA solicitation.

Keeping up with GLWA

Our Chief Executive Officer (CEO) Monthly Report provides a wealth of information and news about important initiatives within GLWA's service territory that impact GLWA, its member partners, and the public. To read the December 2024 Monthly Report, please [click here](#).

What's Coming Down the Pipe?

Current Solicitations: Register in GLWA's [Bonfire Procurement Portal](#) for new solicitations and contract award information.

Upcoming Procurements: Next Three to Nine Months—See newsletter page 2.

Visit GLWA online!

To see the GLWA vendor homepage, please visit www.glwater.org or contact us via email at procurement@glwater.org.

Upcoming Solicitations January 2025

Category	CIP #	Description/Project Title	Budget Estimate
Water System (next four to nine months)			
Construction	111001	Lake Huron Water Treatment Plant – LH-401 Switchgear and Low Lift Improvements	\$100,000,000
Wastewater Systems (next four to nine months)			
Construction	260510	CSO Outfall Rehabilitation Phase VI	\$10,000,000
Construction	260206	Rehabilitation of 7 Mile Sewer System	\$15,000,000
Design	270007	CSO Facility Disinfection Improvements	\$2,000,000
Construction	270006	CSO Facility Improvements II	\$17,500,000
Construction	260904	Renovation of the New Administration Building 3 rd Floor	\$3,300,000
Construction	260210	Lonyo Sewer System Rehabilitation	\$24,000,000
Construction	273001	Hubbell Southfield CSO Facility Improvements	\$56,000,000
Construction	270004	Oakwood and Leib CSO Facilities Improvement	\$50,000,000
Construction	213006	WRRF Improvements to Sludge Feed Pumps at Dewatering	\$16,000,000
Water System (next three months)			
Design	113010	Southwest WTP Flocculation Improvements	\$4,933,000
Construction	122016	Downriver Transmission Main Loop – Phase 1 – Inkster Rd	\$50,000,000
Wastewater (next three months)			
Construction	211005.2	WRRF Pump Station 2 VFD Replacements	\$12,000,000
Professional Services	O&M	Task Order Engineering Services 2025	\$15,000,000
Projects moved to Procurement Team (Preparing for solicitation on Bonfire)			
Professional Services	O&M	Above Ground and Below Ground Fuel System Maintenance	\$900,000
Professional Services/Supplies	O&M	Services and Equipment, Doors, Frames and Hardware	\$160,000
Professional Services	O&M	Low Voltage Wiring Task Order Service	\$5,639,560
Professional Services	O&M	Door Repairs, Service and Maintenance at Sewer Pumping Stations and CSO Basins	\$375,000
Professional Services	O&M	Crane Rental and Maintenance	\$900,000
Construction	112007	Structural Repairs, Northeast Water Treatment Plant	\$6,000,000
Professional Services	O&M	Staffing Services	\$750,000
Professional Services	O&M	Consulting services related to the issuance of bonds or state revolving fund loans	\$850,000

Vendors should continue to monitor [Bonfire](#) for solicitation updates.

Acronyms		
WRRF: Water Resource Recovery Facility	CSO: Combined Sewer Overflow	WTP: Water Treatment Plant