



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

Note: Binders 1 and 2 have been combined and PDF was renumbered

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
 - A. January 6, 2025 (Page 1)
5. PUBLIC PARTICIPATION
6. OLD BUSINESS
 - A. Discussion: FY 2026 & FY 2027 Biennial Budget and Five-Year (Page 5) Plan and Updated Long-Term Plan and Proposed FY 2026 Charges with Supporting Materials
 - B. *Action Item:* Recommendation to the Board of Directors (Page 93) 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 (Page 106) 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 120) FY 2026 Clean Water State Revolving Fund (CWSRF) Project Plan Submissions
8. REPORTS
 - A. CFO Report (Verbal)
 - B. Monthly Financial Report through September 2024 (Page 128)
 - C. Affordability & Assistance Update (Page 129)
 - D. Gifts, Grants & Other Resources Report (Page 130)
 - E. Quarterly CWIP Report (Page 138)
 - F. Conflict of Interest Report (Page 161)

- G. FINAL - FY 2026 Units of Service Report -Uniform Forecast Period (Page162)
from October 1, 2021 – September 30, 2024 for the Water System Issued:
February 13, 2025
- 9. COMMUNICATIONS
 - A. The Procurement Pipeline for January 2025 (Page 182)
- 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: Nicolette N. Bateson, Chief Financial Officer & Treasurer

Re: Recommendation to Approve the FY 2026 & FY 2027 Biennial Budget Resolution and the Resolution for the Proposed FY 2026 Schedule of Charges

Background: In accordance with service agreements with the Great Lakes Water Authority (GLWA) member partners, the budget and charges for the next fiscal year are annually presented in January each year. To accommodate that schedule, the upcoming year's budget is presented to the Audit Committee within the context of the biennial budget and five-year financial plan as well as a ten-year forecast.

Analysis: Attached are additional materials in considering this year's proposed budget and charges. Companion Board Letters and Resolutions follow this presentation.

1. Agenda item # 6B - Adoption of the FY 2026 & FY 2027 Biennial Budget
2. Agenda item # 6C - Approval of the FY 2026 Schedule of Service Charges

Proposed Action: Receive and file.



Review and Updated of Proposed Budget and Charges

Audit Committee Meeting
February 17, 2025

Executive Summary

- ◆ After multiple years of high double digit increases in nearly all cost categories, GLWA's administration proposed budget and charges for FY 2026 on January 6, 2025 that exceeded a longstanding 4% ceiling with charge increases that were below inflation
- ◆ The GLWA is in the post implementation phase of a new financial system and is presently building models in a new budgeting system; bridging historical information from the old system to current information in the new system has required extra time
- ◆ Leveraging the new system and this analysis, however, the GLWA administration has revisited assumptions and budgets to offer an alternative budget scenario
- ◆ Today's presentation addresses questions that have been posed by Board members and member partners to better understand the budget and charges for all stakeholders
- ◆ GLWA maintains its commitment to excellence which has allowed it to navigate multiple years of financial constraints and increased operational and capital demands

Report Order

- ◆ Updates Since January 6, 2025 Draft
- ◆ Trend Analysis - Past, Present, Future
 - ◆ Revenue Requirement Categories
 - ◆ O&M Categories
- ◆ Economic Outlook Task Force Report– Quarter ended December 2024
- ◆ Debt Management
 - ◆ Annual Review of Credit Metrics in Alignment with Long-Term Plan
- ◆ Other Key Charts, Analysis, & Commentary



Updates Since January 6, 2025

Alternative Budget / Charge Scenario

💧 Water System Charges

- 💧 Decrease **average system charge** from 7.73% to 6.96%
- 💧 Decrease **across the board charge adjustment** for most from 7.38% to 6.67%
- 💧 Decrease in total **revenue requirements** from 7.5% to 6.75%

💧 Sewer System Charges

- 💧 Decrease **average system charge** from 5.39% to 4.5%
- 💧 Decrease **across the board adjustment** for most from 5.34% to 4.44%
- 💧 Decrease in total **revenue requirements** from 5.5% to 4.63%

How Was This Accomplished?

💧 Water System - Debt Service Assumptions

- 💧 Changed issue date from April 1st to June 1st for expected 2026 new money bonds resulting in 2 months less interest expense of approximately \$2.9 million

💧 Sewer System – Cost Reductions and Realignment

- 💧 Operations and maintenance cost reductions of \$6 million

FY 2026 Water System Crosswalk

Water System Revenue Requirement	Initial Proposed Budget 1/6/25 Audit Committee	Modifications	Revised Proposed Budget 2/17/2025 Audit Committee
Revenues			
Revenues from Charges			
Suburban Wholesale Customers	\$ 371,898,700	\$ (2,791,100)	\$ 369,107,600
Local System Charges	30,622,600	(94,600)	30,528,000
Bad Debt Recovery Credit	-	-	-
Total Revenue from Charges	<u>402,521,300</u>	<u>(2,885,700)</u>	<u>399,635,600</u>
Investment Earnings			
Unrestricted	7,884,400	-	7,884,400
Restricted for Debt Service	3,302,100	-	3,302,100
Total Investment Earnings	<u>11,186,500</u>	<u>-</u>	<u>11,186,500</u>
Other Operating Revenue	300,000	(3,200)	296,800
Total Revenues	\$ 414,007,800	\$ (2,888,900)	\$ 411,118,900
Revenue Requirements			
Operations & Maintenance Expense	\$ 182,456,000		\$ 182,456,000
Debt Service	185,983,000	(2,900,000)	183,083,000
General Retirement System Pension	1,622,200		1,622,200
Water Residential Assistance Program Contribution	2,004,100	(14,400)	1,989,700
Extraordinary Repair & Replacement Deposit	1,244,500		1,244,500
Regional System Lease	22,500,000		22,500,000
Receiving Fund Working Capital Requirement	1,600,000		1,600,000
Improvement & Extension Fund Transfer Pending	16,598,000	25,500	16,623,500
Annual Water System Revenue Requirements	\$ 414,007,800	\$ (2,888,900)	\$ 411,118,900

Reduction in proposed System Charge Adjustment from 7.73% to 6.96%
Reduction in proposed System Charge Adjustment from 7.73% to 6.96%

Charges rounding impact on other operating revenues

Change in Revenue Requirement Adjustment from 7.5% to 6.75%

Forecasted lower debt service on next bond transaction

Reduction in WRAP deposit due to decrease in budgeted operating revenue

Net change in above items falls to I&E line item

Charge Adjustment Calculations

Proforma Charge Revenue - Existing Charges	\$ 373,638,900		\$ 373,638,900
Revenues Required from Charges	402,521,300	(2,885,700)	399,635,600
Charge Adjustment Required	28,882,400	(2,885,700)	25,996,700
System Charge Adjustment - %	7.73%	-0.77%	6.96%



FY 2026 Sewer System Crosswalk

Sewer System Revenue Requirement	Initial Proposed Budget 1/6/25 Audit Committee	Modifications	Revised Proposed Budget 2/17/2025 Audit Committee	
Revenues				
Revenues from Charges				
Suburban Wholesale Customers	\$ 301,556,600	\$ (1,260,200)	\$ 300,296,400	<i>Reduction in proposed System Charge Adjustment from 5.39% to 4.50%</i>
Local System Charges	217,909,900	(2,573,500)	215,336,400	<i>Reduction in proposed System Charge Adjustment from 5.39% to 4.50%</i>
Industrial Waste Control Charges	9,213,500	(63,200)	9,150,300	<i>Reduction in proposed System Charge Adjustment from 5.39% to 4.50%</i>
Pollutant Surcharges	5,742,400	(629,700)	5,112,700	<i>Reduction in proposed System Charge Adjustment from 5.39% to 4.50%</i>
Bad Debt Recovery Credit	-	-	-	
Total Revenue from Charges	534,422,400	(4,526,600)	529,895,800	
Investment Earnings				
Unrestricted	10,331,200	-	10,331,200	
Restricted for Debt Service	4,081,400	-	4,081,400	
Total Investment Earnings	14,412,600	-	14,412,600	
Other Operating Revenue	450,000	(3,700)	446,300	<i>Charges rounding impact on other operating revenues</i>
Total Revenues	\$ 549,285,000	\$ (4,530,300)	\$ 544,754,700	<i>Change in Revenue Requirement Adjustment from 5.5% to 4.63%</i>
Revenue Requirements				
Operations & Maintenance Expense	\$ 242,124,500	\$ (6,025,800)	\$ 236,098,700	<i>Identified O&M Budget reductions</i>
Debt Service	222,402,500		222,402,500	
General Retirement System Pension	3,648,800		3,648,800	
Water Residential Assistance Program Contribution	2,661,100	(22,600)	2,638,500	<i>Reduction in WRAP deposit due to less budgeted operating revenue</i>
Extraordinary Repair & Replacement Deposit	364,900	(364,900)	-	<i>Lower O&M Budget eliminates required ER&R deposit</i>
Regional System Lease	27,500,000		27,500,000	
Receiving Fund Working Capital Requirement	-		-	
Improvement & Extension Fund Transfer Pending	50,583,200	1,883,000	52,466,200	<i>Net change in above items falls to I&E line item</i>
Annual Sewer System Revenue Requirements	\$ 549,285,000	\$ (4,530,300)	\$ 544,754,700	
Charge Adjustment Calculations				
Proforma Charge Revenue - Existing Charges	\$ 507,090,300		\$ 507,090,300	
Revenues Required from Charges	534,422,400	(4,526,600)	529,895,800	
Charge Adjustment Required	27,332,100	(4,526,600)	22,805,500	
System Charge Adjustment - %	5.39%	-0.89%	4.50%	

Revised 1A - Water System Biennial Revenue Requirement

Water System Revenue Requirement	FY 2024	FY 2025		FY 2026			FY 2027		
	Actual	Adopted Budget	Projected	Proposed Budget	Dollar Variance	Percent Variance	Proposed Budget	Dollar Variance	Percent Variance
Revenues									
Revenues from Charges									
Suburban Wholesale Customers	\$ 331,520,336	\$ 347,758,000	\$ 347,758,000	\$ 369,107,600	\$ 21,349,600	6.1%	\$ 395,017,200	\$ 25,909,600	7.0%
Local System Charges	25,537,200	27,094,800	27,094,800	30,528,000	3,433,200	12.7%	34,204,800	3,676,800	12.0%
Bad Debt Recovery Credit	(5,152,500)	-	-	-	-	0.0%	-	-	0.0%
Total Revenue from Charges	351,905,036	374,852,800	374,852,800	399,635,600	24,782,800	6.6%	429,222,000	29,586,400	7.4%
Investment Earnings									
Unrestricted	13,343,940	6,692,200	10,181,800	7,884,400	1,192,200	17.8%	8,941,100	1,056,700	13.4%
Restricted for Debt Service	4,992,455	3,182,100	3,292,600	3,302,100	120,000	3.8%	3,483,100	181,000	5.5%
Total Investment Earnings	18,336,395	9,874,300	13,474,400	11,186,500	1,312,200	13.3%	12,424,200	1,237,700	11.1%
Other Operating Revenue	901,919	400,000	400,000	296,800	(103,200)	-25.8%	300,000	3,200	1.1%
Total Revenues	\$ 371,143,350	\$ 385,127,100	\$ 388,727,200	\$ 411,118,900	\$ 25,991,800	6.75%	\$ 441,946,200	\$ 30,827,300	7.5%
Revenue Requirements									
Operations & Maintenance Expense	\$ 161,037,183	\$ 169,625,000	\$ 172,625,000	\$ 182,456,000	\$ 12,831,000	7.6%	\$ 196,859,600	\$ 14,403,600	7.9%
Debt Service	160,622,417	175,300,800	163,455,000	183,083,000	7,782,200	4.4%	202,952,300	19,869,300	10.9%
General Retirement System Pension	1,505,500	2,283,300	1,653,300	1,622,200	(661,100)	-29.0%	1,450,400	(171,800)	-10.6%
Water Residential Assistance Program Contribution	1,851,600	1,947,800	1,876,500	1,989,700	41,900	2.2%	2,136,900	147,200	7.4%
Extraordinary Repair & Replacement Deposit	2,836,000	-	-	1,244,500	1,244,500	100.0%	1,892,200	647,700	52.0%
Regional System Lease	22,500,000	22,500,000	22,500,000	22,500,000	-	0.0%	22,500,000	-	0.0%
Receiving Fund Working Capital Requirement	-	6,200,000	12,300,000	1,600,000	(4,600,000)	-74.2%	1,800,000	200,000	12.5%
Improvement & Extension Fund Transfer Pending	15,767,900	7,270,200	14,317,400	16,623,500	9,353,300	128.7%	12,354,800	(4,268,700)	-25.7%
Annual Water System Revenue Requirements	\$ 366,120,600	\$ 385,127,100	\$ 388,727,200	\$ 411,118,900	\$ 25,991,800	6.75%	\$ 441,946,200	\$ 30,827,300	7.5%

Revised 1B - Water System Five Year Plan

Water System Revenue Requirement	Actual	Adopted Budget	Projected	Proposed Budget		Projected		
	FY 2024	FY 2025		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues								
Revenues from Charges								
Suburban Wholesale Customers	\$ 331,520,336	\$ 347,758,000	\$ 347,758,000	\$ 369,107,600	\$ 395,017,200	\$ 423,049,000	\$ 452,484,300	\$ 482,397,800
Local System Charges	25,537,200	27,094,800	27,094,800	30,528,000	34,204,800	38,316,500	42,634,100	47,021,800
Bad Debt Recovery Credit	(5,152,500)	-	-	-	-	-	-	-
Total Revenue from Charges	<u>351,905,036</u>	<u>374,852,800</u>	<u>374,852,800</u>	<u>399,635,600</u>	<u>429,222,000</u>	<u>461,365,500</u>	<u>495,118,400</u>	<u>529,419,600</u>
Investment Earnings								
Unrestricted	13,343,940	6,692,200	10,181,800	7,884,400	8,941,100	9,421,900	10,588,500	8,151,800
Restricted for Debt Service	4,992,455	3,182,100	3,292,600	3,302,100	3,483,100	3,997,400	4,697,100	3,484,700
Total Investment Earnings	<u>18,336,395</u>	<u>9,874,300</u>	<u>13,474,400</u>	<u>11,186,500</u>	<u>12,424,200</u>	<u>13,419,300</u>	<u>15,285,600</u>	<u>11,636,500</u>
Other Operating Revenue	901,919	400,000	400,000	296,800	300,000	300,000	300,000	300,000
Total Revenues	\$ 371,143,350	\$ 385,127,100	\$ 388,727,200	\$ 411,118,900	\$ 441,946,200	\$ 475,084,800	\$ 510,704,000	\$ 541,356,100
Revenue Requirements								
Operations & Maintenance Expense	\$ 161,037,183	\$ 169,625,000	\$ 172,625,000	\$ 182,456,000	\$ 196,859,600	\$ 202,024,500	\$ 203,633,700	\$ 207,982,700
Debt Service	160,622,417	175,300,800	163,455,000	183,083,000	202,952,300	210,377,100	226,304,800	235,295,400
General Retirement System Pension	1,505,500	2,283,300	1,653,300	1,622,200	1,450,400	1,306,700	1,275,600	1,874,500
Water Residential Assistance Program Contribution	1,851,600	1,947,800	1,876,500	1,989,700	2,136,900	2,296,800	2,464,800	2,635,400
Extraordinary Repair & Replacement Deposit	2,836,000	-	-	1,244,500	1,892,200	-	-	-
Regional System Lease	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000
Receiving Fund Working Capital Requirement	-	6,200,000	12,300,000	1,600,000	1,800,000	900,000	5,800,000	4,200,000
Improvement & Extension Fund Transfer Pending	15,767,900	7,270,200	14,317,400	16,623,500	12,354,800	35,679,700	48,725,100	66,868,100
Annual Water System Revenue Requirements	\$ 366,120,600	\$ 385,127,100	\$ 388,727,200	\$ 411,118,900	\$ 441,946,200	\$ 475,084,800	\$ 510,704,000	\$ 541,356,100
<i>Change in Annual Revenue Requirement</i>				6.75%	7.5%	7.5%	7.5%	6.0%

Revised 1C - Sewer System Biennial Revenue Requirement

Sewer System Revenue Requirement	FY 2024	FY 2025		FY 2026			FY 2027		
	Actual	Adopted Budget	Projected	Proposed Budget	Dollar Variance	Percent Variance	Proposed Budget	Dollar Variance	Percent Variance
Revenues									
Revenues from Charges									
Suburban Wholesale Customers	\$ 282,767,090	\$ 287,517,600	\$ 287,517,600	\$ 300,296,400	\$ 12,778,800	4.4%	\$ 316,116,200	\$ 15,819,800	5.3%
Local System Charges	196,569,600	205,924,800	205,924,800	215,336,400	9,411,600	4.6%	227,368,700	12,032,300	5.6%
Industrial Waste Control Charges	8,617,495	8,719,300	8,719,300	9,150,300	431,000	4.9%	9,644,600	494,300	5.4%
Pollutant Surcharges	4,088,519	5,434,400	5,434,400	5,112,700	(321,700)	-5.9%	5,388,900	276,200	5.4%
Bad Debt Recovery Credit	(15,556,900)	-	-	-	-	0.0%	-	-	0.0%
Total Revenue from Charges	<u>476,485,804</u>	<u>507,596,100</u>	<u>507,596,100</u>	<u>529,895,800</u>	<u>22,299,700</u>	4.4%	<u>558,518,400</u>	<u>28,622,600</u>	5.4%
Investment Earnings									
Unrestricted	16,344,105	10,494,500	10,807,600	10,331,200	(163,300)	-1.6%	11,421,400	1,090,200	10.6%
Restricted for Debt Service	6,824,701	1,861,500	4,249,500	4,081,400	2,219,900	119.3%	4,319,900	238,500	5.8%
Total Investment Earnings	<u>23,168,806</u>	<u>12,356,000</u>	<u>15,057,100</u>	<u>14,412,600</u>	<u>2,056,600</u>	16.6%	<u>15,741,300</u>	<u>1,328,700</u>	9.2%
Other Operating Revenue	(827,846)	700,000	700,000	446,300	(253,700)	-36.2%	450,000	3,700	0.8%
Total Revenues	\$ 498,826,764	\$ 520,652,100	\$ 523,353,200	\$ 544,754,700	\$ 24,102,600	4.63%	\$ 574,709,700	\$ 29,955,000	5.5%
Revenue Requirements									
Operations & Maintenance Expense	\$222,673,733	\$228,934,000	\$231,434,000	\$236,098,700	\$7,164,700	3.1%	\$246,387,900	\$10,289,200	4.4%
Debt Service	229,316,502	226,279,400	218,750,700	222,402,500	(3,876,900)	-1.7%	243,432,000	21,029,500	9.5%
General Retirement System Pension	3,096,800	4,846,300	3,718,800	3,648,800	(1,197,500)	-24.7%	3,262,300	(386,500)	-10.6%
Water Residential Assistance Program Contribution	2,503,104	2,651,700	2,541,500	2,638,500	(13,200)	-0.5%	2,780,900	142,400	5.4%
Extraordinary Repair & Replacement Deposit	-	-	-	-	-	100.0%	-	-	NA
Regional System Lease	27,500,004	27,500,000	27,500,000	27,500,000	-	0.0%	27,500,000	-	0.0%
Receiving Fund Working Capital Requirement	-	2,300,000	-	-	(2,300,000)	-100.0%	2,700,000	2,700,000	100.0%
Improvement & Extension Fund Transfer Pending	13,399,600	28,140,700	39,408,200	52,466,200	24,325,500	86.4%	48,646,600	(3,819,600)	-7.3%
Annual Sewer System Revenue Requirements	\$ 498,489,743	\$ 520,652,100	\$ 523,353,200	\$ 544,754,700	\$ 24,102,600	4.63%	\$ 574,709,700	\$ 29,955,000	5.5%

Revised 1D - Sewer System Five Year Plan

Sewer System Revenue Requirement	Actual	Adopted Budget	Projected	Proposed Budget		Projected		
	FY 2024	FY 2025		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues								
Revenues from Charges								
Suburban Wholesale Customers	\$ 282,767,090	\$ 287,517,600	\$ 287,517,600	\$ 300,296,400	\$ 316,116,200	\$ 332,507,200	\$ 351,481,400	\$ 367,729,900
Local System Charges	196,569,600	205,924,800	205,924,800	215,336,400	227,368,700	239,658,600	253,885,200	266,068,200
Industrial Waste Control Charges	8,617,495	8,719,300	8,719,300	9,150,300	9,644,600	10,153,600	10,742,800	11,247,300
Pollutant Surcharges	4,088,519	5,434,400	5,434,400	5,112,700	5,388,900	5,673,300	6,002,500	6,284,400
Bad Debt Recovery Credit	(15,556,900)	-	-	-	-	-	-	-
Total Revenue from Charges	476,485,804	507,596,100	507,596,100	529,895,800	558,518,400	587,992,700	622,111,900	651,329,800
Investment Earnings								
Unrestricted	16,344,105	10,494,500	10,807,600	10,331,200	11,421,400	13,061,800	11,729,300	9,568,000
Restricted for Debt Service	6,824,701	1,861,500	4,249,500	4,081,400	4,319,900	4,801,200	5,356,300	3,901,900
Total Investment Earnings	23,168,806	12,356,000	15,057,100	14,412,600	15,741,300	17,863,000	17,085,600	13,469,900
Other Operating Revenue	(827,846)	700,000	700,000	446,300	450,000	450,000	450,000	450,000
Total Revenues	\$ 498,826,764	\$ 520,652,100	\$ 523,353,200	\$ 544,754,700	\$ 574,709,700	\$ 606,305,700	\$ 639,647,500	\$ 665,249,700
Revenue Requirements								
Operations & Maintenance Expense	\$222,673,733	\$228,934,000	\$231,434,000	\$236,098,700	\$246,387,900	\$256,862,300	\$262,064,000	\$267,789,500
Debt Service	229,316,502	226,279,400	218,750,700	222,402,500	243,432,000	248,665,000	255,956,200	259,224,200
General Retirement System Pension	3,096,800	4,846,300	3,718,800	3,648,800	3,262,300	2,939,200	2,869,200	3,926,700
Water Residential Assistance Program Contribution	2,503,104	2,651,700	2,541,500	2,638,500	2,780,900	2,927,600	3,097,300	3,242,700
Extraordinary Repair & Replacement Deposit	-	-	-	-	-	329,200	-	-
Regional System Lease	27,500,004	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000
Receiving Fund Working Capital Requirement	-	2,300,000	-	-	2,700,000	5,400,000	5,800,000	4,100,000
Improvement & Extension Fund Transfer Pending	13,399,600	28,140,700	39,408,200	52,466,200	48,646,600	61,682,400	82,360,800	99,466,600
Annual Water System Revenue Requirements	\$ 498,489,743	\$ 520,652,100	\$ 523,353,200	\$ 544,754,700	\$ 574,709,700	\$ 606,305,700	\$ 639,647,500	\$ 665,249,700
<i>Change in Annual Revenue Requirement</i>				4.63%	5.5%	5.5%	5.5%	4.0%

Revised 1E – Combined Water & Sewer Biennial Budget

Combined Water & Sewer System Revenue Requirement	FY 2024	FY 2025		FY 2026			FY 2027		
	Actual	Adopted Budget	Projected	Proposed Budget	Dollar Variance	Percent Variance	Proposed Budget	Dollar Variance	Percent Variance
Revenues									
Revenues from Charges									
Suburban Wholesale Customers	\$ 614,287,426	\$ 635,275,600	\$ 635,275,600	\$ 669,404,000	\$ 34,128,400	5.4%	\$ 711,133,400	\$ 41,729,400	6.2%
Local System Charges	222,106,800	233,019,600	233,019,600	245,864,400	12,844,800	5.5%	261,573,500	15,709,100	6.4%
Industrial Waste Control Charges	8,617,495	8,719,300	8,719,300	9,150,300	431,000	4.9%	9,644,600	494,300	5.4%
Pollutant Surcharges	4,088,519	5,434,400	5,434,400	5,112,700	(321,700)	-5.9%	5,388,900	276,200	5.4%
Bad Debt Recovery Credit	(20,709,400)	-	-	-	-	NA	-	-	NA
Total Revenue from Charges	<u>828,390,840</u>	<u>882,448,900</u>	<u>882,448,900</u>	<u>929,531,400</u>	<u>47,082,500</u>	5.3%	<u>987,740,400</u>	<u>58,209,000</u>	6.3%
Investment Earnings									
Unrestricted	29,688,045	17,186,700	20,989,400	18,215,600	1,028,900	6.0%	20,362,500	2,146,900	11.8%
Restricted for Debt Service	11,817,156	5,043,600	7,542,100	7,383,500	2,339,900	46.4%	7,803,000	419,500	5.7%
Total Investment Earnings	41,505,201	22,230,300	28,531,500	25,599,100	3,368,800	15.2%	28,165,500	2,566,400	10.0%
Other Operating Revenue	74,073	1,100,000	1,100,000	743,100	(356,900)	-32.4%	750,000	6,900	0.9%
Total Revenues	\$ 869,970,114	\$ 905,779,200	\$ 912,080,400	\$ 955,873,600	\$ 50,094,400	5.5%	\$ 1,016,655,900	\$ 60,782,300	6.4%
Revenue Requirements									
Operations & Maintenance Expense	\$383,710,916	\$398,559,000	\$404,059,000	\$418,554,700	\$19,995,700	5.0%	\$443,247,500	\$24,692,800	5.9%
Debt Service	389,938,919	401,580,200	382,205,700	405,485,500	3,905,300	1.0%	446,384,300	40,898,800	10.1%
General Retirement System Pension	4,602,300	7,129,600	5,372,100	5,271,000	(1,858,600)	-26.1%	4,712,700	(558,300)	-10.6%
Water Residential Assistance Program Contribution	4,354,704	4,599,500	4,418,000	4,628,200	28,700	0.6%	4,917,800	289,600	6.3%
Extraordinary Repair & Replacement Deposit	2,836,000	-	-	1,244,500	1,244,500	100.0%	1,892,200	647,700	52.0%
Regional System Lease	50,000,004	50,000,000	50,000,000	50,000,000	-	0.0%	50,000,000	-	0.0%
Receiving Fund Working Capital Requirement	-	8,500,000	12,300,000	1,600,000	(6,900,000)	-81.2%	4,500,000	2,900,000	181.3%
Improvement & Extension Fund Transfer Pending	29,167,500	35,410,900	53,725,600	69,089,700	33,678,800	95.1%	61,001,400	(8,088,300)	-11.7%
Annual Water & Sewer System Revenue Requirements	\$ 864,610,343	\$ 905,779,200	\$ 912,080,400	\$ 955,873,600	\$ 50,094,400	5.5%	\$ 1,016,655,900	\$ 60,782,300	6.4%

Revised 1F – Combined Water & Sewer Five Year Plan

Combined Water & Sewer System Revenue Requirement	Actual	Adopted Budget	Projected	Proposed Budget		Projected		
	FY 2024	FY 2025		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues								
Revenues from Charges								
Suburban Wholesale Customers	\$ 614,287,426	\$ 635,275,600	\$ 635,275,600	\$ 669,404,000	\$ 711,133,400	\$ 755,556,200	\$ 803,965,700	\$ 850,127,700
Local System Charges	222,106,800	233,019,600	233,019,600	245,864,400	261,573,500	277,975,100	296,519,300	313,090,000
Industrial Waste Control Charges	8,617,495	8,719,300	8,719,300	9,150,300	9,644,600	10,153,600	10,742,800	11,247,300
Pollutant Surcharges	4,088,519	5,434,400	5,434,400	5,112,700	5,388,900	5,673,300	6,002,500	6,284,400
Bad Debt Recovery Credit	(20,709,400)	-	-	-	-	-	-	-
Total Revenue from Charges	828,390,840	882,448,900	882,448,900	929,531,400	987,740,400	1,049,358,200	1,117,230,300	1,180,749,400
Investment Earnings								
Unrestricted	29,688,045	17,186,700	20,989,400	18,215,600	20,362,500	22,483,700	22,317,800	17,719,800
Restricted for Debt Service	11,817,156	5,043,600	7,542,100	7,383,500	7,803,000	8,798,600	10,053,400	7,386,600
Total Investment Earnings	41,505,201	22,230,300	28,531,500	25,599,100	28,165,500	31,282,300	32,371,200	25,106,400
Other Operating Revenue	74,073	1,100,000	1,100,000	743,100	750,000	750,000	750,000	750,000
Total Revenues	\$ 869,970,114	\$ 905,779,200	\$ 912,080,400	\$ 955,873,600	\$ 1,016,655,900	\$ 1,081,390,500	\$ 1,150,351,500	\$ 1,206,605,800
Revenue Requirements								
Operations & Maintenance Expense	\$383,710,916	\$398,559,000	\$404,059,000	\$418,554,700	\$443,247,500	\$458,886,800	\$465,697,700	\$475,772,200
Debt Service	389,938,919	401,580,200	382,205,700	405,485,500	446,384,300	459,042,100	482,261,000	494,519,600
General Retirement System Pension	4,602,300	7,129,600	5,372,100	5,271,000	4,712,700	4,245,900	4,144,800	5,801,200
Water Residential Assistance Program Contribution	4,354,704	4,599,500	4,418,000	4,628,200	4,917,800	5,224,400	5,562,100	5,878,100
Extraordinary Repair & Replacement Deposit	2,836,000	-	-	1,244,500	1,892,200	329,200	-	-
Regional System Lease	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Receiving Fund Working Capital Requirement	-	8,500,000	12,300,000	1,600,000	4,500,000	6,300,000	11,600,000	8,300,000
Improvement & Extension Fund Transfer Pending	29,167,500	35,410,900	53,725,600	69,089,700	61,001,400	97,362,100	131,085,900	166,334,700
Annual Water & Sewer System Revenue Requirements	\$ 864,610,339	\$ 905,779,200	\$ 912,080,400	\$ 955,873,600	\$ 1,016,655,900	\$ 1,081,390,500	\$ 1,150,351,500	\$ 1,206,605,800
<i>Change in Annual Revenue Requirement</i>				5.5%	6.4%	6.4%	6.4%	4.9%

Revised 2A – Combined O&M Biennial Budget

Expense Category	FY 2024	FY 2025	FY 2026			FY 2027		
	Actual	Adopted Budget	Proposed	Dollar Variance	Percent Variance	Proposed	Dollar Variance	Percent Variance
2.1 Salaries & Wages	\$ 77,806,800	\$ 81,643,800	\$ 86,632,900	\$ 4,989,100	6.1%	\$ 91,804,300	\$ 5,171,400	6.0%
2.2 Workforce Development	1,949,200	2,105,000	3,746,800	1,641,800	78.0%	4,197,400	450,600	12.0%
2.3 Overtime	9,171,300	8,074,200	8,911,400	837,200	10.4%	8,983,500	72,100	0.8%
2.4 Employee Benefits	28,034,900	30,861,400	31,646,500	785,100	2.5%	33,911,300	2,264,800	7.2%
2.5 Transition Services	8,493,100	8,198,000	8,491,400	293,400	3.6%	8,529,100	37,700	0.4%
Total Personnel Costs	125,455,300	130,882,400	139,429,000	8,546,600	6.5%	147,425,600	7,996,600	5.7%
3.1 Electric	49,804,900	49,020,700	51,308,100	2,287,400	4.7%	52,621,700	1,313,600	2.6%
3.2 Gas	7,211,200	7,000,000	7,112,600	112,600	1.6%	7,153,100	40,500	0.6%
3.3 Sewage Service	2,336,500	2,980,100	2,455,300	(524,800)	-17.6%	2,472,400	17,100	0.7%
3.4 Water Service	12,586,100	11,601,700	12,202,800	601,100	5.2%	12,446,800	244,000	2.0%
Total Utility Costs	71,938,700	70,602,500	73,078,800	2,476,300	3.5%	74,694,000	1,615,200	2.2%
4.1 Chemicals	31,075,400	34,834,900	38,364,600	3,529,700	10.1%	38,565,800	201,200	0.5%
4.2 Supplies & Other	49,047,200	43,024,600	44,687,600	1,663,000	3.9%	45,734,400	1,046,800	2.3%
4.3 Contractual Services	113,854,400	114,508,700	120,208,200	5,699,500	5.0%	124,586,500	4,378,300	3.6%
5.1 Capital Program Allocation	(2,847,400)	(4,581,800)	(3,430,600)	1,151,200	-25.1%	(4,368,700)	(938,100)	27.3%
5.2 Shared Services	(2,280,400)	(2,279,500)	(2,309,100)	(29,600)	1.3%	(2,387,000)	(77,900)	3.4%
5.5 Intergovernmental Agreement	(2,532,300)	(638,200)	-	638,200	100.0%	-	-	0.0%
6.0 Capital Outlay	-	-	-	-	0.0%	-	-	0.0%
7.0 Unallocated Reserve	-	12,205,400	8,526,200	(3,679,200)	-30.1%	18,996,900	10,470,700	122.8%
Total Other Categories	186,316,900	197,074,100	206,046,900	8,972,800	4.6%	221,127,900	15,081,000	7.3%
Grand Total	\$ 383,710,900	\$ 398,559,000	\$ 418,554,700	\$ 19,995,700	5.0%	\$ 443,247,500	\$ 24,692,800	5.9%

Revised 2A – Combined O&M Five Year Plan

Expense Category	Actual	Adopted Budget	Proposed Budget		Projected		
	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
2.1 Salaries & Wages	\$ 77,806,800	\$ 81,643,800	\$ 86,632,900	\$ 91,804,300	\$ 100,688,200	\$ 101,324,300	\$ 101,324,300
2.2 Workforce Development	1,949,200	2,105,000	3,746,800	4,197,400	4,216,500	4,216,500	4,216,500
2.3 Overtime	9,171,300	8,074,200	8,911,400	8,983,500	9,135,800	9,150,600	9,150,600
2.4 Employee Benefits	28,034,900	30,861,400	31,646,500	33,911,300	37,335,200	37,831,000	38,126,900
2.5 Transition Services	8,493,100	8,198,000	8,491,400	8,529,100	8,605,200	8,605,200	8,605,200
Total Personnel Costs	125,455,300	130,882,400	139,429,000	147,425,600	159,980,900	161,127,600	161,423,500
3.1 Electric	49,804,900	49,020,700	51,308,100	52,621,700	53,880,800	55,195,600	56,561,600
3.2 Gas	7,211,200	7,000,000	7,112,600	7,153,100	7,269,900	7,374,500	7,456,600
3.3 Sewage Service	2,336,500	2,980,100	2,455,300	2,472,400	2,489,700	2,507,200	2,525,300
3.4 Water Service	12,586,100	11,601,700	12,202,800	12,446,800	12,695,700	12,949,700	13,208,700
Total Utility Costs	71,938,700	70,602,500	73,078,800	74,694,000	76,336,100	78,027,000	79,752,200
4.1 Chemicals	31,075,400	34,834,900	38,364,600	38,565,800	38,847,500	38,975,400	39,112,100
4.2 Supplies & Other	49,047,200	43,024,600	44,687,600	45,734,400	45,929,000	44,985,000	45,655,100
4.3 Contractual Services	113,854,400	114,508,700	120,208,200	124,586,500	119,987,900	117,975,900	121,855,200
5.1 Capital Program Allocation	(2,847,400)	(4,581,800)	(3,430,600)	(4,368,700)	(4,170,900)	(4,294,100)	(4,351,600)
5.2 Shared Services	(2,280,400)	(2,279,500)	(2,309,100)	(2,387,000)	(2,450,400)	(2,534,100)	(2,609,300)
5.5 Intergovernmental Agreement	(2,532,300)	(638,200)	-	-	-	-	-
6.0 Capital Outlay	-	-	-	-	-	-	-
7.0 Unallocated Reserve	-	12,205,400	8,526,200	18,996,900	24,426,600	31,435,000	34,935,000
Total Other Categories	186,316,900	197,074,100	206,046,900	221,127,900	222,569,700	226,543,100	234,596,500
Grand Total	\$ 383,710,900	\$ 398,559,000	\$ 418,554,700	\$ 443,247,500	\$ 458,886,700	\$ 465,697,700	\$ 475,772,200
Operations & Maintenance Expense (Budget) Adjustment Percentage			5.0%	5.9%	9.6%	5.1%	3.7%

FY 2026 Water I&E Crosswalk

Water Improvement & Extension Fund	Initial Proposed Budget 1/6/25 Audit Committee	Modifications	Revised Proposed Budget 2/17/25 Audit Committee
Inflows			
Transfers in from Water Operations Fund			
Revenue Transfers	\$ 16,598,000	\$ 25,500	\$ 16,623,500
Investment Earnings	<u>3,270,800</u>	<u>1,033,900</u>	<u>4,304,700</u>
Total Inflows	<u>19,868,800</u>	<u>1,059,400</u>	<u>20,928,200</u>
Outflows			
Capital outlay	13,738,000	(2,046,600)	11,691,400
Transfers out to Water Operations Fund		-	-
Investment Earnings	3,270,800	1,033,900	4,304,700
Transfer out to Water Construction Fund		-	-
Revenue Financed Capital	<u>9,250,000</u>	<u>-</u>	<u>9,250,000</u>
Total Outflows	<u>26,258,800</u>	<u>(1,012,700)</u>	<u>25,246,100</u>
Net Inflow (Outflow) - Use of I&E Funds	\$ (6,390,000)	\$ 2,072,100	\$ (4,317,900)

*Increase based on modifications to other Revenue Requirements
Increase in investment earnings due to anticipated increase in revenue transfers during FY 2025*

Reduction based on budget review

Per the MBO all investment earnings are transferred to the receiving fund

Revised 5A – Water Improvement and Extension Fad

Water Improvement & Extension Fund	Adopted Budget	Proposed Budget		Projected		
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Inflows						
Transfers in from Water Operations Fund						
Revenue Transfers	\$ 7,270,200	\$ 16,623,500	\$ 12,354,800	\$ 35,679,700	\$ 48,725,100	\$ 66,868,100
Investment Earnings	938,700	4,304,700	3,998,200	4,018,500	4,744,800	3,987,800
Total Inflows	8,208,900	20,928,200	16,353,000	39,698,200	53,469,900	70,855,900
Outflows						
Capital outlay	10,527,800	11,691,400	8,039,100	9,537,800	8,743,300	8,764,100
Transfers out to Water Operations Fund						
Investment Earnings	938,700	4,304,700	3,998,200	4,018,500	4,744,800	3,987,800
Transfer out to Water Construction Fund						
Revenue Financed Capital	15,000,000	9,250,000	11,750,000	14,500,000	11,000,000	7,250,000
Total Outflows	26,466,500	25,246,100	23,787,300	28,056,300	24,488,100	20,001,900
Net Inflow (Outflow) - Use of I&E Funds	\$ (18,257,600)	(4,317,900)	(7,434,300)	11,641,900	28,981,800	50,854,000
Beginning Cash Available		130,641,900	126,324,000	118,889,700	130,531,600	159,513,400
Projected Ending Cash Available		\$ 126,324,000	\$ 118,889,700	\$ 130,531,600	\$ 159,513,400	\$ 210,367,400

Investment earnings are transferred to the water operating fund to offset pressure on charges.

The largest expenses are a) capital outlay (generally for equipment needed outside of capital projects) and b) transfer to the water construction fund to support the capital improvement fund).

FY 2026 Sewer I&E Crosswalk

Sewer Improvement & Extension Fund	Initial Proposed Budget 1/6/25 Audit Committee	Modifications	Revised Proposed Budget 2/17/25 Audit Committee
Inflows			
Transfers in from Water Operations Fund			
Revenue Transfers	\$ 50,583,200	\$ 1,883,000	\$ 52,466,200
Investment Earnings	5,243,900	(72,400)	5,171,500
Total Inflows	<u>55,827,100</u>	<u>1,810,600</u>	<u>57,637,700</u>
Outflows			
Capital outlay			
Transfers out to Water Operations Fund	14,089,800	(2,310,300)	11,779,500
Investment Earnings	5,243,900	(72,400)	5,171,500
Transfer out to Water Construction Fund			
Revenue Financed Capital	8,750,000	-	8,750,000
Total Outflows	<u>28,083,700</u>	<u>(2,382,700)</u>	<u>25,701,000</u>
Net Inflow (Outflow) - Use of I&E Funds	\$ 27,743,400	\$ 4,193,300	\$ 31,936,700

Increase based on modifications to other Revenue Requirements

Reduction based on budget review

Per the MBO all investment earnings are transferred to the receiving fund

Revised 5B – Sewer Improvement and Extension Fund

Sewer Improvement & Extension Fund	Adopted Budget	Proposed Budget		Projected		
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Inflows						
Transfers in from Water Operations Fund						
Revenue Transfers	\$ 28,140,700	\$ 52,466,200	\$ 48,646,600	\$ 61,682,400	\$ 82,360,800	\$ 99,466,600
Investment Earnings	1,076,000	5,171,500	5,978,200	7,157,700	5,171,400	4,912,800
Total Inflows	29,216,700	57,637,700	54,624,800	68,840,100	87,532,200	104,379,400
Outflows						
Capital outlay	12,071,300	11,779,500	14,016,000	15,692,400	8,163,300	8,163,200
Transfers out to Water Operations Fund						
Investment Earnings	1,076,000	5,171,500	5,978,200	7,157,700	5,171,400	4,912,800
Transfer out to Water Construction Fund						
Revenue Financed Capital	5,500,000	8,750,000	11,750,000	115,490,600	19,949,500	126,642,400
Total Outflows	18,647,300	25,701,000	31,744,200	138,340,700	33,284,200	139,718,400
Net Inflow (Outflow) - Use of I&E Funds	\$ 10,569,400	31,936,700	22,880,600	(69,500,600)	54,248,000	(35,339,000)
Beginning Cash Available		156,948,900	188,885,600	211,766,200	142,265,600	196,513,600
Projected Ending Cash Available		\$ 188,885,600	\$ 211,766,200	\$ 142,265,600	\$ 196,513,600	\$ 161,174,600

Investment earnings are transferred to the sewer operating fund to offset pressure on charges. The largest expenses are a) capital outlay (generally for equipment needed outside of capital projects) and b) transfer to the sewer construction fund to support the capital improvement fund).

FY 2026 Water Construction Crosswalk

Water Construction Fund	Initial Proposed Budget 1/6/25 Audit Committee	Modifications	Revised Proposed Budget 2/17/25 Audit Committee
Inflows			
Transfers in from Water Improvement & Extension Fund			
Revenue Financed Capital	\$ 9,250,000	\$ -	\$ 9,250,000
Transfers in from Water Operations Fund		-	-
Bond Proceeds	350,000,000	-	350,000,000
State Revolving Loans	18,358,800	(16,989,600)	1,369,200
Grants and Capital Contributions	2,300,000	-	2,300,000
Investment Earnings	14,087,800	(279,900)	13,807,900
Total Inflows	<u>393,996,600</u>	<u>(17,269,500)</u>	<u>376,727,100</u>
Outflows			
Capital Program	185,000,000	-	185,000,000
Transfers out to Water Operations Fund			
Bond Cost of Issuance	2,625,000	-	2,625,000
Total Outflows	<u>187,625,000</u>	<u>-</u>	<u>187,625,000</u>
Net Inflow (Outflow) - Use of Construction Funds	\$ 206,371,600	\$ (17,269,500)	\$ 189,102,100

Updated based upon current Michigan Finance Authority SRF schedules and capital project spending

Revised 5C – Water Construction Fund

Water Construction Fund	Adopted Budget	Proposed Budget		Projected		
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Inflows						
Transfers in from Water Improvement & Extension Fund						
Revenue Financed Capital	\$ 15,000,000	\$ 9,250,000	\$ 11,750,000	\$ 14,500,000	\$ 11,000,000	\$ 7,250,000
Transfers in from Water Operations Fund						
Bond Proceeds	271,562,500	350,000,000	-	350,000,000	-	200,000,000
State Revolving Loans	30,800,000	1,369,200	-	-	-	-
Grants and Capital Contributions	-	2,300,000	2,000,000	-	-	-
Investment Earnings	7,953,300	13,807,900	12,972,900	11,768,200	10,591,500	5,696,100
Total Inflows	325,315,800	376,727,100	26,722,900	376,268,200	21,591,500	212,946,100
Outflows						
Capital Program	210,000,000	185,000,000	235,000,000	290,000,000	220,000,000	145,000,000
Transfers out to Water Operations Fund						
Bond Cost of Issuance	-	2,625,000	-	2,625,000	-	1,500,000
Total Outflows	210,000,000	187,625,000	235,000,000	292,625,000	220,000,000	146,500,000
Net Inflow (Outflow) - Use of Construction Funds	\$ 115,315,800	189,102,100	(208,277,100)	83,643,200	(198,408,500)	66,446,100
Beginning Cash Available		331,408,443	520,510,543	312,233,443	395,876,643	197,468,143
Projected Ending Cash Available		\$ 520,510,543	\$ 312,233,443	\$ 395,876,643	\$ 197,468,143	\$ 263,914,243

Updates to this schedule are related to updated SRF draws and investment earnings.

FY 2026 Sewer Construction Crosswalk

Sewer Construction Fund	Initial Proposed Budget 1/6/25 Audit Committee	Modifications	Revised Proposed Budget 2/17/25 Audit Committee
Inflows			
Transfers in from Water Improvement & Extension Fund			
Revenue Financed Capital	\$ 8,750,000	\$ -	\$ 8,750,000
Transfers in from Water Operations Fund			
Bond Proceeds	150,000,000	-	150,000,000
State Revolving Loans	66,931,100	(13,994,500)	52,936,600
Grants and Capital Contributions	21,676,000	1,515,650	23,191,650
Investment Earnings	6,319,700	(183,400)	6,136,300
Total Inflows	<u>253,676,800</u>	<u>(12,662,250)</u>	<u>241,014,550</u>
Outflows			
Capital Program	175,000,000	-	175,000,000
Transfers out to Water Operations Fund			
Bond Cost of Issuance	1,125,000	-	1,125,000
Total Outflows	<u>176,125,000</u>	<u>-</u>	<u>176,125,000</u>
Net Inflow (Outflow) - Use of Construction Funds	\$ 77,551,800	\$ (12,662,250)	\$ 64,889,550

Updated based upon current Michigan Finance Authority SRF schedules and capital project spending

Updated based upon current activity

Revised 5D – Sewer Construction Fund

Sewer Construction Fund	Adopted Budget	Proposed Budget		Projected		
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Inflows						
Transfers in from Water Improvement & Extension Fund						
Revenue Financed Capital	\$ 15,000,000	\$ 8,750,000	\$ 11,750,000	\$ 115,490,600	\$ 19,949,500	\$ 126,642,400
Transfers in from Water Operations Fund						
Bond Proceeds	271,562,500	150,000,000	-	150,000,000	-	100,000,000
State Revolving Loans	30,800,000	52,936,600	99,745,500	103,800,000	93,684,600	50,700,000
Grants and Capital Contributions	-	23,191,650	-	-	-	-
Investment Earnings	7,953,300	6,136,300	5,063,700	4,897,100	4,386,800	2,442,100
Total Inflows	325,315,800	241,014,550	116,559,200	374,187,700	118,020,900	279,784,500
Outflows						
Capital Program	210,000,000	175,000,000	235,000,000	285,000,000	255,000,000	190,000,000
Transfers out to Water Operations Fund						
Bond Cost of Issuance	-	1,125,000	-	1,125,000	-	750,000
Total Outflows	210,000,000	176,125,000	235,000,000	286,125,000	255,000,000	190,750,000
Net Inflow (Outflow) - Use of Construction Funds	\$ 115,315,800	64,889,550	(118,440,800)	88,062,700	(136,979,100)	89,034,500
Beginning Cash Available		156,854,438	221,743,988	103,303,188	191,365,888	54,386,788
Projected Ending Cash Available		\$ 221,743,988	\$ 103,303,188	\$ 191,365,888	\$ 54,386,788	\$ 143,421,288

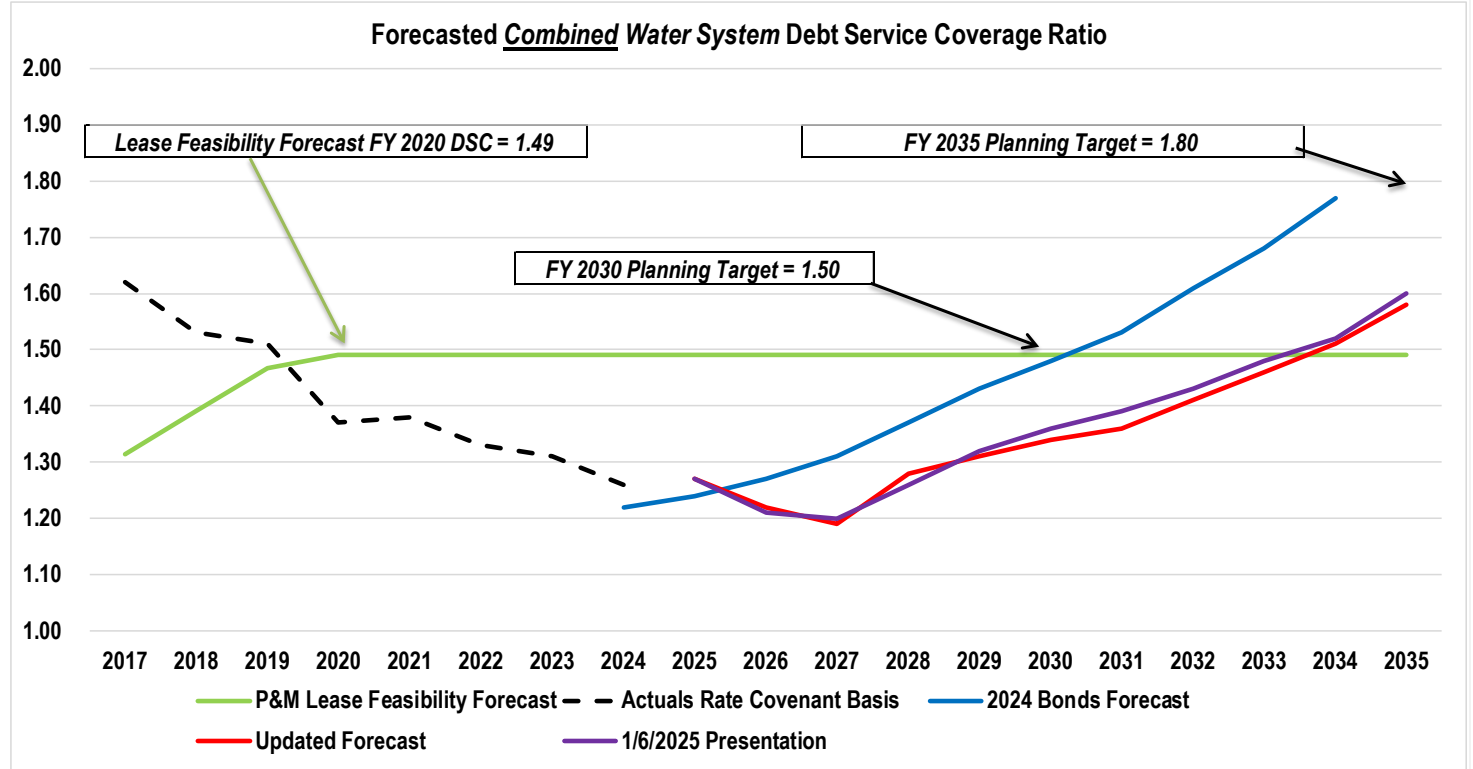
Updates to this schedule are related to updated SRF draws and investment earnings.

Water Updated Preliminary Ten-Year Forecast

💧 The decrease in charges revenue from the January 6th version carries over to future years, thereby resulting in a decrease in the debt service coverage over time.

💧 The debt service reduction for 2026 which allowed the decrease in charges only relates to 2026 and does not carryforward to future year savings.

Chart includes DWSD financial data to compute the debt service coverage rating agencies look at when assigning credit ratings



The table below only includes GLWA data

Regional System Cumulative Avg Annual Budget Increase

If 4% Promise Was Fully Implemented	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%		
Actual & Preliminary Updated Forecast	4.0%	1.5%	1.3%	1.6%	1.4%	1.3%	1.6%	1.9%	2.1%	2.6%	3.0%	3.4%	3.7%	3.9%	3.9%	3.9%	3.9%	4.0%	4.0%		
Regional Actual Budget Adjustments	4.0%	-0.9%	1.0%	2.5%	0.6%	0.7%	3.5%	4.0%	4.0%												
Regional Forecasted Budget Adjustments										6.75%	7.5%	7.5%	7.5%	6.0%	4.0%	4.0%	5.0%	5.0%	4.0%		
Regional Actual Charges Adjustments	4.5%	1.8%	1.8%	0.6%	3.2%	1.5%	3.7%	2.8%	3.3%												
Regional Forecasted Charges Adjustments										6.96%	7.4%	7.5%	7.3%	6.9%	4.3%	3.8%	5.1%	5.0%	4.5%		
Regional Actual/Forecasted Days Cash	959	1,066	1,058	1,086	1,043	632	573	640	552	520	475	485	544	629	724	680	685	462	517		
New Money Bonds needed (millions)											\$ 300	\$ 350	\$ -	\$ 350	\$ -	\$ 200	\$ -	\$ 200	\$ -	\$ 150	\$ -
Capital Projects Spend Forecast (millions)											\$ 190	\$ 185	\$ 235	\$ 290	\$ 220	\$ 145	\$ 155	\$ 190	\$ 275	\$ 265	\$ 240



Water Updated Preliminary Ten-Year Forecast

GLWA Regional Water System												
	Adopted 2025	Forecasted										
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
Revenues												
Revenue from Charges												
1 Wholesale Charges	\$ 347,758,000	\$ 347,758,000	\$ 369,107,600	\$ 395,017,200	\$ 423,049,000	\$ 452,484,300	\$ 482,397,800	\$ 502,247,900	\$ 520,704,000	\$ 546,440,600	\$ 572,954,500	\$ 597,682,700
2 Local System Charges	27,094,800	27,094,800	30,528,000	34,204,800	38,316,500	42,634,100	47,021,800	49,933,400	52,640,500	56,415,500	60,304,600	63,931,700
3 Total Revenue from Water Charges	374,852,800	374,852,800	399,635,600	429,222,000	461,365,500	495,118,400	529,419,600	552,181,300	573,344,500	602,856,100	633,259,100	661,614,400
Investment Earnings												
4 Unrestricted	6,692,200	10,181,800	7,884,400	8,941,100	9,421,900	10,588,500	8,151,800	7,611,400	8,864,300	8,505,000	8,727,400	6,143,900
5 Restricted	3,182,100	3,292,600	3,302,100	3,483,100	3,997,400	4,697,100	3,484,700	2,935,700	3,054,800	3,199,500	3,338,000	3,427,800
6 Total Investment Earnings	9,874,300	13,474,400	11,186,500	12,424,200	13,419,300	15,285,600	11,636,500	10,547,100	11,919,100	11,704,500	12,065,400	9,571,700
7 Other Operating Revenue	400,000	400,000	296,800	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
8 Total Revenues	385,127,100	388,727,200	411,118,900	441,946,200	475,084,800	510,704,000	541,356,100	563,028,400	585,563,600	614,860,600	645,624,500	671,486,100
Revenue Requirements												
9 Operations & Maintenance Expense	169,625,000	172,625,000	182,456,000	196,859,600	202,024,500	203,633,700	207,982,700	212,142,400	216,385,200	220,712,900	225,127,200	229,629,700
10 Debt Service - Regional System	175,300,800	163,455,000	183,083,000	202,952,300	210,377,100	226,304,800	235,295,400	244,462,600	247,874,000	256,921,700	263,046,700	263,740,300
11 General Retirement System Pension	2,283,300	1,653,300	1,622,200	1,450,400	1,306,700	1,275,600	1,874,500	1,843,400	1,812,300	1,781,100	1,750,000	1,597,300
Water Residential Assistance												
12 Program Contribution	1,947,800	1,876,500	1,989,700	2,136,900	2,296,800	2,464,800	2,635,400	2,748,700	2,854,000	3,000,800	3,152,000	3,293,100
Extraordinary Repair &												
13 Replacement Deposit	0	0	1,244,500	1,892,200	0	0	0	0	0	0	0	0
14 Regional System Lease	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000
15 Working Capital Requirement	6,200,000	12,300,000	1,600,000	1,800,000	900,000	5,800,000	4,200,000	3,500,000	2,800,000	3,700,000	3,200,000	2,400,000
Improvement & Extension Fund												
16 Transfer Pending	7,270,200	14,317,400	16,623,500	12,354,800	35,679,700	48,725,100	66,868,100	75,831,300	91,338,100	106,244,100	126,848,600	148,325,700
17 Total Revenue Requirements	385,127,100	388,727,200	411,118,900	441,946,200	475,084,800	510,704,000	541,356,100	563,028,400	585,563,600	614,860,600	645,624,500	671,486,100
Debt Service Coverage Projections - Rate Covenant Basis (Regional Water System)												
18 All Bonds, including SRF	1.23	1.32	1.25	1.21	1.30	1.36	1.42	1.44	1.49	1.53	1.60	1.68

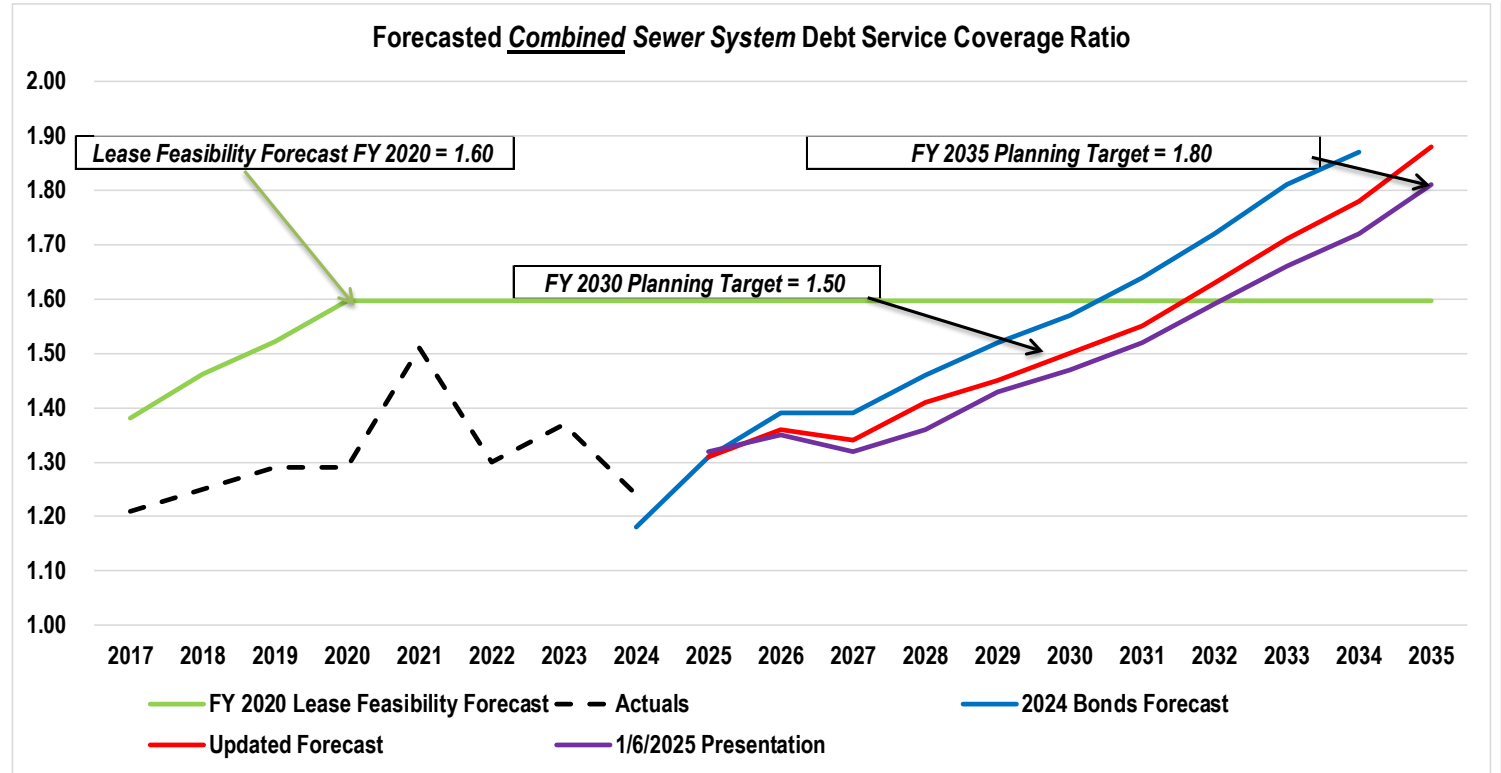


Sewer Updated Preliminary Ten-Year Forecast

Decrease of \$6 million in proposed O&M budget for 2026 is driving the increase in the debt service coverage from the January 6th proposed budget.

This provides opportunity to rebalance the debt to paygo funding

Chart includes DWSD financial data to compute the debt service coverage rating agencies look at when assigning credit ratings



The table below only includes GLWA data

Regional System Cumulative Avg Annual Budget Increase

If 4% Promise Was Fully Implemented	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Actual & Preliminary Updated Forecast	4.0%	2.1%	1.8%	1.9%	1.8%	1.1%	1.1%	1.5%	1.7%	2.0%	2.3%	2.6%	2.8%	2.9%	3.0%	3.0%	3.1%	3.1%	3.2%
Regional Actual Budget Adjustments	4.0%	0.3%	1.0%	2.2%	1.3%	-2.3%	1.3%	4.0%	4.0%										
Regional Forecasted Budget Adjustments										4.6%	5.5%	5.5%	5.5%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Regional Actual Charges Adjustments	8.3%	-0.7%	0.1%	0.8%	2.0%	0.6%	2.4%	2.8%	3.0%										
Regional Forecasted Charges Adjustments										4.5%	5.4%	5.3%	5.8%	4.7%	4.6%	3.8%	4.1%	3.9%	4.0%
Regional Actual/Forecasted Days Cash	495	432	495	593	664	574	521	571	519	558	572	459	533	479	583	568	634	631	605
New Money Bonds needed (millions)										\$ 50	\$ 150	\$ -	\$ 150	\$ -	\$ 100	\$ -	\$ 50	\$ -	\$ -
Capital Projects Spend Forecast (millions)										\$ 170	\$ 175	\$ 235	\$ 285	\$ 255	\$ 190	\$ 160	\$ 140	\$ 140	\$ 165



Sewer Updated Preliminary Ten-Year Forecast

GLWA Regional Sewer System

	Adopted 2025	Forecasted										
		2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenues												
Revenue from charges												
1 Wholesale Charges	287,517,600	287,517,600	300,296,400	316,116,200	332,507,200	351,481,400	367,729,900	384,307,100	398,716,500	414,704,300	430,623,900	447,809,400
2 Local System Charges	205,924,800	205,924,800	215,336,400	227,368,700	239,658,600	253,885,200	266,068,200	278,497,500	289,301,500	301,288,900	313,225,300	326,110,800
3 Industrial Waste Charges	8,719,300	8,719,300	9,150,300	9,644,600	10,153,600	10,742,800	11,247,300	11,762,000	12,209,400	12,705,800	13,200,100	13,733,700
4 Pollutant Surcharges	5,434,400	5,434,400	5,112,700	5,388,900	5,673,300	6,002,500	6,284,400	6,572,000	6,822,000	7,099,400	7,375,600	7,673,800
Total Revenue from												
5 Sewer Charges	507,596,100	507,596,100	529,895,800	558,518,400	587,992,700	622,111,900	651,329,800	681,138,600	707,049,400	735,798,400	764,424,900	795,327,700
Investment Earnings												
6 Unrestricted	10,494,500	10,807,600	10,331,200	11,421,400	13,061,800	11,729,300	9,568,000	7,029,700	8,718,900	8,675,500	9,866,900	10,028,800
7 Restricted	1,861,500	4,249,500	4,081,400	4,319,900	4,801,200	5,356,300	3,901,900	3,276,900	3,382,700	3,494,400	3,643,500	3,747,100
8 Total Investment Earnings	12,356,000	15,057,100	14,412,600	15,741,300	17,863,000	17,085,600	13,469,900	10,306,600	12,101,600	12,169,900	13,510,400	13,775,900
6 Other Operating Revenue	700,000	700,000	446,300	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
9 Total Revenues	520,652,100	523,353,200	544,754,700	574,709,700	606,305,700	639,647,500	665,249,700	691,895,200	719,601,000	748,418,300	778,385,300	809,553,600
Revenue Requirements												
10 Operations & Maintenance Expense	228,934,000	231,434,000	236,098,700	246,387,900	256,862,300	262,064,000	267,789,500	273,145,300	278,608,200	284,180,400	289,864,000	295,661,300
11 Debt Service - Regional System	226,279,400	218,750,700	222,402,500	243,432,000	248,665,000	255,956,200	259,224,200	264,292,300	265,933,000	268,085,500	273,111,600	272,471,000
12 General Retirement System Pension	4,846,300	3,718,800	3,648,800	3,262,300	2,939,200	2,869,200	3,926,700	3,856,800	3,786,800	3,716,800	3,646,800	3,430,600
Water Residential Assistance												
13 Program Contribution	2,651,700	2,541,500	2,638,500	2,780,900	2,927,600	3,097,300	3,242,700	3,391,000	3,519,900	3,662,900	3,805,300	3,959,100
Extraordinary Repair &												
14 Replacement Deposit	0	0	0	0	329,200	0	0	0	0	0	658,700	0
15 Regional System Lease	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000
16 Working Capital Requirement	2,300,000	0	0	2,700,000	5,400,000	5,800,000	4,100,000	3,600,000	3,200,000	3,300,000	3,900,000	2,900,000
Improvement & Extension Fund												
17 Transfer Pending	28,140,700	39,408,200	52,466,200	48,646,600	61,682,400	82,360,800	99,466,600	116,109,800	137,053,100	157,972,700	175,898,900	203,631,600
18 Total Revenue Requirements	520,652,100	523,353,200	544,754,700	574,709,700	606,305,700	639,647,500	665,249,700	691,895,200	719,601,000	748,418,300	778,385,300	809,553,600
Debt Service Coverage Projections - Rate Covenant Basis (Regional Sewer System)												
19 All Bonds, including SRF	1.29	1.33	1.39	1.35	1.41	1.48	1.53	1.58	1.66	1.73	1.79	1.89





Trend Analysis – Past, Present, and Future

Trend Analysis – Water System Revenue Requirements

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Proposed
Revenues						
Revenue from Charges						
Wholesale Charges	\$ 315,771,515	\$ 316,529,785	\$ 334,141,233	\$ 331,520,336	\$ 347,758,000	\$ 369,107,600
Local System Charges	21,925,500	21,697,300	22,834,300	25,537,200	27,094,800	30,528,000
Bad Debt Recovery Credit	-	-	-	(5,152,500)	-	-
Total Revenue from Charges	<u>337,697,015</u>	<u>338,227,085</u>	<u>356,975,533</u>	<u>351,905,036</u>	<u>374,852,800</u>	<u>399,635,600</u>
Investment Earnings						
Unrestricted	3,991,294	1,667,440	3,660,022	13,343,940	6,692,200	7,884,400
Restricted for Debt Service	204,011	278,173	5,501,592	4,992,455	3,182,100	3,302,100
Total Investment Earnings	<u>4,195,305</u>	<u>1,945,613</u>	<u>9,161,614</u>	<u>18,336,395</u>	<u>9,874,300</u>	<u>11,186,500</u>
Other Revenue	267,562	775,537	1,378,706	901,919	400,000	296,800
Total Revenues	<u>\$342,159,882</u>	<u>\$340,948,235</u>	<u>\$367,515,853</u>	<u>\$371,143,350</u>	<u>\$ 385,127,100</u>	<u>\$ 411,118,900</u>
Revenue Requirements						
Operations and Maintenance Expense	\$ 118,840,855	\$ 136,436,567	\$ 154,327,770	\$ 161,037,183	\$ 169,625,000	\$ 182,456,000
GRS Legacy Pension	6,048,000	6,048,000	6,048,000	-	-	-
Debt Service	138,100,407	136,039,760	150,055,300	160,622,417	175,300,800	\$ 183,083,000
General Retirement System Pension	6,268,300	6,268,300	6,268,300	1,505,500	2,283,300	1,622,200
Water Residential Assistance Program	1,669,400	1,705,500	1,770,500	1,851,600	1,947,800	1,989,700
Extraordinary Repair & Replacement Deposit	-	-	2,200,000	2,836,000	-	1,244,500
Working Capital Requirement	-	-	-	-	6,200,000	1,600,000
Regional System Lease	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000	22,500,000
Transfer to the Improvement & Extension Fund	35,094,800	23,739,800	23,766,000	15,767,900	7,270,200	16,623,500
Total Revenue Requirements	<u>\$328,521,763</u>	<u>\$332,737,927</u>	<u>\$366,935,870</u>	<u>\$366,120,600</u>	<u>\$ 385,127,100</u>	<u>\$ 411,118,900</u>
Revenue Requirement Variance	<u>\$ 13,638,119</u>	<u>\$ 8,210,308</u>	<u>\$ 579,983</u>	<u>\$ 5,022,750</u>	<u>\$ -</u>	<u>\$ -</u>

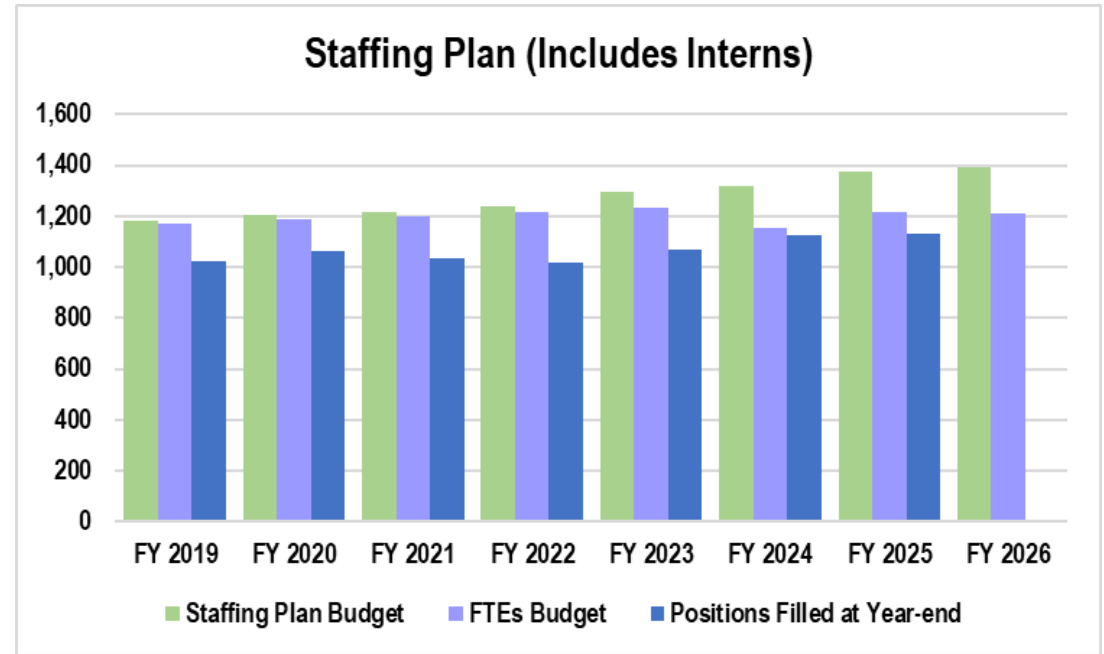
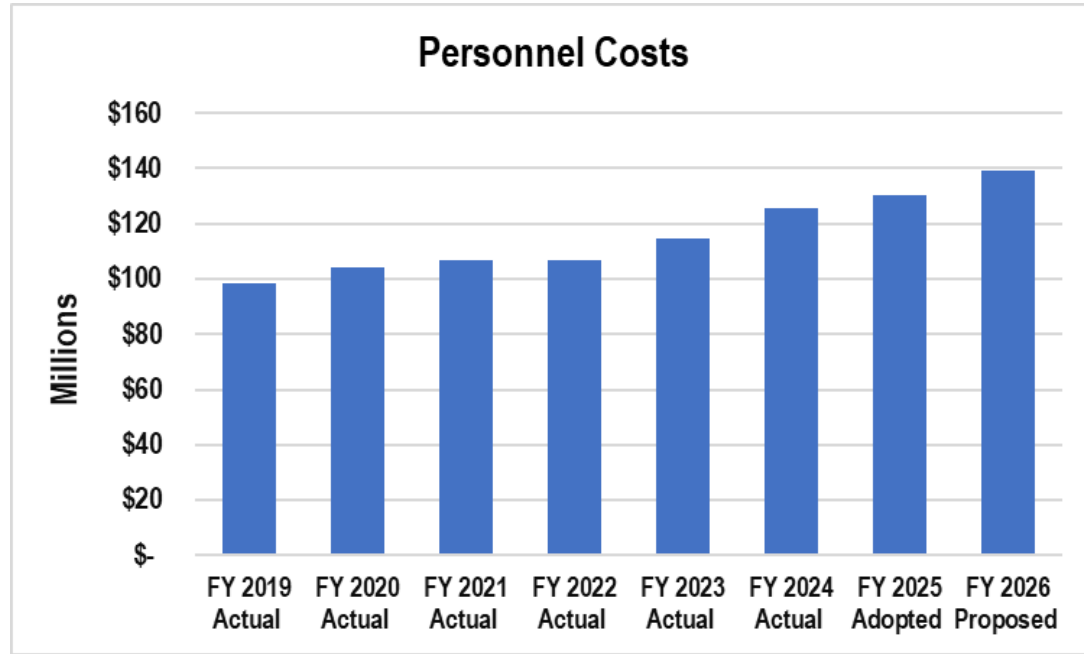
- ◆ The increase in O&M expense has reduced the amount of funds available for PAYGO capital financing resulting in increased debt financing to fund capital improvements.
- ◆ This is the main reason for the increase in debt service.

Trend Analysis – Sewer System Revenue Requirements

	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Proposed
Revenues						
Revenue from Charges						
Wholesale Charges	\$ 267,567,816	\$ 268,813,369	\$ 275,917,502	\$ 282,767,090	\$ 287,517,600	\$ 300,296,400
Wholesale Charges Other	\$ 5,960,000					
Local System Charges	187,959,700	188,662,200	191,042,200	196,569,600	205,924,800	215,336,400
Industrial Waste Control	8,004,939	8,300,278	8,393,103	8,617,495	8,719,300	9,150,300
Pollutant Surcharges	6,719,964	5,181,816	4,894,567	4,088,519	5,434,400	5,112,700
Bad Debt Recovery Credit	-	-	-	(15,556,900)	-	-
Total Revenue from Charges	<u>476,212,419</u>	<u>470,957,663</u>	<u>480,247,372</u>	<u>476,485,804</u>	<u>507,596,100</u>	<u>529,895,800</u>
Investment Earnings						
Unrestricted	2,224,824	1,290,856	4,102,394	16,344,105	10,494,500	10,331,200
Restricted for Debt Service	577,217	551,619	8,395,898	6,824,701	1,861,500	4,081,400
Total Investment Earnings	<u>2,802,041</u>	<u>1,842,475</u>	<u>12,498,292</u>	<u>23,168,806</u>	<u>12,356,000</u>	<u>14,412,600</u>
Other Revenue	2,217,405	817,448	4,901,316	(827,846)	700,000	446,300
Total Revenues	<u>\$481,231,865</u>	<u>\$473,617,586</u>	<u>\$497,646,980</u>	<u>\$498,826,764</u>	<u>\$ 520,652,100</u>	<u>\$ 544,754,700</u>
Revenue Requirements						
Operations and Maintenance Expense	\$ 172,312,815	\$ 182,862,055	\$ 207,330,215	\$ 222,673,733	\$ 228,934,000	\$ 236,098,700
GRS Legacy Pension	10,824,000	10,824,000	10,824,000	-	-	-
Debt Service	201,945,083	206,490,151	212,669,100	229,316,502	226,279,400	222,402,500
General Retirement System Pension	11,620,700	11,620,700	11,620,700	3,096,800	4,846,300	3,648,800
Water Residential Assistance Program	2,415,100	2,358,300	2,394,200	2,503,104	2,651,700	2,638,500
Extraordinary Repair & Replacement Deposit	-	-	-	-	-	-
Working Capital Requirement	-	-	-	-	2,300,000	-
Regional System Lease	27,500,000	27,500,000	27,500,000	27,500,004	27,500,000	27,500,000
Transfer to the Improvement & Extension Fund	42,742,700	23,424,000	26,236,800	13,399,600	28,140,700	52,466,200
Total Revenue Requirements	<u>\$469,360,398</u>	<u>\$465,079,206</u>	<u>\$498,575,015</u>	<u>\$498,489,743</u>	<u>\$ 520,652,100</u>	<u>\$ 544,754,700</u>
Revenue Requirement Variance	<u>\$ 11,871,467</u>	<u>\$ 8,538,380</u>	<u>\$ (928,035)</u>	<u>\$ 337,021</u>	<u>\$ -</u>	<u>\$ -</u>

- ◆ The increase in O&M expense has reduced the amount of funds available for PAYGO capital financing resulting in increased debt financing to fund capital improvements.
- ◆ This is the main reason for the increase in debt service.

Trend Analysis – O&M Personnel

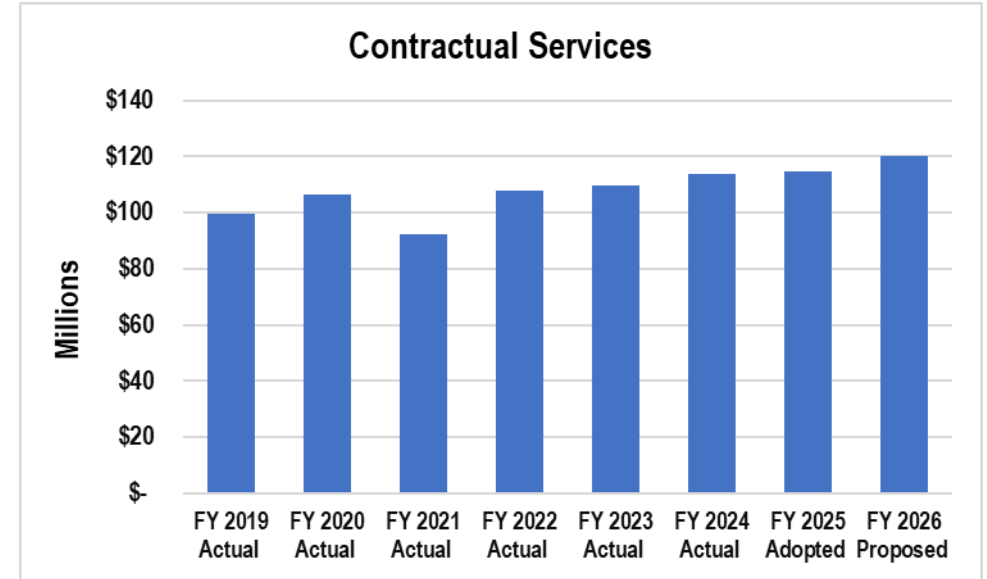


FY 2025 Positions filled at year end as of 1/24/2025.

- 💧 Budget is based on full-time equivalents (FTEs).
- 💧 See supplemental analysis in PDF Files
 - 💧 Personnel Rollforward with Notes (landscape)
 - 💧 Personnel by Cost Center (landscape 11 x 17)

Trend Analysis – O&M Contractual Services

- 💧 The contract with the New England Fertilizer Company (NEFCO) to operate the Biosolids Dryer Facility is subject to adjustments annually based on the Consumer Price Index for Detroit
- 💧 Water plants require removal of accumulated sludge, which is a byproduct of the treatment process on a regular basis
 - 💧 The cost per ton removed has increased significantly due to inflation and enhanced processes



Trend Analysis – O&M Contractual Services (continued)

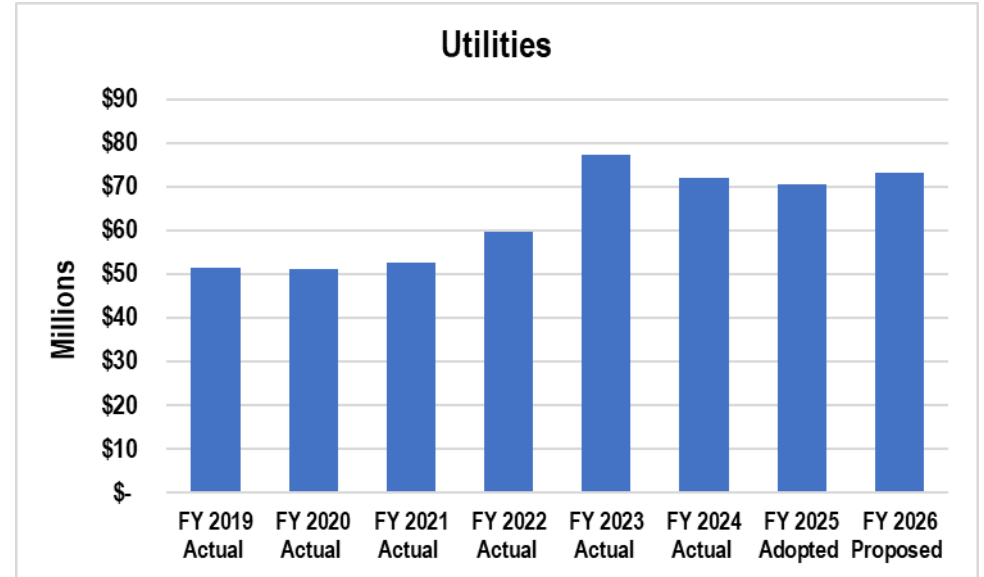
- ◆ Safeguarding of the Information Technology infrastructure through remote storage and backup protecting against external threats and interruptions
- ◆ Staff augmentation in various technical and operational areas to supplement our team members to achieve targeted goals in maintenance and infrastructure support
- ◆ In FY 2026 sewer linear asset integrity was increased as part of wastewater conveyance
- ◆ Risk Management insurance premiums increased to reflect the estimated annual change in policy agreements

Trend Analysis – O&M Utilities

💧 The following slides provide analysis by category of utilities

- 💧 Electricity
- 💧 Natural Gas
- 💧 Water
- 💧 Sewage

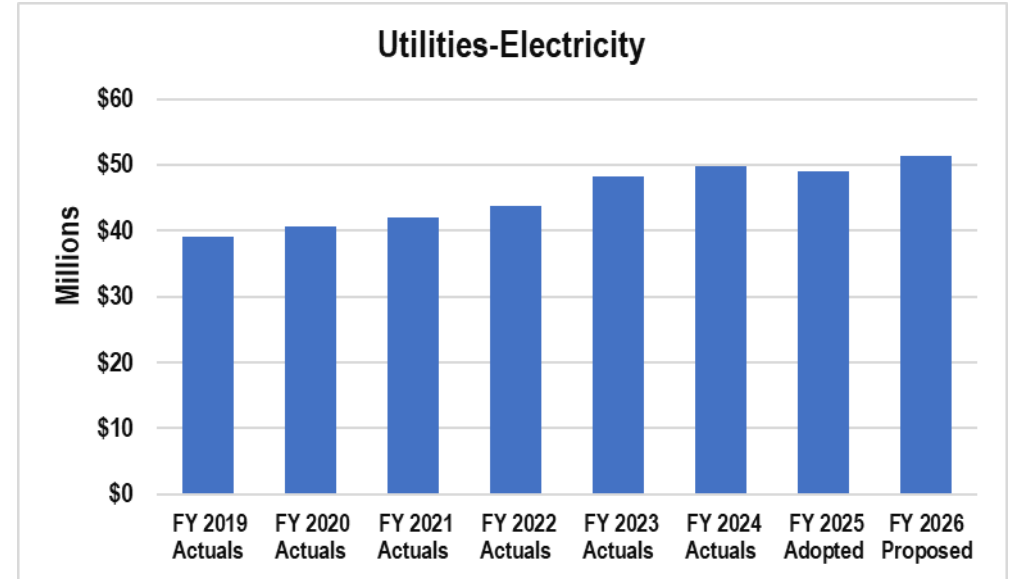
💧 Like many other cost categories, utilities are non-discretionary.



Trend Analysis – O&M Utilities

Electricity

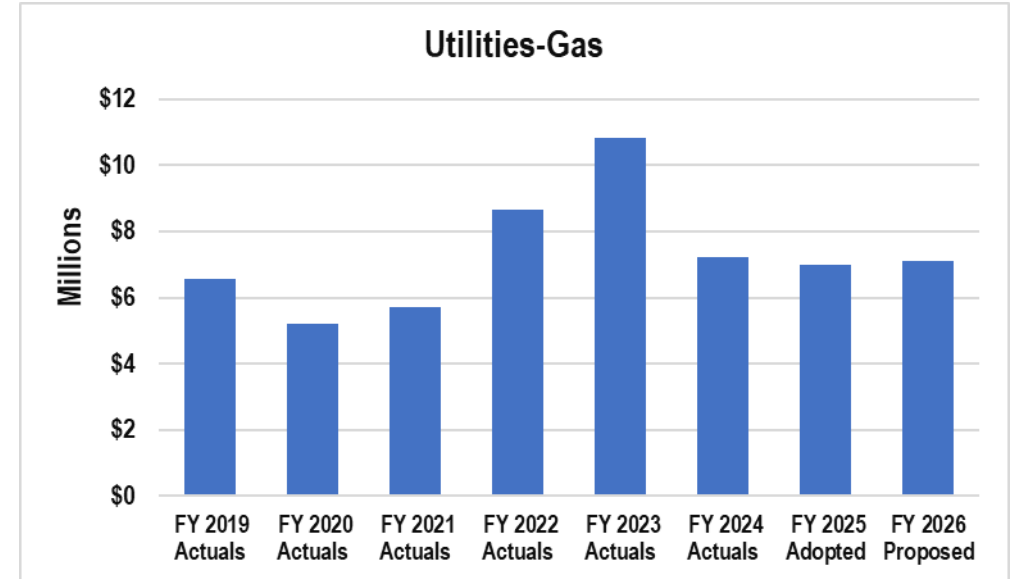
- Water Operations electrical usage is primarily associated with water distribution
- Peak production season (summer) results in higher electrical usage at the Water Treatment Plants (WTPs) and Pump Stations (Treated Water Transmission System)
- Wastewater electrical usage is more consistent than the water system
- Cost per kWh has steadily increased since FY 2020



Trend Analysis – O&M Utilities

Natural Gas

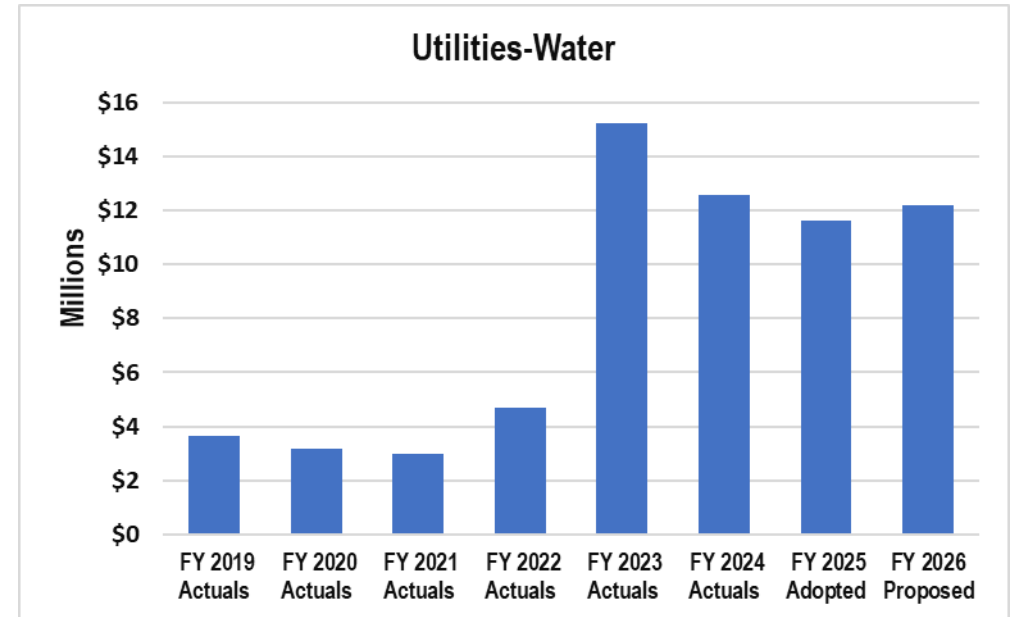
- GLWA has negotiated and locked in gas pricing for fixed periods (1 – 2 years), minimizing the effect of market volatility
- 80% of anticipated volume for FY 2025 has been locked in at an average rate of \$3.00 per mmBTU, \$.04 lower than the rate locked in for FY 2024
- GLWA can effectively estimate anticipated annual volume due to the majority of usage being process driven and consistent year over year



Trend Analysis – O&M Utilities

Water

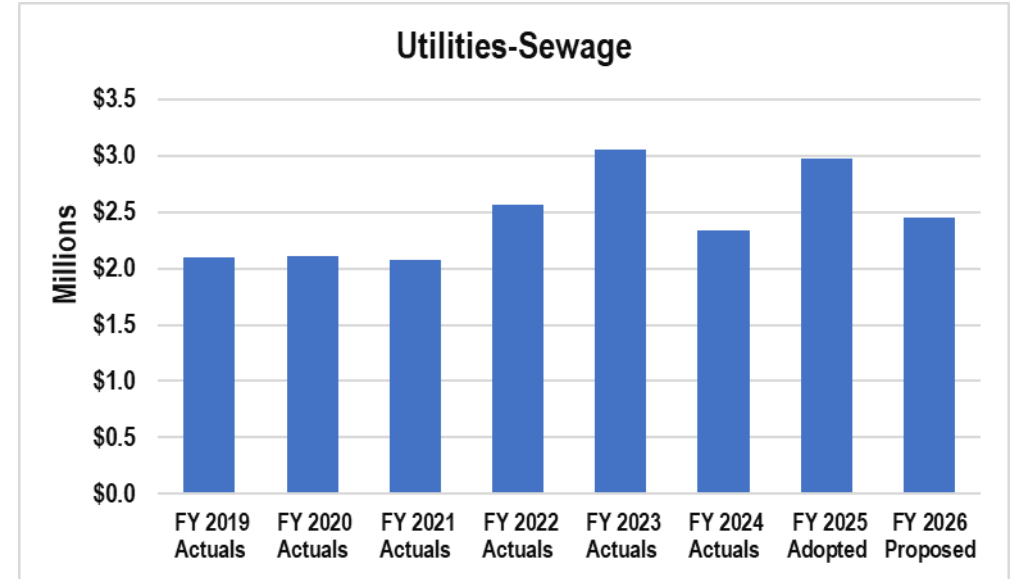
- Water drop icon Meters have been replaced at the Chlorination/De-chlorination facility and WRRF to ensure correct reads and billing working with DWSD to resolve metering issues for all facilities serviced
- Water drop icon The meter replacement resulted in more accurate readings & billing, primarily at the Water Resource Recovery Facility
- Water drop icon In August 2022 the average unit cost (\$/CCF) increased from \$2.66 to \$4.491 resulting in a monthly increase of approximate \$350,000 (\$4.2M annually)



Trend Analysis – O&M Utilities

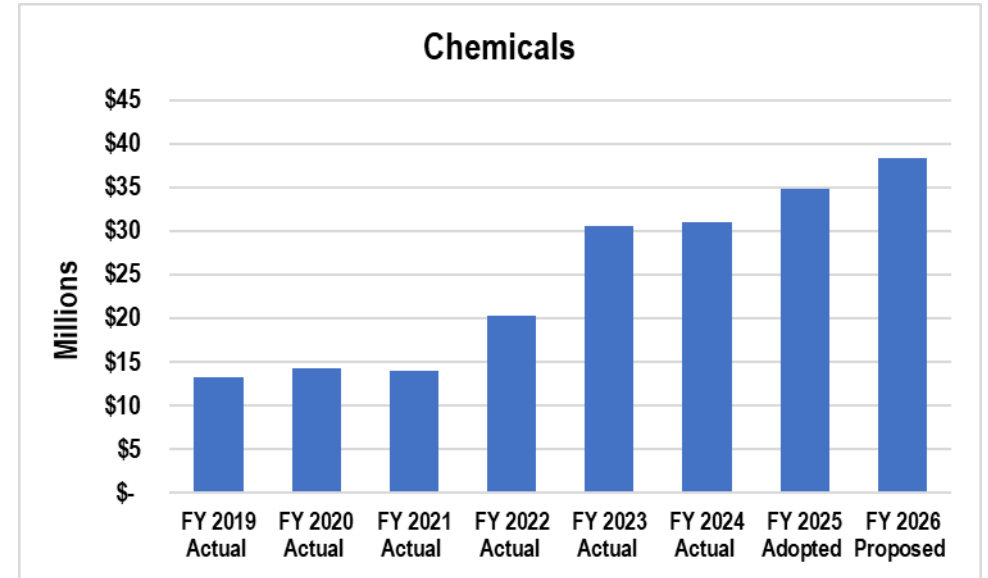
Sewage

- 💧 Sewage costs are primarily driven by water usage volume, for treatment
- 💧 Resolution of a significant water leak at the Oakwood CSO facility forecast a reduction in sewer costs tied to water volume



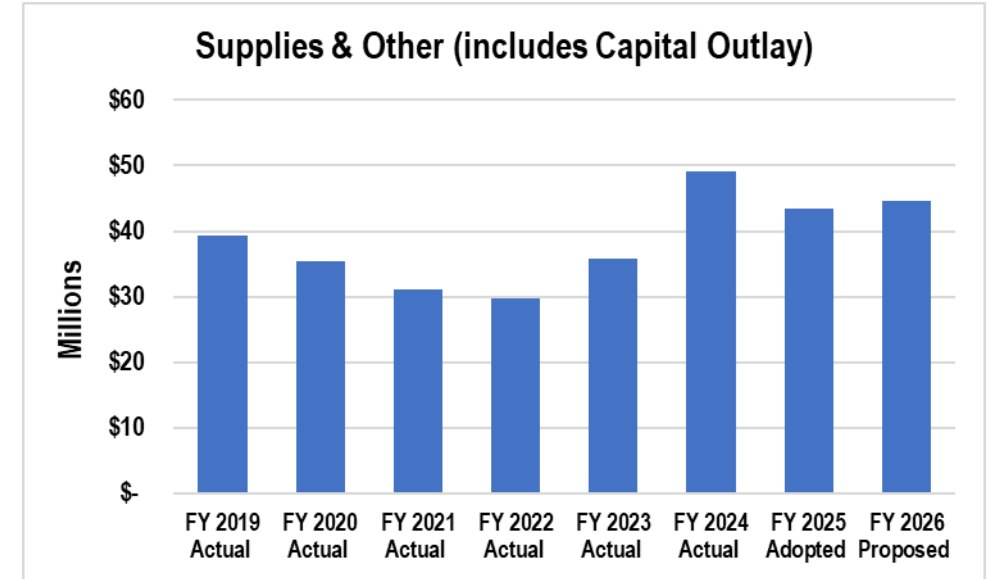
Trend Analysis – O&M Chemicals

- 💧 Expenditures for chemicals were historically stable through FY 2021. Beginning in FY 2022 and FY 2023 costs increased significantly
- 💧 During FY 2024 and continuing in FY 2025 prices have been come stabilize
- 💧 The increase for FY 2026 is the result of the January 2025 Federal Lead Copper Rule Revisions (LCSS) impact on Orthophosphate and Ferric Chloride volumes
 - 💧 The changes will affect budgets for all water plants (additional \$4.7M) and wastewater for primary processing (additional \$2.8M) respectively



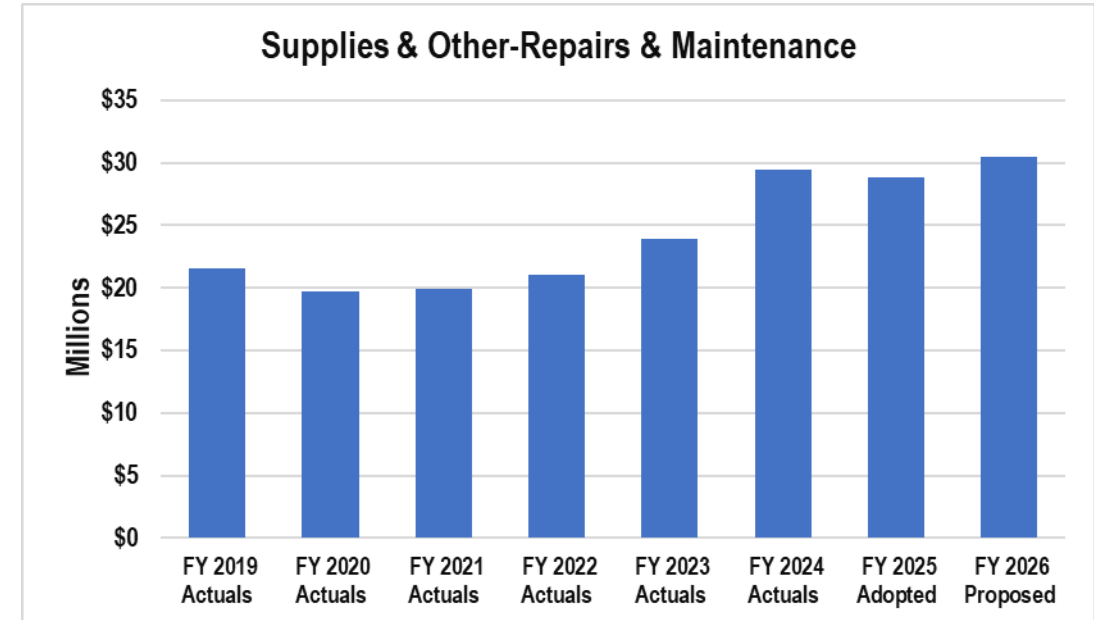
Trend Analysis – Supplies & Other

- The largest portion of this category would be repairs and maintenance, discussed on the following slide
- Supplies are a significant factor for operations including personal protective equipment (PPE), laboratory supplies and warehoused operational supplies
- Increase in training programs for staff and member partners



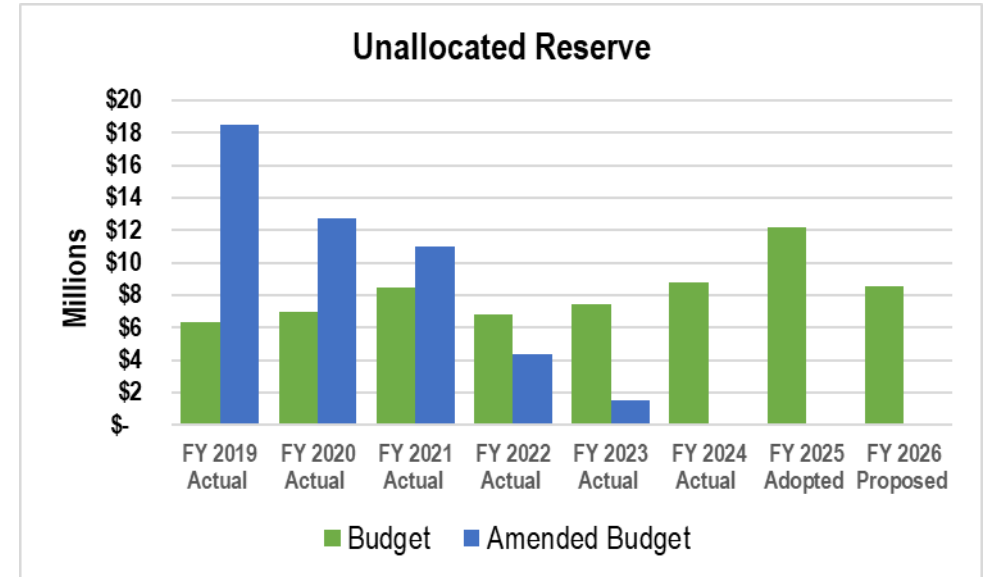
Trend Analysis – Supplies & Other Repairs & Maintenance Component

- A focus on maintaining a high level of service in both Water and Wastewater operations
 - Focusing on reliability and resiliency
- In FY 2024 the development of Workday and NEXGEN were moved to software maintenance
 - Annual operational costs are part of the on-going budget
- For FY 2026 additional funding was included for cyber security measures



Unallocated Reserve

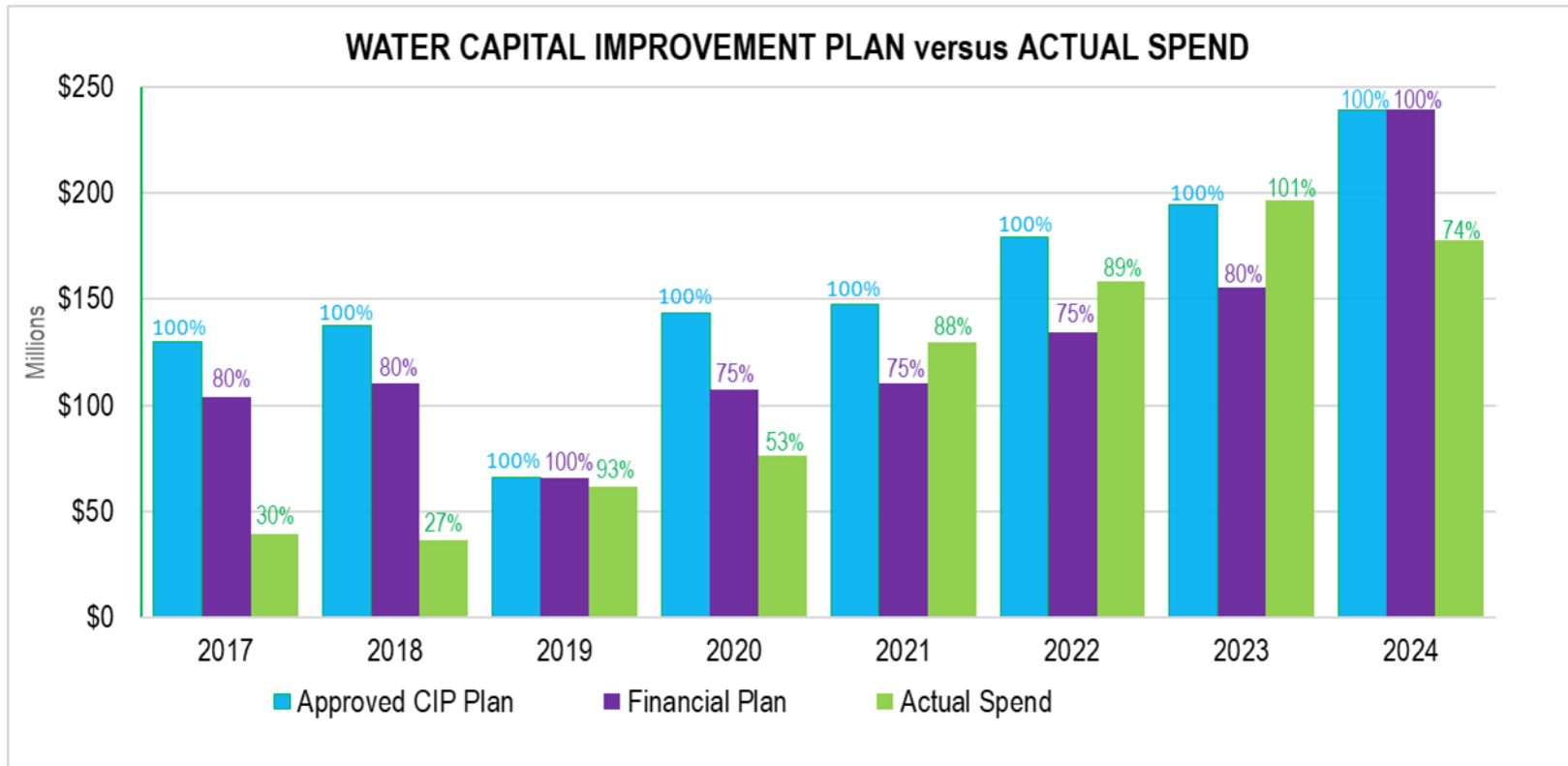
- ◆ Unallocated reserve is a budget technique to prevent cost centers from budgeting “what if” dollar amounts their line items.
- ◆ When a bona fide unforeseen expense arises, and a cost center cannot reallocate other already existing resources, an allocation from the unallocated reserve is provided.
- ◆ The unallocated reserve also includes resources for the Chief Executive Officer (CEO) to utilize for emerging issues and opportunities.
- ◆ Salaries and wages line items do not include future compensation adjustments. The unallocated reserve is utilized at the CEO’s discretion for that purpose. This is why the line “rolls up” each year for cumulative compensation impacts.
- ◆ When the unallocated reserve is utilized, there is a budget amendment to reduce that line and the funding is moved to the appropriate line item. In some years, underspending is moved back to the unallocated reserve.
- ◆ In FY 2024, the entire amount was utilized – largely for equipment repairs and utility cost increases.





Debt Management

CIP DELIVERY: CIP PLAN PAST PERFORMANCE HIGHLIGHTS

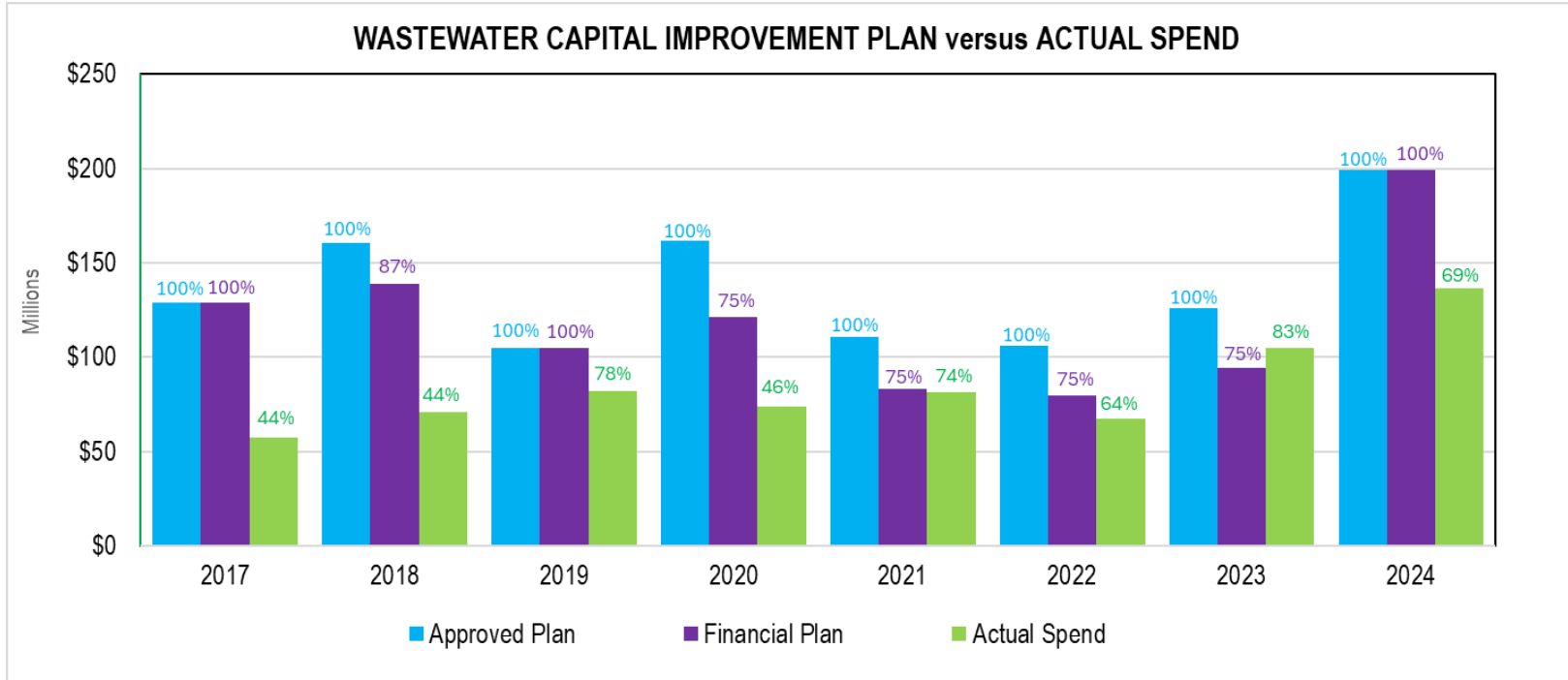


FY 2017 thru FY 2024 Budget Analysis

- Actual Spend exceeded the Financial Plan **three out of the past five years** since introduction AECOM and expanded CIP delivery team
- Improvement & Extension Funds (a/k/a paygo funding) is one resource that is leveraged to continue capital delivery progress when the actual spend approaches the financial plan ceiling
- Engagement of AECOM in 2019 provided engineering services and retooled capital delivery to increase spending – the progress shown in this chart demonstrates that desired outcome
- Due to significantly increased financial constraints, the I&E Funding has been scaled back; the CIP delivery team will provide increased controls on spending to in the future to ensure that spending stays within the financial plan
- The CIP and Financial Plan are dynamic; under- and over-spend are rolled forward and impact future years’ budget and charges

Technical Commentary on FY 2024 CIP vs. Actual Spend - The primary reason for the underspending in FY 2024 was to achieve a cost savings in for the CIP # 122004 – 96” Water Main Relocation. In September 2023, the Board of Directors approved the termination of a Construction Manager at Risk (CMAR) contract to pivot to a significantly more cost-effective Design-Bid-Build delivery methods. The impact of negotiating and implementing this approach was a deferral of spend from FY 2024 to FY 2025.

WASTEWATER CIP DELIVERY: CSR-PAST PERFORMANCE

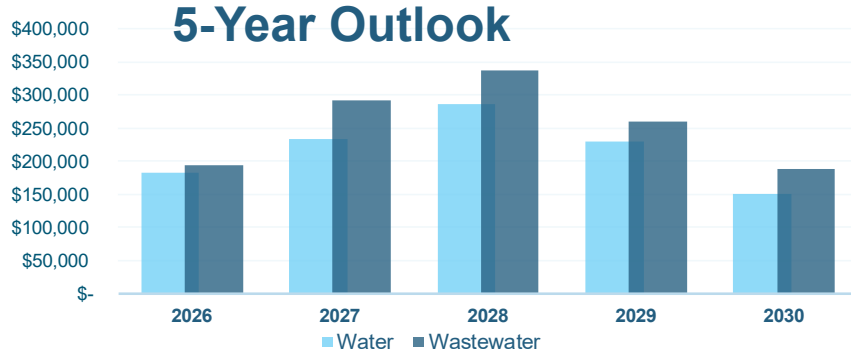


FY 2017 thru FY 2024 Budget Analysis

- Actual Spend equaled or exceeded the Financial Plan **two out of the past five years** since introduction AECOM and expanded CIP delivery team
- Improvement & Extension Funds (a/k/a paygo funding) is one resource that is leveraged to continue capital delivery progress when the actual spend approaches the financial plan ceiling
- Engagement of AECOM in 2019 provided engineering services and retooled capital delivery to increase spending – the progress shown in this chart demonstrates that desired outcome
- Due to significantly increased financial constraints, the I&E Funding has been scaled back; the CIP delivery team will provide increased controls on spending to in the future to ensure that spending stays within the financial plan
- The CIP and Financial Plan are dynamic; under- and over-spend are rolled forward and impact future years’ budget and charges

Technical Commentary on FY 2024 CIP vs. Actual Spend – examples for reasons for the underspending in FY 2024: **1)** CIP # 232002 – Connor Creek Pump Station Improvements. The Board of Directors awarded a contract for approximately \$139 million on February 28, 2024. Due to the magnitude of this project, additional time was incurred in bid evaluation and contract negotiation. **2)** CIP #212008 WRRF Aeration Improvements 1 and 2 bids were \$125 million higher than engineers estimate. Value engineering took about nine months, and the award was delayed. No significant spending was realized in FY 24. **3)** CIP #211006-WRRF PS 1 - Project was delayed by SRF funding being provided for the project and thus the original start date and all associated elements were delayed by approximately 7 months. SRF funding provided access to low interest loan and approximately \$10M in principle forgiveness. The underspending in FY 2024 results in a deferral of spending to subsequent years.

FY 2026 - 2030 DISCUSSION DRAFT 2 - CIP AT A GLANCE

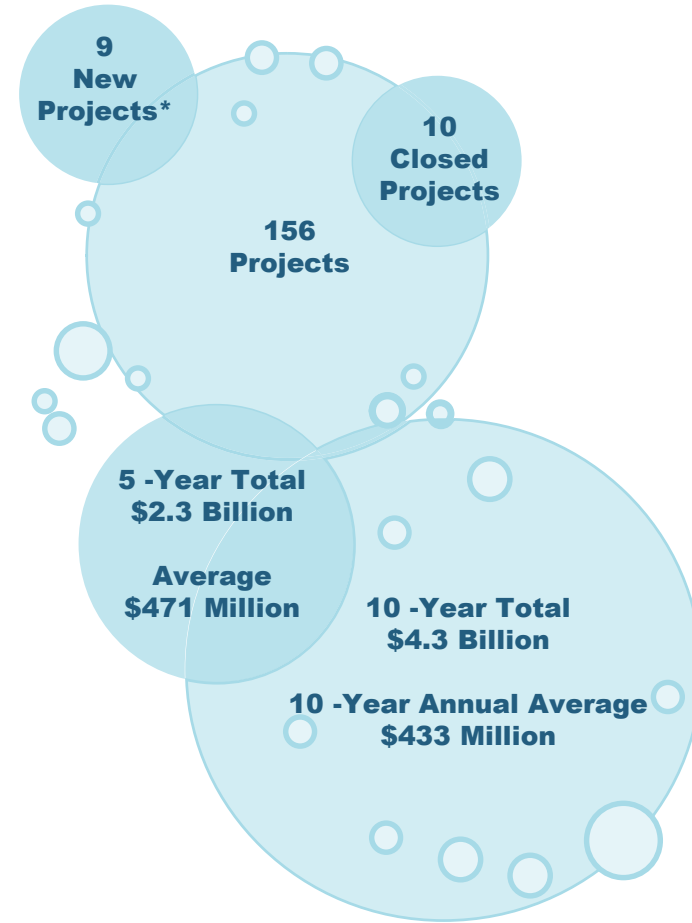


Financial figures in \$1,000s and rounded

WATER	
5-Year Total	\$1,083,229
5-Year Average	\$216,646
10-Year Total	\$2,216,920
10-Year Average	\$221,692

WASTEWATER	
5-Year Total	\$1,271,603
5-Year Average	\$254,321
10-Year Total	\$2,112,834
10-Year Average	\$211,283

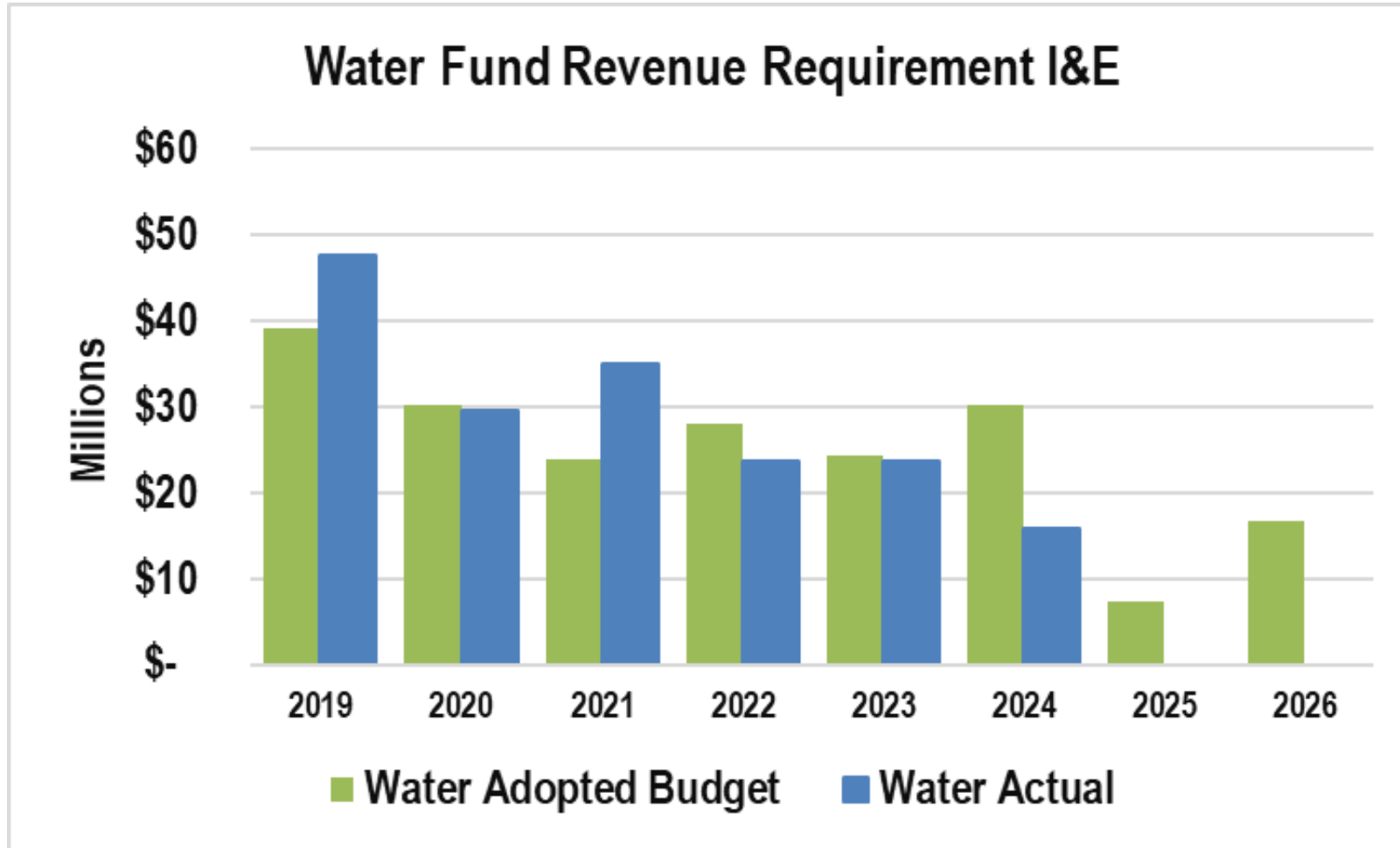
* Based on Sep 30, 2024, actuals and PM cost and schedule updates as of Nov 15, 2024



***5 NEW PROJECTS FROM PROGRAMS**

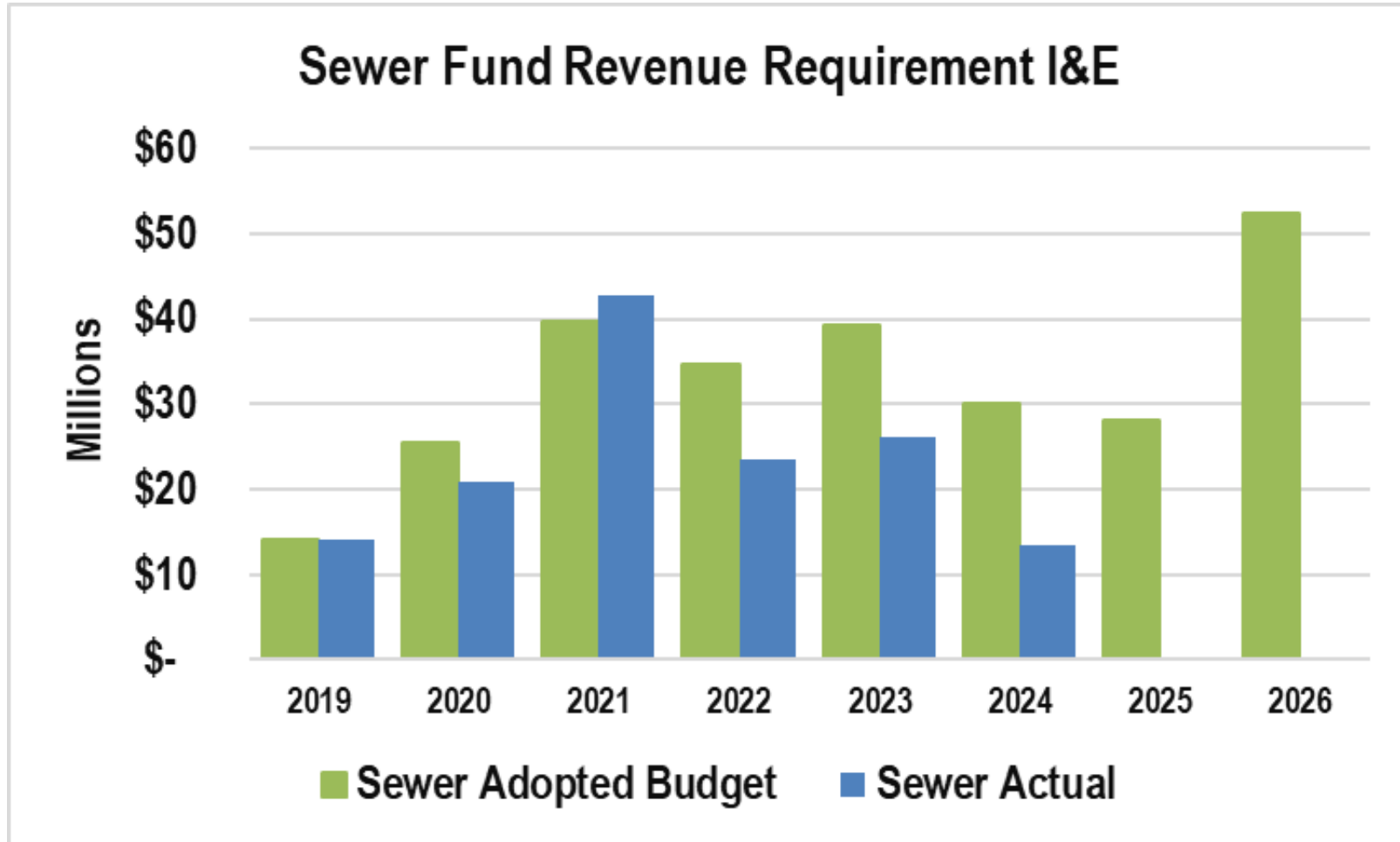


Water Fund PAYGO Capital Financing



- 💧 Average annual CIP forecast = \$221 million over 10 years
- 💧 Minimum annual Paygo set aside for large utility = 20% of CIP
- 💧 Annual I&E (Paygo) Contribution should be \$44 million for GLWA
- 💧 GLWA FY 2026 Budget = \$16.6 million

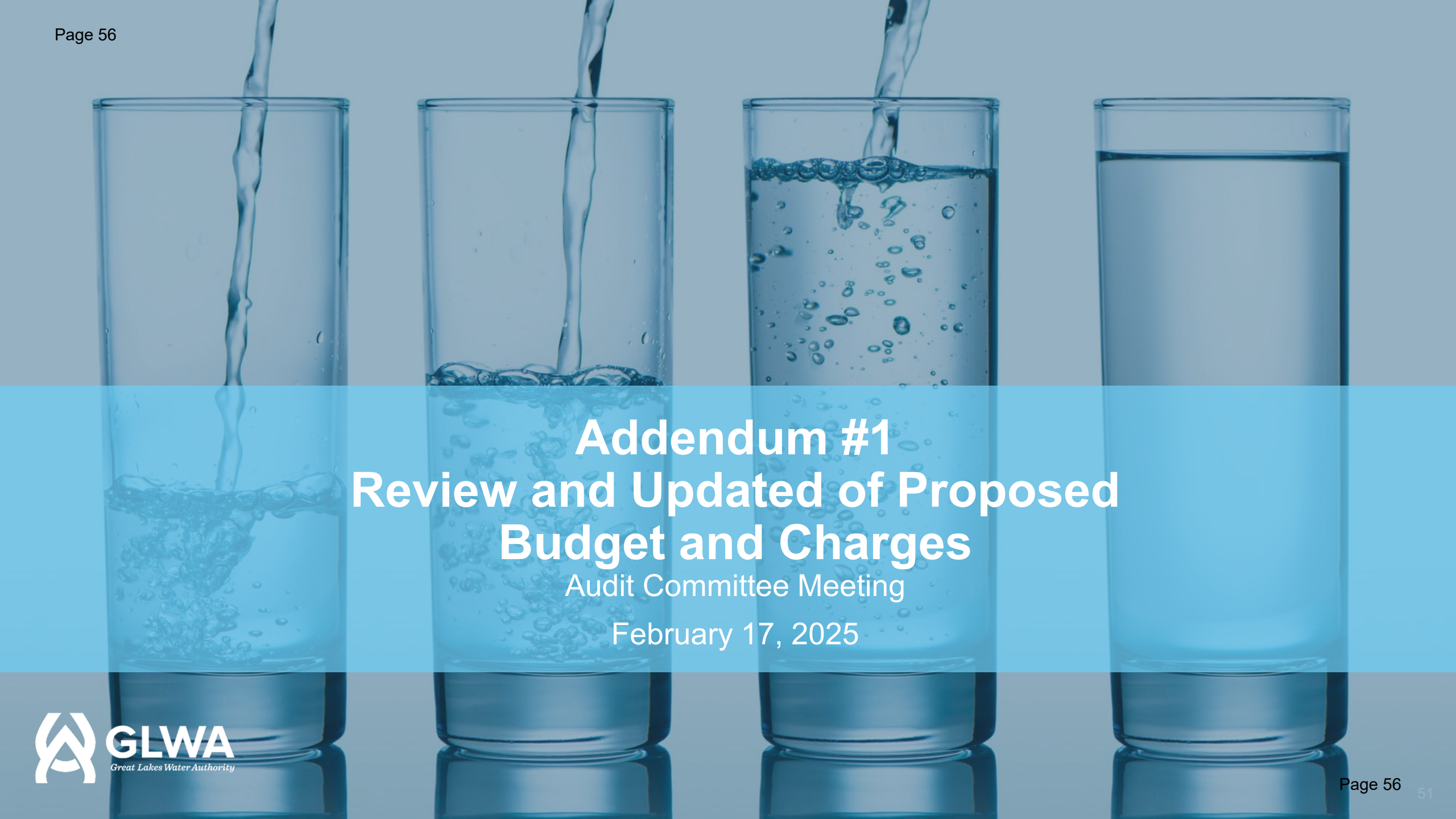
Sewer Fund PAYGO Capital Financing



- 💧 Average annual CIP forecast = \$211 million over 10 years
- 💧 Minimum annual Paygo set aside for large utility = 20% of CIP
- 💧 Annual I&E (Paygo) Contribution should be \$42.2 million for GLWA
- 💧 GLWA FY 2026 Budget = \$52 million
 - 💧 Recent five year average of \$25 million (FY 2020 – FY2024)



Other Key Charts, Analysis, & Commentary



Addendum #1
Review and Updated of Proposed
Budget and Charges
Audit Committee Meeting
February 17, 2025

Emerging Issue – 2.14.2025 – Pension Update

FY 2026 Preliminary Update of Pension Payment	Budget Impact
<u>Proposed Budget Today: Preliminary Based on 6/30/2023 Actuarial (\$2.3 million contribution funded from administrative costs credit)</u>	\$0
<u>TBD: Preliminary Update, 6/30/2024 as of 2.14.2025 (after utilizing full administrative costs credit to reduce material increase in liability)</u>	\$ 4,399,100

Pension Payment Allocation			
System/Fund	Water	Sewer	Total
GLWA	\$ 1,108,600	\$ 1,984,000	3,092,600
DWSD	783,000	523,500	1,306,500
Total	\$ 1,891,600	\$ 2,507,500	4,399,100



Great Lakes Water Authority
 Supplemental Analysis - Personnel
 FY 2026 & FY 2027 Biennial Budget and Five
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 As of February 13, 2025

Worker Type / Area	FY 2024 FTE Requested	FY 2024 Total Requested Compensation (July 1, 2023 Wage Rate)	Increase from FY 2024 to FY 2025	FY 2025 FTE Requested	FY 2025 Total Requested Compensation (Reflects Compensation Study)	Increase from FY 2025 to FY 2026	FY 2026 FTE Requested	FY 2026 Total Requested Compensation
Regular	1,077.50	\$ 112,113,156	\$ 8,221,243	1,118.25	\$ 120,334,399	\$ 4,295,757	1,078.00	\$ 124,630,156
A Water System Operations	215.00	22,158,198	1,957,398	228.25	24,115,596	402,469	216.50	24,518,066
B Wastewater System Operations	346.50	33,837,985	2,405,335	354.25	36,243,320	(272,967)	328.75	35,970,353
C Centralized Services	357.50	37,201,424	2,651,637	370.75	39,853,061	530,476	344.75	40,383,537
D Administrative & Other Services	158.50	18,915,548	1,206,873	165.00	20,122,421	3,635,779	188.00	23,758,200
Contingent	43.00	6,163,066	306,663	41.75	6,469,729	2,021,513	52.25	8,491,242
B Wastewater System Operations	36.50	5,444,075	123,951	34.75	5,568,026	1,760,212	45.00	7,328,237
C Centralized Services	6.00	666,805	143,819	6.00	810,624	222,936	6.00	1,033,560
D Administrative & Other Services	0.50	52,187	38,893	1.00	91,080	38,365	1.25	129,445
Apprentice	32.25	2,397,747	772,349	43.00	3,170,096	1,376,771	50.50	4,546,868
A Water System Operations	16.25	1,136,857	441,585	23.75	1,578,443	844,155	29.00	2,422,598
B Wastewater System Operations	6.50	443,122	224,288	8.75	667,410	136,853	8.50	804,263
C Centralized Services	9.50	817,768	106,476	10.50	924,243	395,763	13.00	1,320,007
Intern	0.50	28,126	-	0.50	28,126	1,057,696	29.25	1,085,822
A Water System Operations			-			80,981	2.25	80,981
B Wastewater System Operations			-			173,954	4.75	173,954
C Centralized Services	0.50	28,126	-	0.50	28,126	605,739	17.00	633,865
D Administrative & Other Services			-			197,023	5.25	197,023
Grand Total	1,153.25	\$ 120,702,095	\$ 9,300,255	1,203.50	\$ 130,002,350	\$ 8,751,738	1,210.00	\$ 138,754,088
FTE Change			50.25			6.50		

The FY 2024 Budget was based on wages in effect July 2023. Subsequently, the phase-in of a long awaited compensation study was partially implemented in February 2024. The increase of \$9.3 million includes that merit adjustment in addition to filling vacancies for open, budgeted positions. For FY 2026 some contractor positions are now shown as "contingent" worker. This is due to new software that will enable us to better track time. This accounts for nearly 19 positions.

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Worker Type / Area	Increase from FY 2026 to FY 2027	FY 2027 FTE Requested	FY 2027 Total Requested Compensation	Increase from FY 2027 to FY 2028	FY 2028 FTE Requested	FY 2028 Total Requested Compensation
Regular	\$ 7,326,742	1,148.75	\$ 131,956,898	\$ 12,427,066	1,265.00	\$ 144,383,964
A Water System Operations	2,003,830	234.25	26,521,896	3,054,524	259.25	29,576,420
B Wastewater System Operations	3,099,418	362.75	39,069,771	5,038,256	416.00	44,108,027
C Centralized Services	1,473,506	358.00	41,857,043	2,798,143	384.00	44,655,186
D Administrative & Other Services	749,988	193.75	24,508,188	1,536,143	205.75	26,044,331
Contingent	37,756	52.50	8,528,999	76,121	53.00	8,605,120
B Wastewater System Operations	-	45.00	7,328,237	-	45.00	7,328,237
C Centralized Services	-	6.00	1,033,560	-	6.00	1,033,560
D Administrative & Other Services	37,756	1.50	167,201	76,121	2.00	243,322
Apprentice	477,248	58.50	5,024,116	41,687	59.00	5,065,803
A Water System Operations	360,526	35.00	2,783,124	7,483	35.00	2,790,607
B Wastewater System Operations	113,943	10.50	918,206	31,424	11.00	949,631
C Centralized Services	2,780	13.00	1,322,786	2,780	13.00	1,325,566
Intern	144,051	33.25	1,229,873	-	33.25	1,229,873
A Water System Operations	60,750	4.00	141,731	-	4.00	141,731
B Wastewater System Operations	65,049	6.50	239,002	-	6.50	239,002
C Centralized Services	18,252	17.50	652,117	-	17.50	652,117
D Administrative & Other Services	-	5.25	197,023	-	5.25	197,023
Grand Total	\$ 7,985,797	1,293.00	\$ 146,739,885	\$ 12,544,875	1,410.25	\$ 159,284,760
FTE Change	83.00			117.25		

The increase in requested compensation is largely due to the anticipated hiring of 83 FTE in FY 2027 and 117.25 in FY 2028. Many of the positions targeted for recruitment in this era are related to capital program delivery.

Great Lakes Water Authority
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 As of February 13, 2025

Worker Type / Area	Increase from FY 2028 to FY 2029	FY 2029 FTE Requested	FY 2029 Total Requested Compensation	Increase from FY 2029 to FY 2030	FY 2030 FTE Requested	FY 2030 Total Requested Compensation
Regular	\$ 1,123,410	1,271.50	\$ 145,507,374	\$ 272,178	1,271.50	\$ 145,779,552
A Water System Operations	327,695	261.50	29,904,114	55,911	261.50	29,960,025
B Wastewater System Operations	410,178	418.00	44,518,205	89,372	418.00	44,607,577
C Centralized Services	256,632	385.50	44,911,818	82,530	385.50	44,994,348
D Administrative & Other Services	128,906	206.50	26,173,237	44,365	206.50	26,217,602
Contingent	-	53.00	8,605,120	-	53.00	8,605,120
B Wastewater System Operations	-	45.00	7,328,237	-	45.00	7,328,237
C Centralized Services	-	6.00	1,033,560	-	6.00	1,033,560
D Administrative & Other Services	-	2.00	243,322	-	2.00	243,322
Apprentice	12,615	59.00	5,078,418	12,615	59.00	5,091,033
A Water System Operations	7,483	35.00	2,798,090	7,483	35.00	2,805,574
B Wastewater System Operations	2,352	11.00	951,982	2,352	11.00	954,334
C Centralized Services	2,780	13.00	1,328,345	2,780	13.00	1,331,125
Intern	-	33.25	1,229,873	-	33.25	1,229,873
A Water System Operations	-	4.00	141,731	-	4.00	141,731
B Wastewater System Operations	-	6.50	239,002	-	6.50	239,002
C Centralized Services	-	17.50	652,117	-	17.50	652,117
D Administrative & Other Services	-	5.25	197,023	-	5.25	197,023
Grand Total	\$ 1,136,025	1,416.75	\$ 160,420,785	\$ 284,793	1,416.75	\$ 160,705,577
FTE Change	6.5			\$ -		

The increase in requested compensation is largely due to the anticipated hiring of 6.5 FTE in FY 2029 and a leveling off in FY 2030. Many of the positions targeted for recruitment in this era are related to capital program delivery or succession planning.

Great Lakes Water Authority
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 Year Plan (FY 2026 through FY 2030)
 As of February 13, 2025

Worker Type / Area	FY 2024 FTE Requested	FY 2024 Total Requested Compensation (July 1, 2023 Wage Rate)	Increase from FY 2024 to FY 2025	FY 2025 FTE Requested	FY 2025 Total Requested Compensation (Reflects Compensation Study)	Increase from FY 2025 to FY 2026	FY 2026 FTE Requested	FY 2026 Total Requested Compensation	Increase from FY 2026 to FY 2027	FY 2027 FTE Requested	FY 2027 Total Requested Compensation	Increase from FY 2027 to FY 2028	FY 2028 FTE Requested	FY 2028 Total Requested Compensation	Increase from FY 2028 to FY 2029	FY 2029 FTE Requested	FY 2029 Total Requested Compensation	Increase from FY 2029 to FY 2030	FY 2030 FTE Requested	FY 2030 Total Requested Compensation
Chief Operating Officer Water Operations	373	38,545,906	2,569,499	393	41,115,405	2,230,894	387	43,346,299	3,150,415	420	46,496,714	4,618,204	461	51,114,918	542,848	465	51,657,766	96,962	465	51,754,728
A Water System Operations	231	23,295,056	2,398,984	252	25,694,039	1,327,606	248	27,021,645	2,425,106	273	29,446,751	3,062,007	298	32,508,758	335,178	301	32,843,936	63,394	301	32,907,330
882001 COO - Water Operations & Field Services	5	844,961	235,588	7	1,080,549	162,240	8	1,242,789	37,200	9	1,279,989	73,316	9	1,353,305	1,924	9	1,355,230	1,924	9	1,357,154
882101 Water Director	11	1,355,612	411,323	13	1,766,936	227,982	16	1,994,918	119,445	17	2,114,363	95,615	18	2,209,978	3,742	18	2,213,720	3,742	18	2,217,461
882111 Water Engineering	24	3,101,548	462,531	26	3,564,079	(326,232)	23	3,237,847	827,482	29	4,065,330	1,947,403	43	6,012,733	220,347	44	6,233,080	9,194	44	6,242,274
882121 Water Quality	25	1,989,233	302,181	29	2,291,414	95,813	29	2,387,227	98,480	30	2,485,706	160,308	31	2,646,015	6,628	31	2,652,643	6,628	31	2,659,271
882131 Water Works Park	35	3,361,042	248,207	37	3,609,249	384,875	37	3,994,123	394,106	43	4,388,230	217,359	45	4,605,588	9,194	45	4,614,782	9,194	45	4,623,976
882141 Springwells Water Plant	34	3,311,041	132,334	35	3,443,375	420,913	35	3,864,288	241,785	38	4,106,074	150,566	40	4,256,640	8,552	40	4,265,192	8,552	40	4,273,744
882151 Northeast Water Plant	32	3,186,573	143,500	35	3,330,073	393,823	35	3,723,896	139,829	36	3,863,725	117,954	37	3,981,679	68,755	38	4,050,434	8,125	38	4,058,559
882161 Southwest Water Plant	32	3,092,751	275,579	36	3,368,330	(240,283)	31	3,128,047	336,549	35	3,464,596	198,252	37	3,662,848	7,911	37	3,670,759	7,911	37	3,678,670
882171 Lake Huron Water Plant	35	3,052,295	187,741	35	3,240,035	208,474	35	3,448,510	230,228	38	3,678,738	101,234	39	3,779,972	8,125	39	3,788,097	8,125	39	3,796,222
C Centralized Services	142	15,250,850	170,516	141	15,421,366	903,288	139	16,324,654	725,310	147	17,049,964	1,556,197	163	18,606,161	207,670	165	18,813,830	33,568	165	18,847,398
882301 Systems Operations Control	40	4,866,743	147,400	40	5,014,143	193,058	39	5,207,201	256,699	42	5,463,900	429,527	45	5,893,427	9,621	45	5,903,048	9,621	45	5,912,670
882421 Facility Operations	18	1,810,770	157,913	19	1,968,682	(68,032)	16	1,900,651	105,868	17	2,006,518	343,189	22	2,349,708	43,701	22	2,393,409	4,704	22	2,398,113
882422 Fleet Operations	6	617,980	28,291	6	646,271	70,240	6	716,511	17,657	7	734,168	34,349	7	768,517	1,497	7	770,014	1,497	7	771,510
882431 Field Service Operations	66	6,267,349	463,293	68	6,730,642	436,763	64	7,167,405	257,785	66	7,425,190	612,316	73	8,037,506	15,608	73	8,053,114	15,608	73	8,068,722
882501 Energy, Research & Innovation	8	981,941	(311,794)	5	670,147	251,342	12	921,489	86,660	13	1,008,148	136,174	14	1,144,322	136,601	15	1,280,923	1,497	15	1,282,420
882511 Transformation	5	706,068	(314,587)	3	391,481	19,917	3	411,398	641	3	412,039	641	3	412,680	641	3	413,322	641	3	413,963
Chief Operating Officer Wastewater Operations	390	39,725,182	2,753,574	398	42,478,756	1,798,051	387	44,276,807	3,278,410	425	47,555,217	5,069,681	479	52,624,897	412,530	481	53,037,427	91,724	481	53,129,151
B Wastewater System Operations	390	39,725,182	2,753,574	398	42,478,756	1,798,051	387	44,276,807	3,278,410	425	47,555,217	5,069,681	479	52,624,897	412,530	481	53,037,427	91,724	481	53,129,151
892001 Chief Operating Officer Wastewater	12	1,608,164	570,814	15	2,178,979	112,105	15	2,291,083	163,243	16	2,454,326	328,171	19	2,782,498	4,062	19	2,786,560	4,062	19	2,790,622
892201 Wastewater Director	46	5,381,641	121,195	46	5,502,836	123,668	43	5,626,504	487,880	49	6,114,384	647,444	56	6,761,828	8,766	56	6,770,594	8,766	56	6,779,360
892211 Wastewater Engineering	30	3,342,278	1,044,594	34	4,386,872	(633,982)	27	3,752,890	752,009	33	4,504,900	1,375,264	44	5,880,163	330,214	46	6,210,377	9,408	46	6,219,785
892221 Wastewater Operations	13	1,442,544	471,158	17	1,913,702	10,429	17	1,924,131	177,122	20	2,101,253	292,529	23	2,393,782	4,704	23	2,398,486	4,704	23	2,403,189
892222 Wastewater Process Control	21	2,469,965	(122,947)	21	2,347,018	50,330	19	2,397,348	352,853	22	2,750,201	562,356	27	3,312,557	5,773	27	3,318,329	5,773	27	3,324,102
892223 Wastewater Primary Process	45	4,395,375	81,581	43	4,476,956	99,370	43	4,576,326	360,609	48	4,936,936	277,691	52	5,214,626	10,049	52	5,224,675	10,049	52	5,234,724
892224 Wastewater Secondary Process	43	4,166,805	250,009	44	4,416,813	595,931	44	5,012,744	160,684	46	5,173,428	224,123	49	5,397,551	8,980	49	5,406,531	8,980	49	5,415,511
892225 Wastewater Dewatering Process	37	3,393,787	8,762	37	3,402,548	430,563	38	3,833,111	174,398	41	4,007,509	194,365	43	4,201,874	7,697	43	4,209,571	7,697	43	4,217,268
892226 Wastewater Incineration Process	47	4,296,079	318,912	48	4,614,991	227,431	47	4,842,421	259,173	51	5,101,595	455,781	57	5,557,375	10,263	57	5,567,638	10,263	57	5,577,901
892227 BDF, COF & Hauling	8	796,191	9,493	8	805,684	(12,690)	7	792,995	855	7	793,850	855	7	794,705	855	7	795,560	855	7	796,415
892231 Industrial Waste Control	26	2,249,268	51,027	25	2,300,296	267,717	27	2,568,013	79,957	29	2,647,970	98,376	30	2,746,346	6,200	30	2,752,546	6,200	30	2,758,747
892235 Wastewater Laboratories	33	3,241,585	65,002	33	3,306,586	(17,803)	31	3,288,783	266,469	34	3,555,252	532,014	40	4,087,266	8,339	40	4,095,604	8,339	40	4,103,943
892270 Combined Sewer Overflow	30	2,941,499	(116,025)	29	2,825,474	544,984	31	3,370,457	43,156	31	3,413,614	80,713	32	3,494,327	6,628	32	3,500,955	6,628	32	3,507,583
Chief Planning Officer	59	7,000,923	23,006	61	7,023,929	1,103,321	70	8,127,250	479,248	74	8,606,498	695,508	80	9,302,006	14,753	80	9,316,759	14,753	80	9,331,511
886001 Chief Planning Officer	2	303,971	16,911	2	320,882	20,266	2	341,148	428	2	341,576	428	2	342,004	428	2	342,431	428	2	342,859
886100 Systems Planning & Development	3	478,992	(114,599)	3	364,393	(364,393)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
886100 Wastewater Analytics, Planning & Metering	-	-	-	-	589,842	589,842	4	589,842	855	4	590,698	855	4	591,553	855	4	592,408	855	4	593,263
886101 Member Services	-	-	-	-	429,298	429,298	3	429,298	30,650	3	459,948	90,031	4	549,979	855	4	550,834	855	4	551,689
886101 Systems Planning	4	455,926	65,232	4	521,158	(521,158)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
886201 Asset Management	7	896,326	(21,376)	7	874,950	434,427	13	1,309,377	90,622	14	1,399,999	181,128	15	1,581,127	2,352	15	1,583,479	2,352	15	1,585,831
886401 Systems Analytics	35	3,715,488	42,832	37	3,758,320	(3,758,320)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
886401 Water Analytics, Planning & Compliance	-	-	-	-	3,981,885	3,981,885	36	3,981,885	153,653	38	4,135,538	303,462	40	4,439,000	7,483	40	4,446,483	7,483	40	4,453,966
886601 Capital Improvement Planning	9	1,150,220	34,006	9	1,184,226	291,472	12	1,475,699	203,041	14	1,678,739	119,604	15	1,798,343	2,780	15	1,801,123	2,780	15	1,803,902
Chief Administration & Compliance	129	15,117,032	1,091,354	131	16,208,386	1,979,250	139	18,187,636	611,847	143	18,799,483	1,206,502	152	20,005,985	30,165	152	20,036,150	31,430	152	20,067,580
C Centralized Services	72	8,429,074	621,590	72	9,050,663	1,295,257	77	10,345,921	192,653	79	10,538,574	372,604	81	10,911,178	16,891	<				

Worker Type / Area	FY 2024 FTE Requested	FY 2024 Total Requested Compensation (July 1, 2023 Wage Rate)	Increase from FY 2024 to FY 2025	FY 2025 FTE Requested	FY 2025 Total Requested Compensation (Reflects Compensation Study)	Increase from FY 2025 to FY 2026	FY 2026 FTE Requested	FY 2026 Total Requested Compensation	Increase from FY 2026 to FY 2027	FY 2027 FTE Requested	FY 2027 Total Requested Compensation	Increase from FY 2027 to FY 2028	FY 2028 FTE Requested	FY 2028 Total Requested Compensation	Increase from FY 2028 to FY 2029	FY 2029 FTE Requested	FY 2029 Total Requested Compensation	Increase from FY 2029 to FY 2030	FY 2030 FTE Requested	FY 2030 Total Requested Compensation
883351 Info Technology Enterprise Asset Mgmt Systems	16	1,906,809	62,116	16	1,968,925	323,198	18	2,292,124	3,635	18	2,295,758	3,635	18	2,299,393	3,635	18	2,303,028	3,635	18	2,306,662
883361 Info Technology Security & Risk	2	292,034	159,689	3	451,723	168,830	4	620,553	855	4	621,408	855	4	622,264	855	4	623,119	855	4	623,974
D Administrative & Other Services	57	6,687,958	469,764	60	7,157,722	683,993	61	7,841,715	419,194	65	8,260,909	833,898	71	9,094,807	13,274	71	9,108,081	14,539	71	9,122,620
883001 Chief Administrative Officer	5	712,746	70,061	5	782,808	57,058	5	839,866	121,664	6	961,530	244,583	7	1,206,113	232	7	1,206,345	1,497	7	1,207,842
883101 General Counsel	8	1,131,090	144,240	8	1,275,330	80,667	8	1,355,997	42,706	9	1,398,703	84,633	9	1,483,336	1,710	9	1,485,046	1,710	9	1,486,757
883201 Organizational Development Administration	4	524,843	93,246	5	618,089	22,741	4	640,830	16,937	5	657,768	33,332	5	691,100	1,069	5	692,169	1,069	5	693,238
883211 Organizational Development Talent Management	23	2,400,695	(155,000)	22	2,245,695	293,813	23	2,539,507	157,014	24	2,696,521	312,266	27	3,008,787	5,559	27	3,014,346	5,559	27	3,019,905
883231 Organizational Development	13	1,323,055	106,375	14	1,429,429	115,889	14	1,545,318	20,608	14	1,565,927	38,779	15	1,604,705	2,993	15	1,607,699	2,993	15	1,610,692
883401 Enterprise Risk Management and Safety	6	595,529	210,842	7	806,372	113,824	8	920,196	60,264	8	980,461	120,305	9	1,100,765	1,710	9	1,102,476	1,710	9	1,104,186
Chief Financial Officer	115	12,822,396	909,206	121	13,731,602	922,453	122	14,654,055	342,414	125	14,996,469	728,008	130	15,724,477	113,066	131	15,837,543	27,261	131	15,864,804
C Centralized Services	23	1,906,454	182,777	25	2,089,231	116,839	25	2,206,070	20,691	25	2,226,762	36,554	26	2,263,315	5,345	26	2,268,661	5,345	26	2,274,006
884124 Logistics and Materials	23	1,906,454	182,777	25	2,089,231	116,839	25	2,206,070	20,691	25	2,226,762	36,554	26	2,263,315	5,345	26	2,268,661	5,345	26	2,274,006
D Administrative & Other Services	92	10,915,942	726,428	96	11,642,370	805,614	97	12,447,984	321,723	99	12,769,707	691,454	104	13,461,162	107,721	105	13,568,883	21,915	105	13,590,798
884001 Chief Financial Officer	4	614,678	139,126	5	753,804	409,753	7	1,163,558	1,497	7	1,165,054	1,497	7	1,166,551	1,497	7	1,168,048	1,497	7	1,169,544
884111 Financial Reporting & Accounting	27	3,107,832	9,566	27	3,117,397	66,498	26	3,183,895	76,634	26	3,260,529	149,126	27	3,409,655	5,559	27	3,415,214	5,559	27	3,420,773
884113 Financial Management & Planning	11	1,391,203	218,057	12	1,609,260	(77,396)	11	1,531,864	2,352	11	1,534,216	31,224	11	1,565,440	88,371	12	1,653,811	2,566	12	1,656,377
884121 Procurement Director	33	3,707,448	(43,738)	31	3,663,710	316,152	32	3,979,862	132,335	33	4,112,197	260,284	35	4,372,481	7,483	35	4,379,965	7,483	35	4,387,448
884131 Treasury	3	320,560	53,040	3	373,599	7,949	3	381,549	641	3	382,190	641	3	382,831	641	3	383,473	641	3	384,114
884141 CFO Services	16	1,774,221	350,378	18	2,124,599	82,658	19	2,207,257	108,264	20	2,315,522	248,682	22	2,564,203	4,169	22	2,568,373	4,169	22	2,572,542
Chief Executive Officer	89	7,490,657	1,953,616	101	9,444,273	868,969	106	10,313,242	123,463	107	10,436,705	226,972	109	10,663,676	22,664	109	10,686,340	22,664	109	10,709,004
C Centralized Services	79	6,126,822	1,904,043	90	8,030,865	542,279	94	8,573,144	97,327	95	8,670,470	176,614	97	8,847,084	20,098	97	8,867,182	20,098	97	8,887,280
881201 Security and Integrity	58	4,216,049	522,733	60	4,738,782	438,667	65	5,177,449	57,380	65	5,234,829	102,541	66	5,337,369	13,470	66	5,350,839	13,470	66	5,364,309
881202 HazMat	19	1,581,627	171,374	20	1,753,001	56,010	20	1,809,011	4,276	20	1,813,287	4,276	20	1,817,564	4,276	20	1,821,840	4,276	20	1,826,116
881203 Office of Emergency Preparedness	3	329,146	49,054	3	378,200	25,276	3	403,477	641	3	404,118	641	3	404,760	641	3	405,401	641	3	406,042
881301 System Resiliency			1,160,881	7	1,160,881	22,326	7	1,183,207	35,029	7	1,218,236	69,156	8	1,287,392	1,710	8	1,289,102	1,710	8	1,290,813
D Administrative & Other Services	10	1,363,835	49,573	11	1,413,409	326,690	11	1,740,098	26,136	12	1,766,234	50,358	12	1,816,592	2,566	12	1,819,158	2,566	12	1,821,724
881001 Chief Executive Officer	2	429,612	4,957	2	434,569	16,343	2	450,912	428	2	451,340	428	2	451,767	428	2	452,195	428	2	452,622
881101 Public Affairs	8	934,223	44,617	9	978,840	159,146	9	1,137,986	25,709	10	1,163,695	49,930	10	1,213,625	2,138	10	1,215,763	2,138	10	1,217,901
881151 Board of Directors			-		151,200	-	-	151,200	-	-	151,200	-	-	151,200	-	-	151,200	-	-	151,200
Grand Total	1,153	\$ 120,702,095	\$ 9,300,255	1,204	\$ 130,002,350	\$ 8,902,938	1,210	\$ 138,905,288	\$ 7,985,797	1,293	\$ 146,891,085	\$ 12,544,875	1,410	\$ 159,435,960	\$ 1,136,025	1,417	\$ 160,571,985	\$ 284,793	1,417	\$ 160,856,777

Economic Outlook Task Force Update

GLWA Audit Committee

February 2025

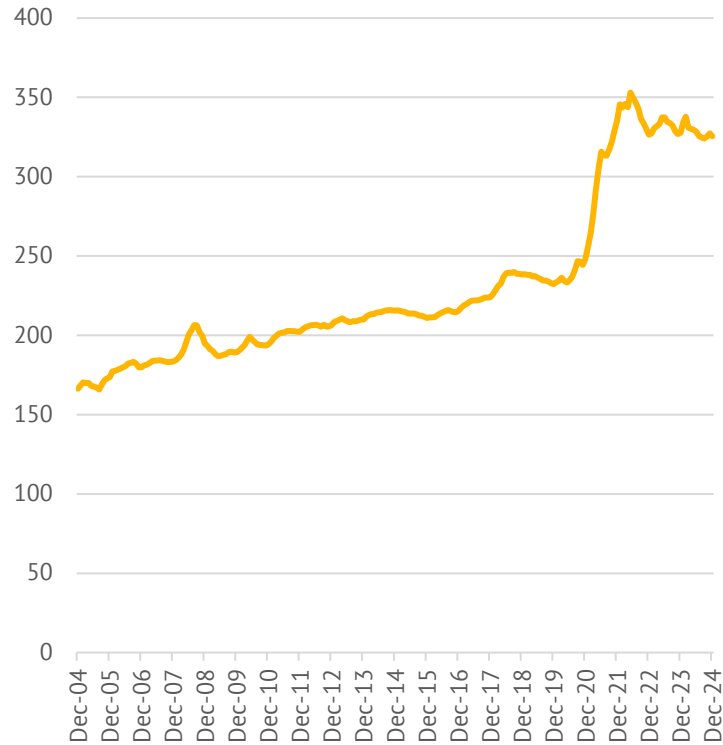
Public Sector Consultants

Executive Summary: 2024 in Review

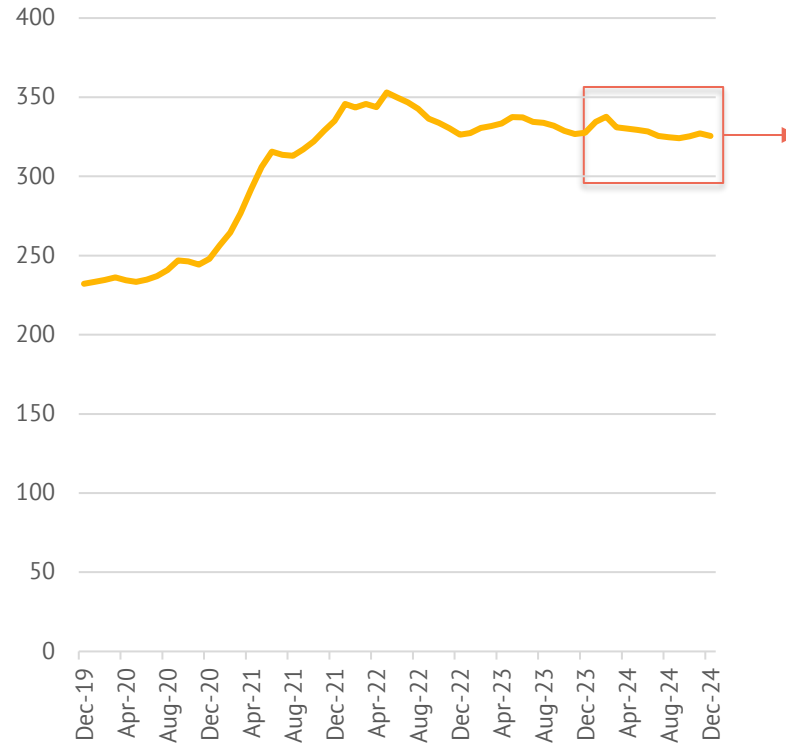
- The economy steadied throughout 2024 with inflation and interest rates reducing albeit at a slower than expected pace. However, the change in federal administration introduced significant uncertainty: proposed economic policies could increase costs of materials (tariffs), decrease funding sources (frozen spending) and slow or reverse interest rate reductions.
- We previously reported inflation would fall below 3% but stay above the Fed target of 2%. As predicted, inflation for 2024 lowered to 2.9%, but a Q4 annualized rate of 3.9% reversed progress achieved in the first three quarters
 - Fed has signaled a wait-and-see approach as it monitors the Trump Administration's policy announcements
 - Proposed tariffs of 25% on Canada and Mexico (delayed for now) and 10% on China will likely increase costs of materials
- Unemployment ended year at 4.1% which is positive
 - Wage growth moderated in 2024 down to 3.9% from 4.3% in 2023, and much lower than its peak in 2022 although remains higher in Detroit area

Construction Materials: Producer Price Index

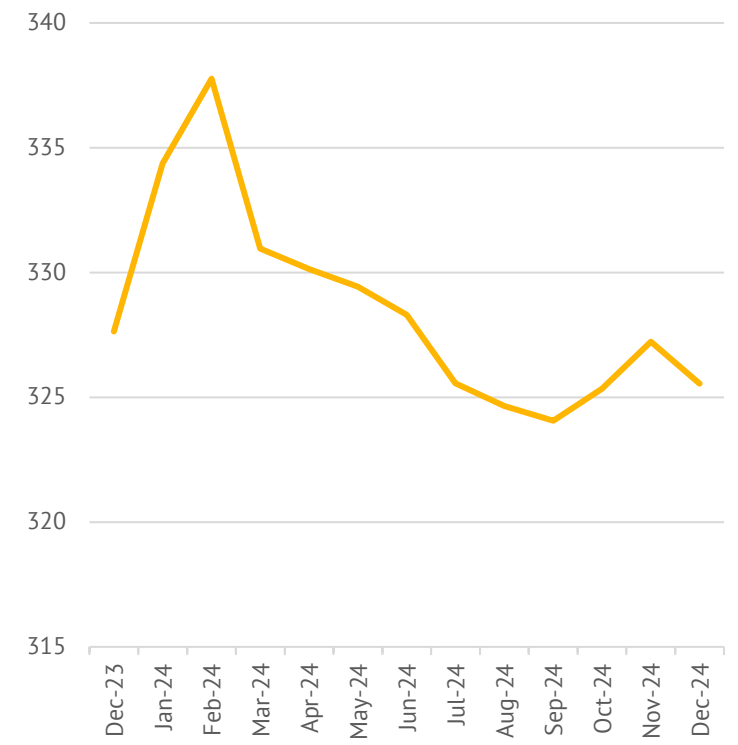
20 YR



5 YR



1 YR*

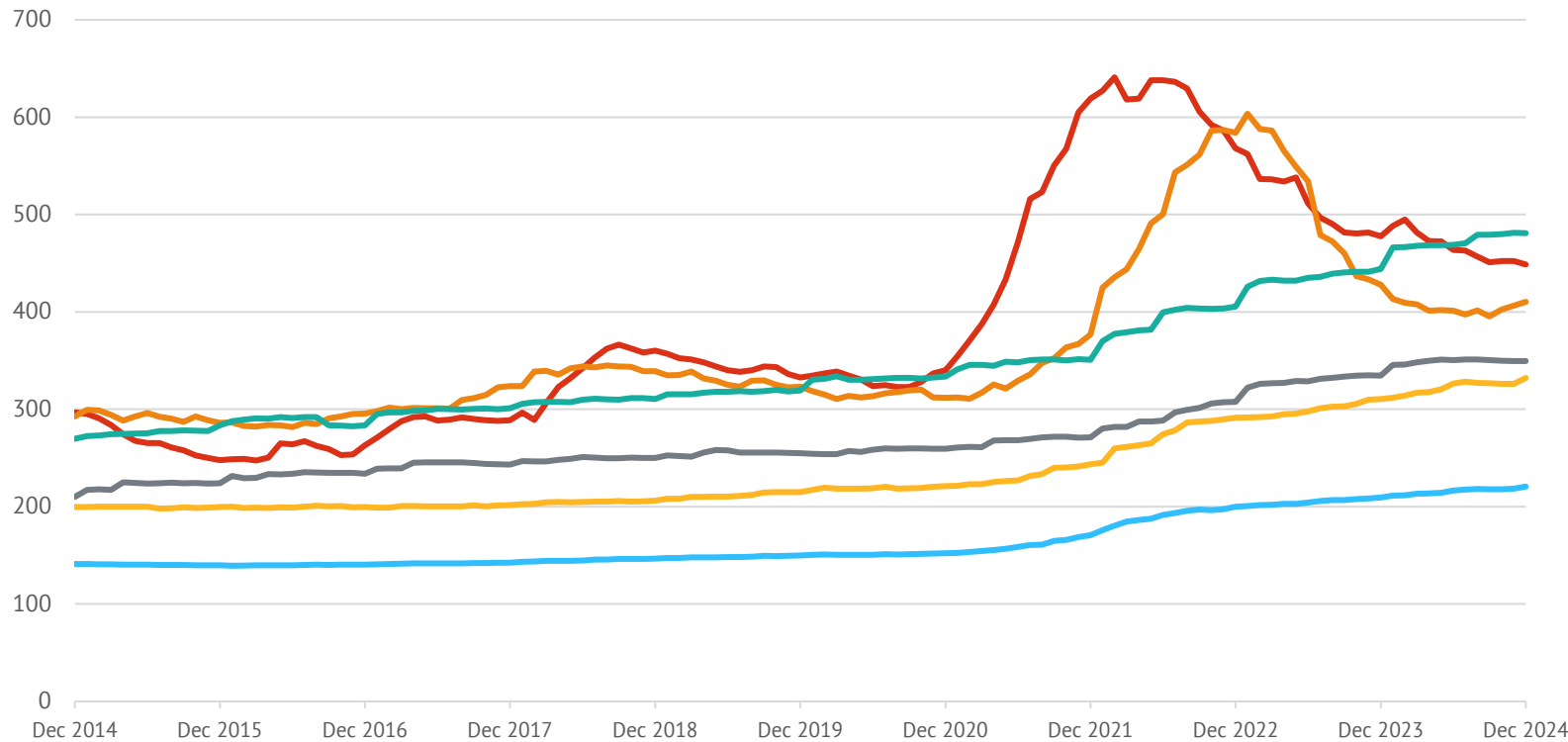


Source: Bureau of Labor Statistics, Producer Price Index

*Note the different vertical axis for 1YR



Priority Materials: Producer Prices



Percent Change	10YR	5YR	1YR
Iron and Steel Pipes and Tubes	51%	35%	-6%
Chlorine	40%	27%	-4%
Aggregates	78%	51%	8%
Cement	66%	37%	4%
Electrical Switch Gear/Board	67%	55%	7%
Elect Equipment	56%	47%	5%

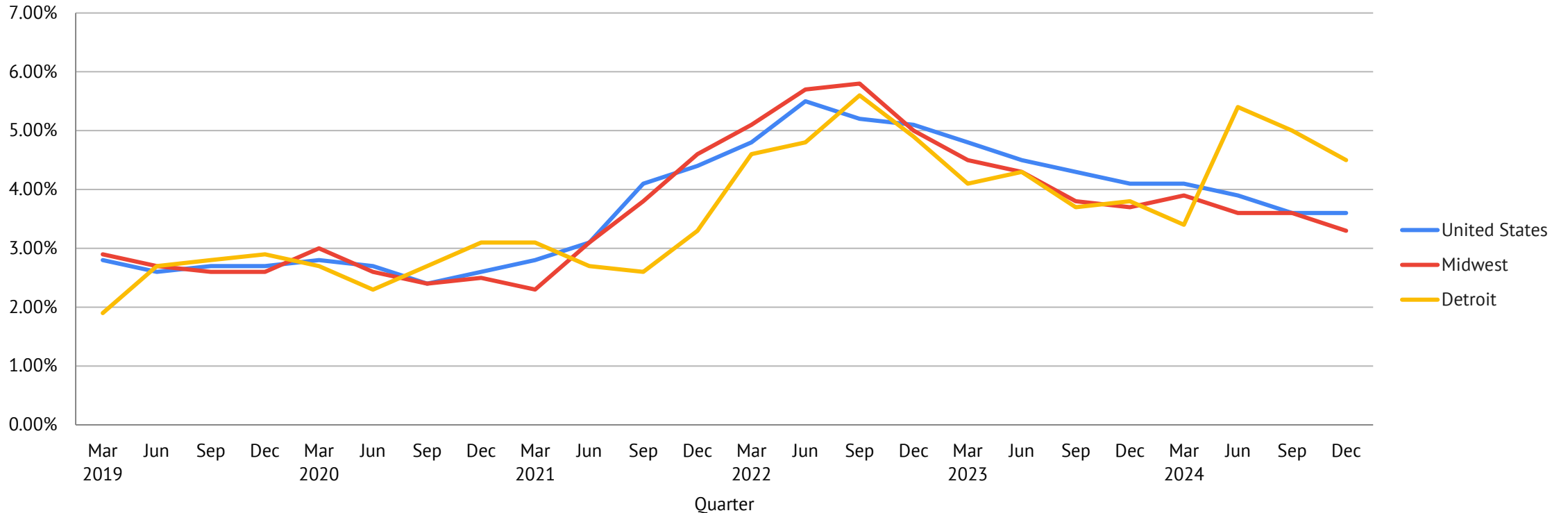


Source: Bureau of Labor Statistics, Producer Price Index



Wages: Total Compensation

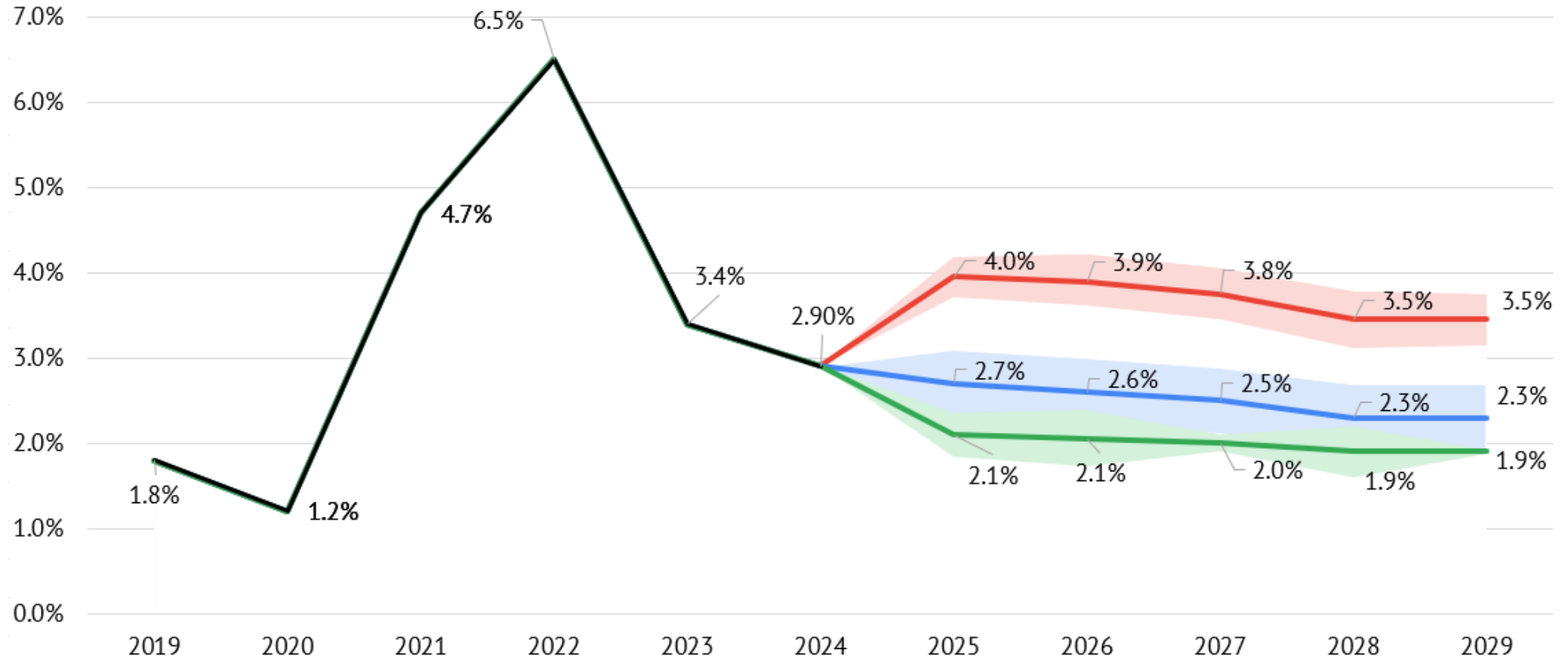
Total Compensation Percent Change: United States, Midwest and Detroit



Source: Employment Cost Index, Bureau of Labor Statistics (BLS)



Southeast Michigan Inflation Forecast



Threat of Tariffs – High Uncertainty

Proposed 25% Tariffs on Canadian and Mexican Imports

- Reached agreements on February 3rd to postpone tariffs for 30 days
- Administrations will negotiate terms spanning border security and trade policy

10% Tariff imposed on China beginning February 4th

- China has announced retaliatory measures

Uncertain magnitude of impact, but expect price increases if tariffs go into place

- Steel/iron likely highest risk: 23% of market is imported; Canada is #1 and Mexico is #3 importer¹
- Chlorine and other chemicals lower risk: only 5% of domestic chlorine consumption is imported²

Looking Ahead in 2025

Key drivers to watch

- Significant uncertainty regarding Trump Administration's policy proposals
- Tariffs on key trading partners (Canada, Mexico, China and the EU)
- Inflationary pressures could delay or reverse interest rate reductions
 - The Fed only lowered rates 100 bps in 2024 and expectations for further cuts in 2025 have evaporated
- Cuts to federal spending programs and staff
- Labor market exhibiting some cautionary indicators: slowdown in hiring and slight decrease in labor force participation
- Consumers spending continues to exceed expectations
- Looming issues:
 - Trade war
 - AI and smart chips
 - Geopolitical conflicts



Annual Review of Credit Metrics in Alignment with Long-Term Plan

January 24, 2025

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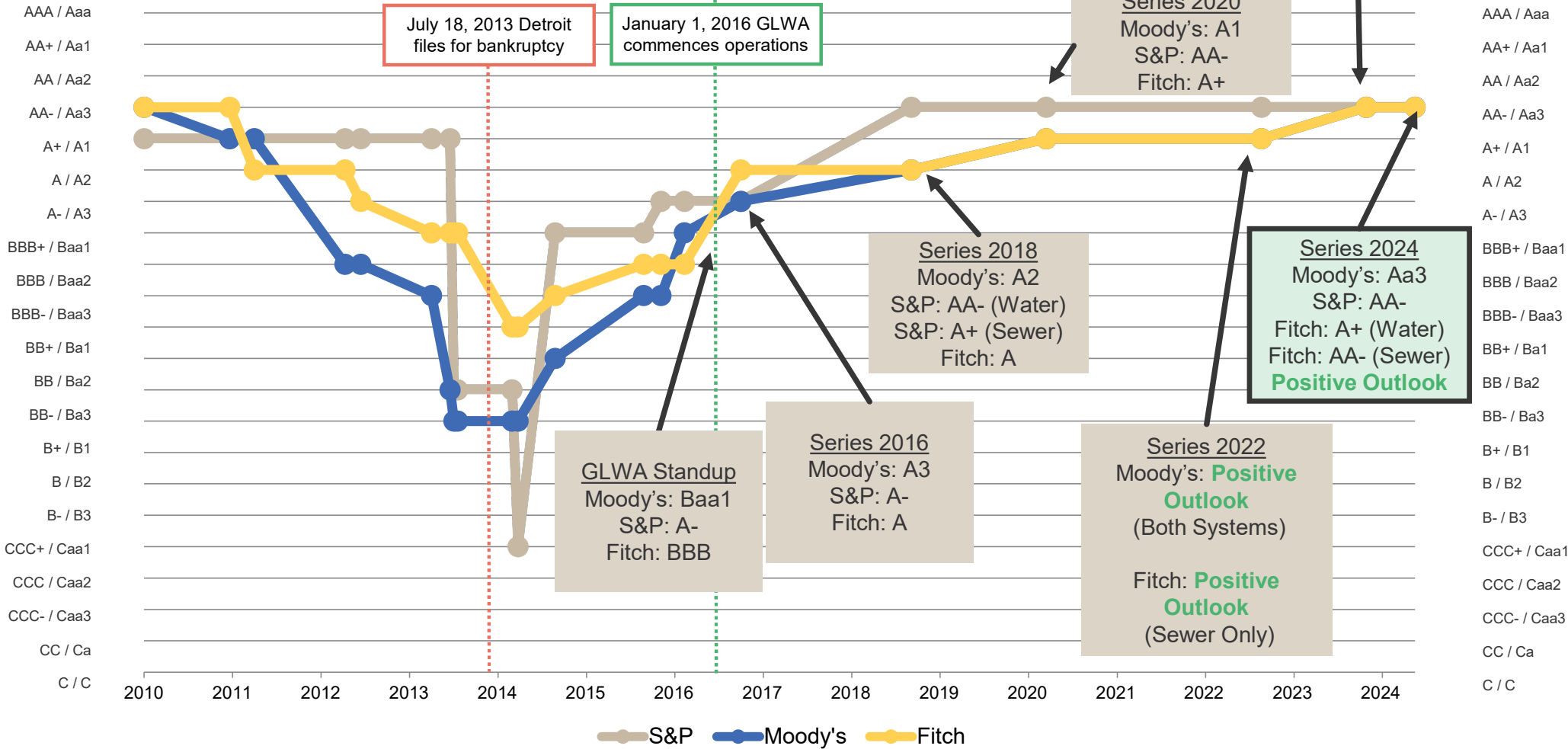
Importance of Bond Ratings

- ◆ Credit ratings are a critical factor in determining the cost of capital for GLWA
 - Impacts both new capital project funding and refinancing of existing debt
 - One notch in ratings can translate to millions of dollars of debt service cost differential
- ◆ Ratings represent a public “scorecard” relating to management of the system, as well as public perception
- ◆ Financial strength important to wholesale customers, including potential additional members
- ◆ Bond ratings may also be referenced in various contractual documents, requiring minimum ratings with counterparties or creating a cost differential



GLWA Credit Ratings Have Strengthened Since Standup

GLWA Senior Lien Ratings History (DWSD Prior to January 1, 2016)



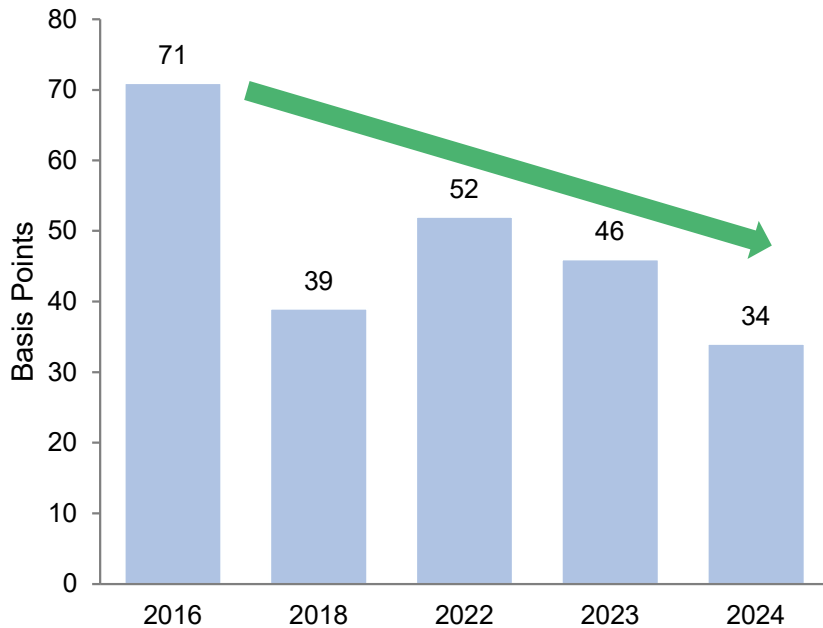
Note: in cases where a rating agency rates Water Senior and Sewer Senior Lien differently, chart displays highest of the two ratings



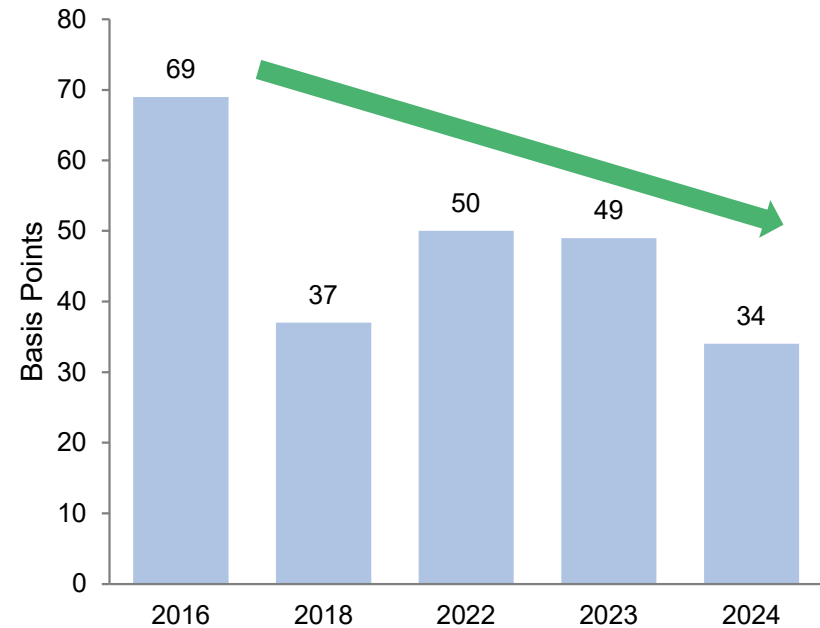
As Credit Ratings Have Improved, GLWA Credit Spreads Have Declined

- GLWA’s tax-exempt borrowing costs are a function of municipal benchmark rates that are common to the market plus credit spreads that are specific to GLWA
- As GLWA’s credit profile has strengthened, GLWA’s credit spreads have declined
- Declines in GLWA credit spreads translate directly to reduced debt service costs and increased availability of refinancing savings, resulting in tangible benefits for member partners that comes from GLWA’s stronger credit profile

**Water System Credit Spreads Over Time
10 Year Maturities**



**Sewer System Credit Spreads Over Time
9 Year Maturities**





Strong Credit Ratings Reduce Impact of New Money Borrowing on Charges

- GLWA has achieved “AA-” senior lien bond ratings for both water and sewer systems through strong projected credit metrics, despite debt service that consumes over 50% of the annual budget and limits financial flexibility
- Upward trajectory of credit ratings has unlocked millions in value captured by refinancing and new money transactions over past five years
- Maintaining strength of current credit ratings generates significant value given size and scope of new money capital plan

Rating	Yield Differential vs. AA- Rating	Individual Bond Sale (\$230 million)			Aggregate Capital Program (\$2.3 billion)		
		Annual Cost Differential (\$230 million)	Total Cost Differential (Through Maturity)	PV at 4%	Annual Cost (\$2.3 billion)	Total Cost Differential (Through Maturity)	PV at 4% (\$230MM Issued Annually, 10 Year)
AA+	(0.15%)	(345,000)	(6,900,000)	(4,688,663)	(3,450,000)	(69,000,000)	(27,982,590)
AA	(0.10%)	(230,000)	(4,600,000)	(3,125,775)	(2,300,000)	(46,000,000)	(18,655,060)
AA-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
A+	0.10%	230,000	4,600,000	3,125,775	2,300,000	46,000,000	18,655,060
A	0.20%	460,000	9,200,000	6,251,550	4,600,000	92,000,000	37,310,121
A-	0.25%	575,000	11,500,000	7,814,438	5,750,000	115,000,000	46,637,651
BBB+	0.45%	1,035,000	20,700,000	14,065,988	10,350,000	207,000,000	83,947,771

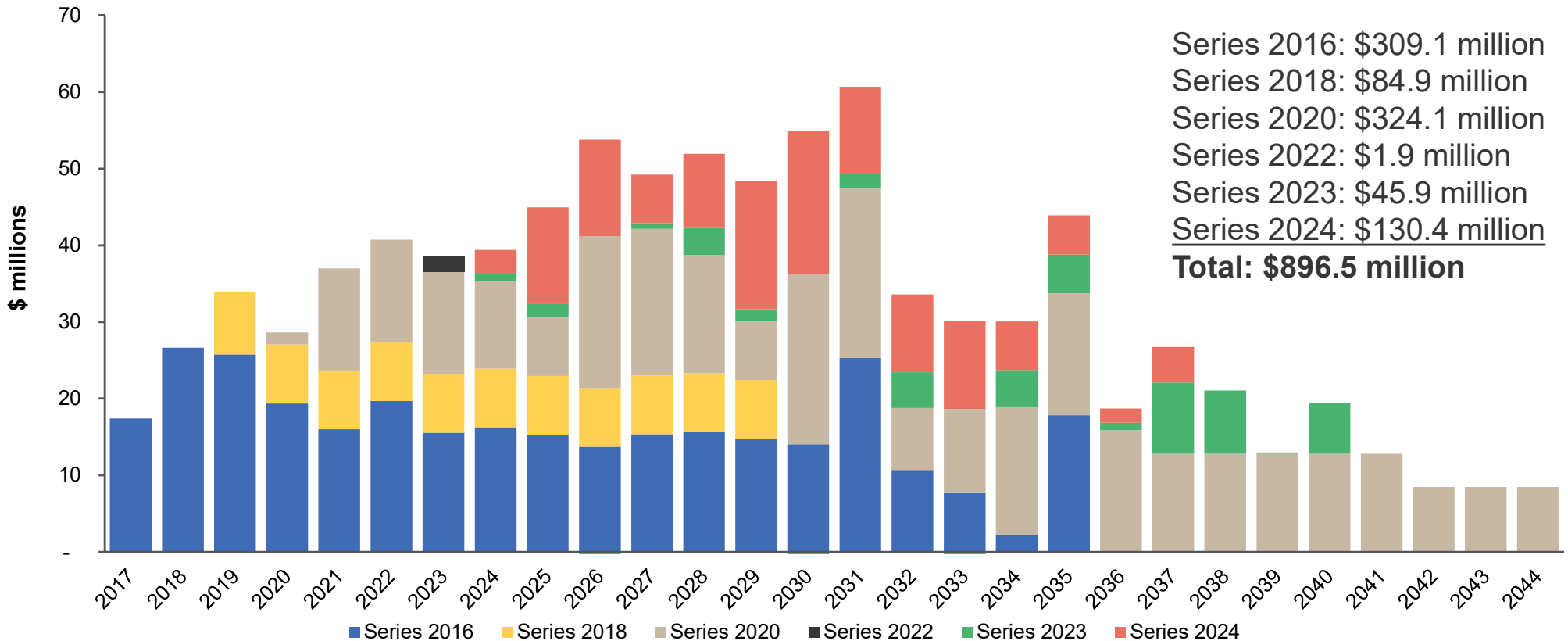
Note: for demonstrative purposes only. Assumes Water & Sewer Muni BVAL average credit spreads since inception. Each \$230 million issue assumed structured as a 20-year bullet maturity at par.



Strong Credit Has Unlocked Millions in Incremental Refinancing Savings

- ◆ Nearly \$50 million of debt service savings has been realized in FY2027 since GLWA standup, generating a meaningful impact on charges
- ◆ Approximately \$6 million of Series 2024 savings alone is attributable to improvement in GLWA credit quality since 2022, representing approximately \$400,000 annually

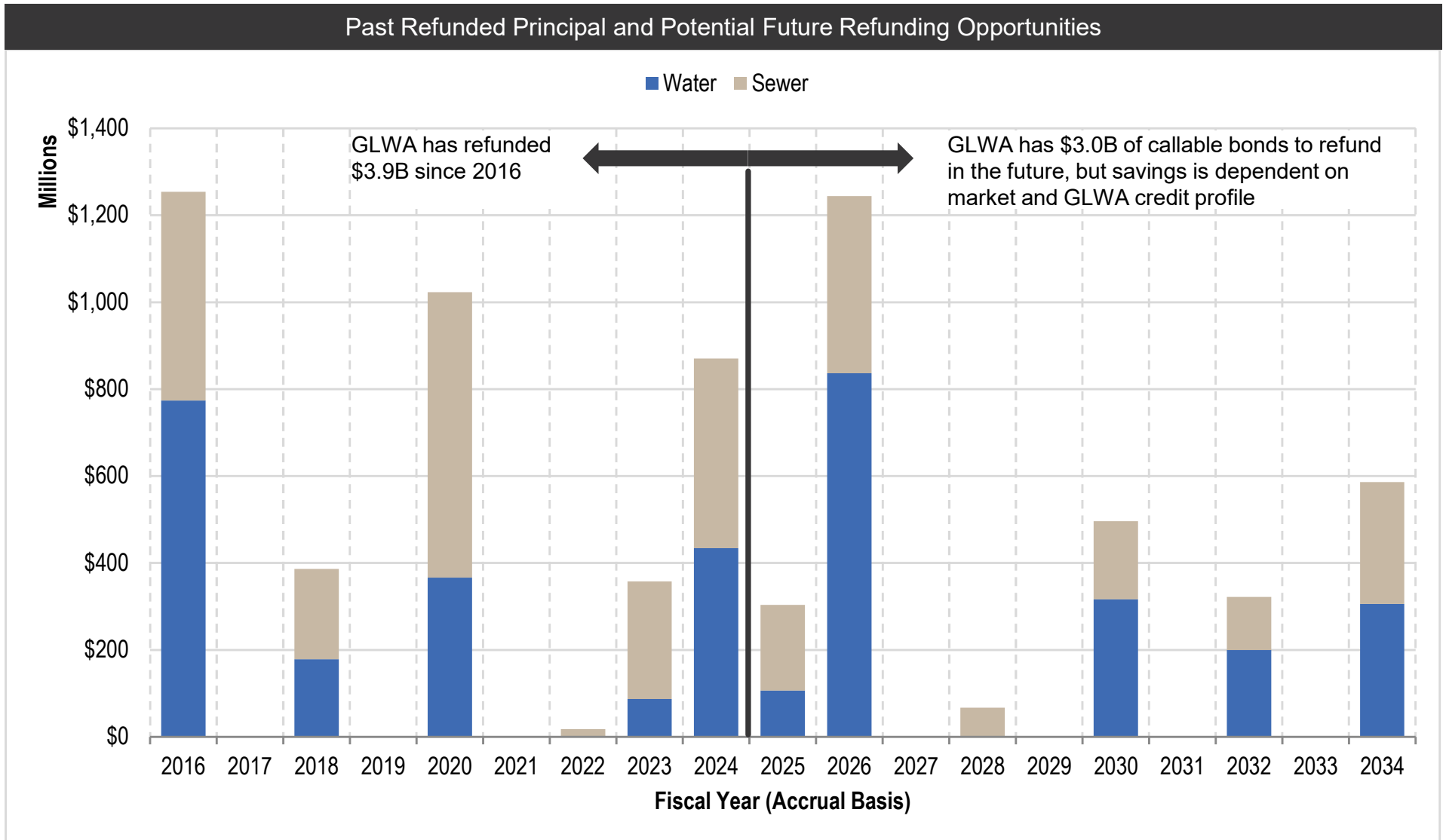
History of Debt Service Savings Since GLWA Standup



1: Totals may not add due to rounding
 Note: Debt service savings is shown on a cash flow basis



After 2026, GLWA Has Fewer Opportunities to Realize Debt Service Savings





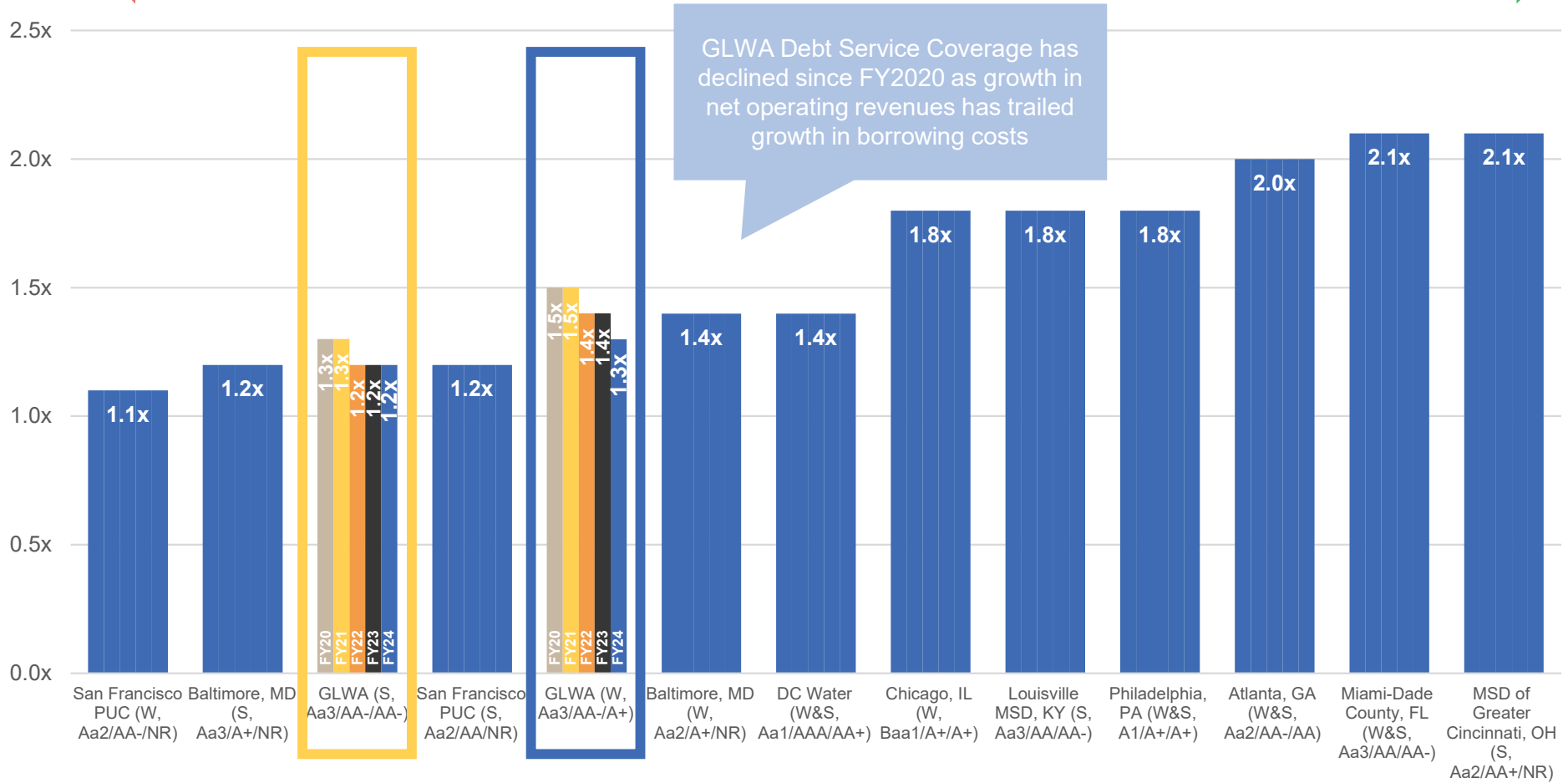
Summary of Select Peer Group and Recent Financial Metrics

Selected Peer	Type	Moody's Rating (Senior)	S&P Rating (Senior)	Fitch Rating (Senior)	Total Operating Revenues (\$000s)	Total Annual Debt Service (\$000s)	Total Debt Service Coverage	DS as a % of Total Operating Revenues	Days Cash on Hand	Debt to Capitalization	Debt as a % of 5 Year CIP
Atlanta, GA	Water & Sewer	Aa2	AA-	AA	493,956	224,505	2.0x	45.45%	1,185 Days	41%	51%
Baltimore, MD	Water	Aa2	A+	NR	232,752	80,124	1.4x	34.42%	372 Days	51%	58%
Baltimore, MD	Sewer	Aa3	A+	NR	294,848	93,553	1.2x	31.73%	154 Days	38%	57%
Chicago, IL	Water	Baa1	A+	A+	803,610	254,262	1.8x	31.64%	391 Days	52%	57%
DC Water, DC	Water & Sewer	Aa1	AAA	AA+	898,763	211,783	1.4x	23.56%	347 Days	56%	42%
GLWA, MI	Water	Aa3	AA-	A+	358,551	208,811	1.3x	57.36%	473 Days	84%	93%*
GLWA, MI	Sewer	Aa3	AA-	AA-	476,980	267,040	1.2x	54.75%	445 Days	77%	67%*
Louisville MSD, KY	Sewer	Aa3	AA	AA-	426,275	169,385	1.8x	39.74%	307 Days	40%	69%
Miami-Dade County, FL	Water & Sewer	Aa3	AA	AA-	954,412	230,877	2.1x	24.19%	147 Days	59%	49%
MSD of Greater Cincinnati, OH	Sewer	Aa2	AA+	NR	284,462	82,641	2.1x	29.05%	61 Days	37%	8%
Philadelphia, PA	Water & Sewer	A1	A+	A+	817,096	187,701	1.8x	22.97%	134 Days	74%	58%
San Francisco PUC, CA	Water	Aa2	AA-	NR	676,027	362,075	1.1x	53.56%	373 Days	88%	74%
San Francisco PUC, CA	Sewer	Aa2	AA	NR	392,779	98,471	1.2x	25.07%	361 Days	76%	85%

Source: Moody's Financial Ratio Analysis database, as of January 10, 2024. GLWA, Louisville MSD, & San Francisco PUC as of FY2024. All other data as of FY2023. Debt to Capitalization & Debt as a % of 5 Year CIP is calculated using the issuers' most recent financial data.

*GLWA Debt as a % of 5 Year CIP includes only Regional System.

Peer Comparison of Total Debt Service Coverage

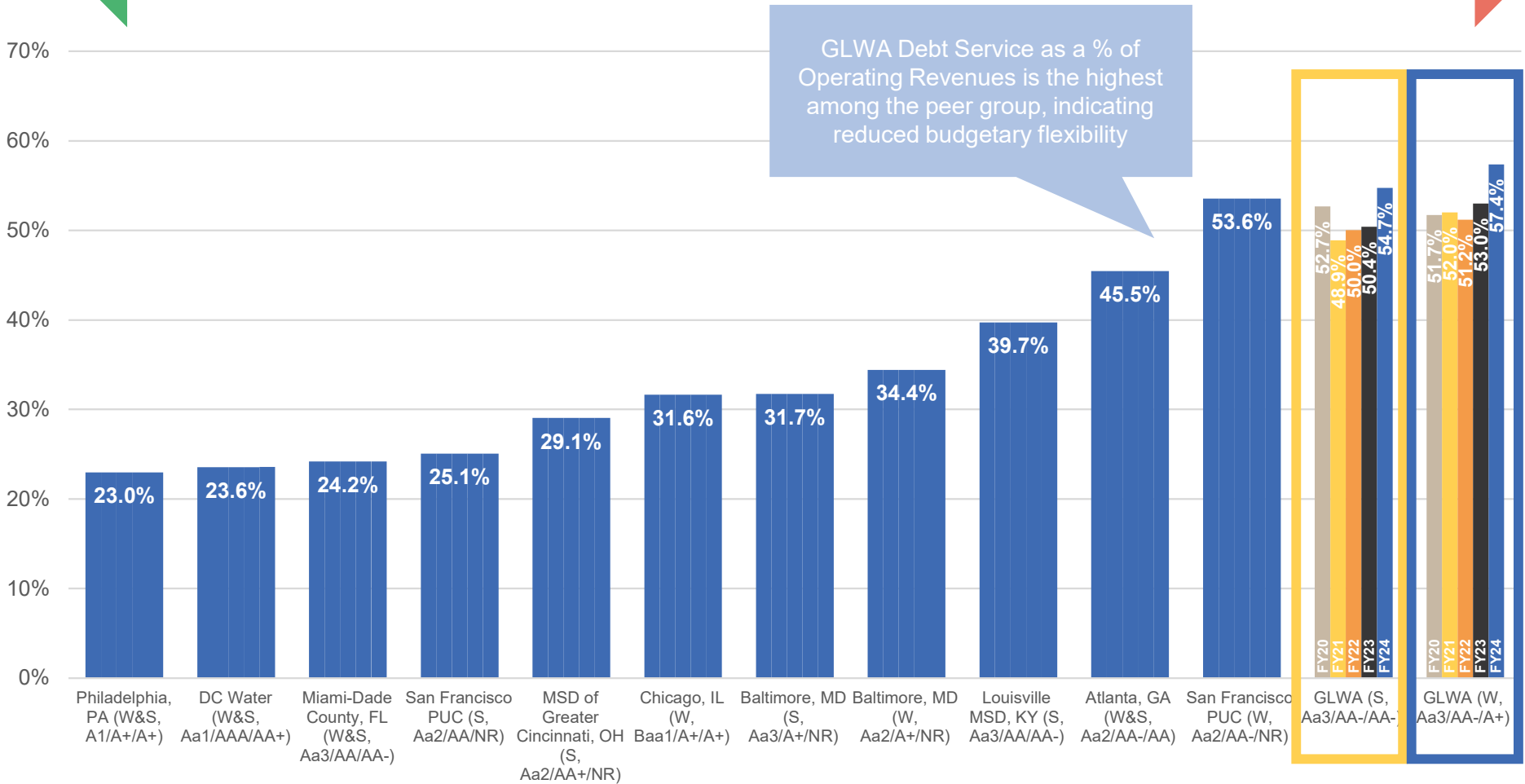


Source: Moody's Financial Ratio Analysis database, as of January 10, 2024. GLWA, Louisville MSD, & San Francisco PUC as of FY2024. All other data as of FY2023.

Peer Comparison of Debt Service as a % of Operating Revenues

← Lower Debt Service Coverage is Stronger

→ Higher Debt Service Coverage is Weaker



Source: Moody's Financial Ratio Analysis database, as of January 10, 2024. GLWA, Louisville MSD, & San Francisco PUC as of FY2024. All other data as of FY2023.

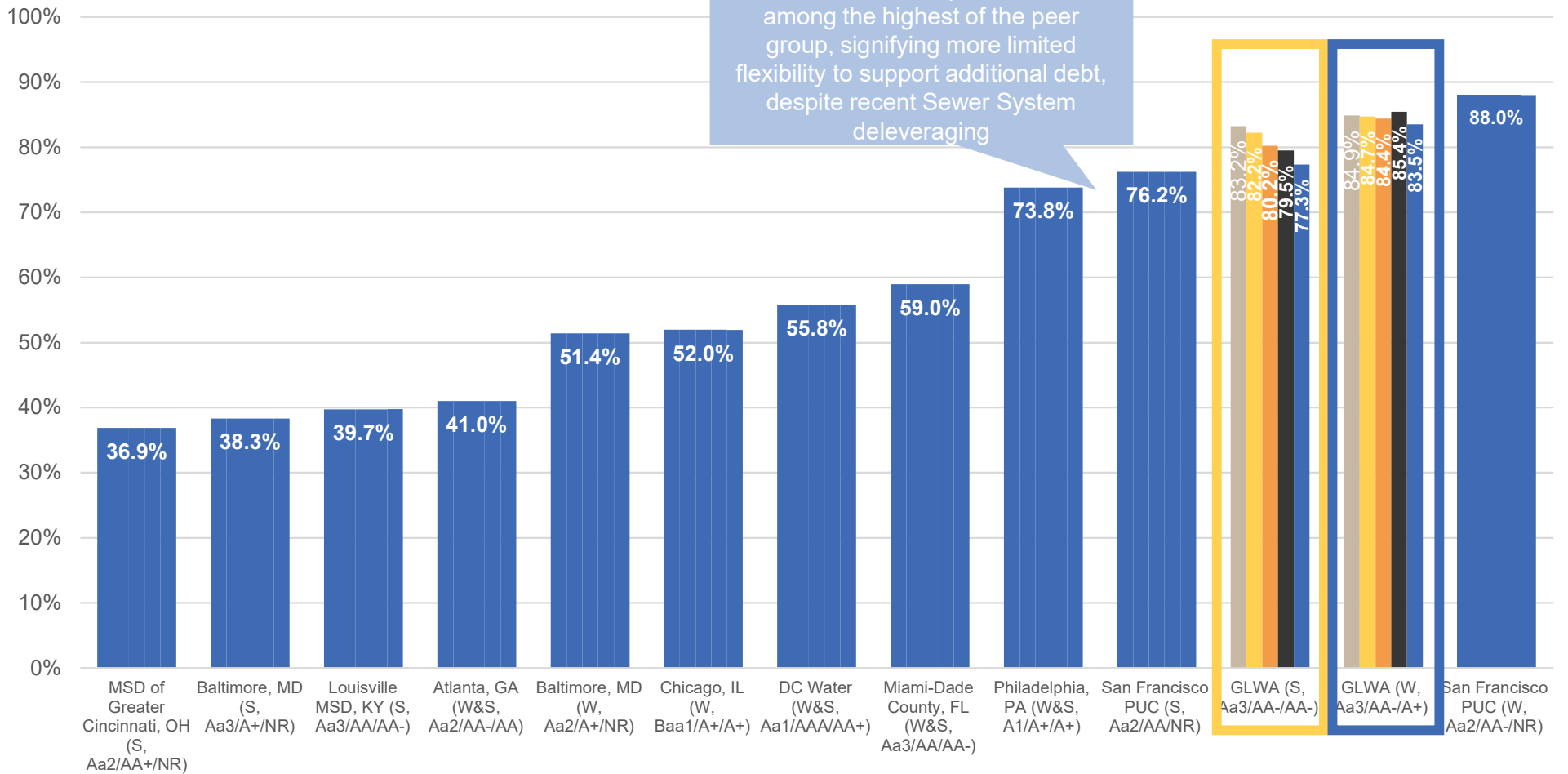


Peer Comparison of Debt to Capitalization

← Lower Debt to Capitalization is Stronger

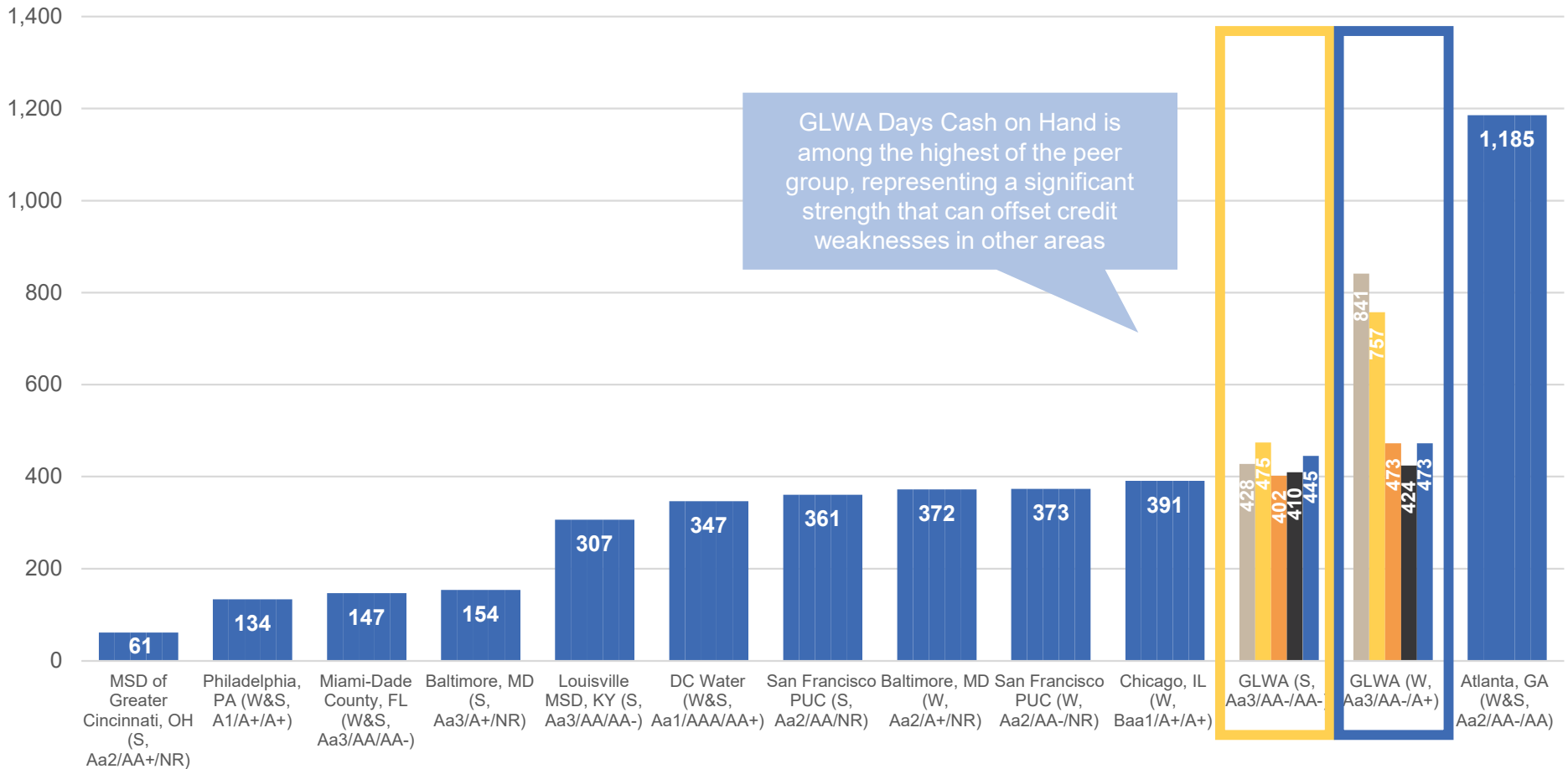
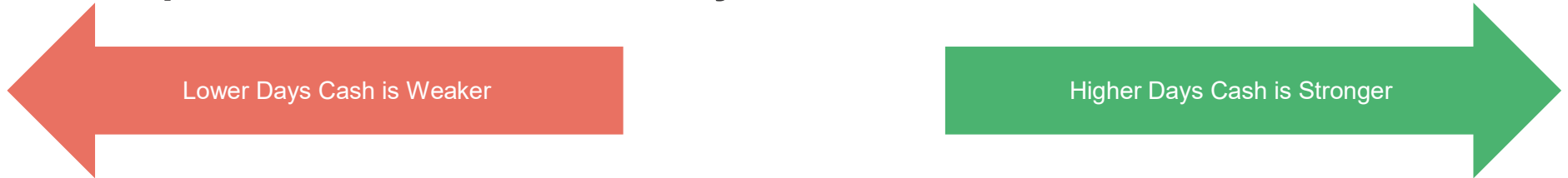
→ Higher Debt to Capitalization is Weaker

GLWA Debt to Capitalization is among the highest of the peer group, signifying more limited flexibility to support additional debt, despite recent Sewer System deleveraging



Source: Issuers' most recent financial data.

Peer Comparison of Unrestricted Days Cash and Investments



Source: Moody's Financial Ratio Analysis database, as of January 10, 2024. GLWA data calculated based on FY2024 financial statements and disclosures. GLWA, Louisville MSD, & San Francisco PUC as of FY2024. All other data as of FY2023.



Summary of GLWA Liquidity (Moody's Methodology)

- GLWA liquidity balances are a key credit strength that helps to offset more negative credit factors
- I&E Account is an important component of liquidity balance

	Water System		Sewer System	
Source	FY 2024 Amount	Days Cash & Investments (days)	FY 2024 Amount	Days Cash & Investments (days)
Receiving Fund	\$66.0 million	113	\$87.0 million	113
Operations and Maintenance Fund	\$34.1 million	58	\$71.4 million	93
Extraordinary Repair and Replacement	\$31.9 million	54	\$43.0 million	56
Improvement & Extension Account - Regional	\$144.6 million	247	\$140.9 million	183
Total Unrestricted Liquidity	\$276.6 million	473	\$342.3 million	445
Operating Expense	FY 2024 Amount		FY 2024 Amount	
Transfer to O&M Fund – Regional	\$168.9 million		\$224.9 million	
Transfer to O&M Fund – Local	\$44.8 million		\$55.7 million	
Total Operating Transfers	\$213.6 million		\$280.6 million	

Source: FY2024 financial statements

Note: Moody's Days Cash Calculation includes O&M transfers related to the local system but excludes local system liquidity; Includes legacy pension obligations.



Appendix



Rating Agency Commentary on Factors that Could Change GLWA Ratings

Moody's Aa3	S&P AA-	Fitch A+ (Water); AA- / Positive (Sewer)
Factors that Could Lead to an Upgrade		
<ul style="list-style-type: none"> • Growth in revenue that continues to outpace borrowing and moderates leverage of pledged resources • Steady improvement in asset condition while lowering debt-to-revenue ratio closer to 4x • Sustained trend of a debt service coverage ratio materially exceeding 1.5x while maintaining around 500 days cash on hand 	<ul style="list-style-type: none"> • GLWA meaningfully outperforms its current financial forecast while still funding its CIP generally as planned, in a sustainable manner over a long-term horizon • Sustainable, long-term economic recovery in Detroit continues and has meaningful positive effects on its economic fundamentals and utility collection rates 	<ul style="list-style-type: none"> • Greater certainty that upcoming planned capital spending has fully accounted for inflationary pressures and keeps leverage within current expectations • Sustained leverage below 11.0x (Water) or 10.0x (Sewer), assuming stability in the current revenue defensibility and operating risk assessments
Factors that Could Lead to a Downgrade		
<ul style="list-style-type: none"> • Material reduction to the water or sewer system's liquidity or debt service coverage ratios, with days cash on hand closer to 400 days or debt service coverage below 1.2x • Growth in leverage of the water or sewer system's net revenue or deterioration in asset condition 	<ul style="list-style-type: none"> • Actual financial performance falls below current projections • Significant deferral of capital projects that artificially increases liquidity but causes deferred maintenance • Erosion of processes that have evolved to help make the budget for both DWSD and GLWA more predictable while minimizing revenue fluctuations 	<ul style="list-style-type: none"> • Sustained leverage approaching 13.0x (Water) or 12.0x (Sewer), assuming stability in the revenue defensibility and operating risk assessments • Downward revisions to the system's overall Purchaser Credit Quality and/or revenue defensibility assessment (Sewer)¹ • Material declines in liquidity that expose bondholders to timing risk

Sources: Moody's Report, "Great Lakes Water Auth, MI", May 13, 2024. S&P Reports, "Great Lakes Water Authority, Michigan; Water/Sewer", May 14, 2024. Fitch Reports, "Great Lakes Water Authority (Water System), Michigan" and "Great Lakes Water Authority (Sewer System), Michigan", dated May 17, 2024.



Relationship of GLWA Ratings with DWSD

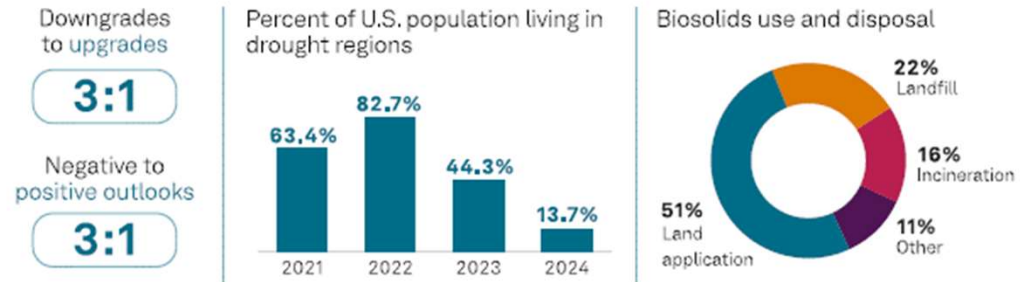
- ◆ Given the unique construction of the GLWA Master Bond Ordinance that includes revenues attributable to the DWSD system, GLWA credit quality is impacted by DWSD finances and planning
- ◆ Combination of retail and wholesale rating criteria are applied to the GLWA rating
- ◆ Various financial metrics (and rating variables) are calculated by the combination of GLWA and DWSD, including:
 - Debt Service Coverage
 - Days Cash on Hand
 - Leverage and Debt / Operating Revenues
 - Asset Condition
- ◆ Given forward-looking nature of ratings, rating agencies incorporate DWSD projections for borrowing, capital spending, and rate-setting into GLWA credit rating metrics
 - Rating agency evaluation of management, capital planning, and rate-setting extends to DWSD
- ◆ Continued communication and collaboration with DWSD will be critical to maintaining upward ratings trajectory



S&P Water & Sewer Sector Outlook for 2025

- **Negative Outlook**, with rising operating costs pressuring margins, increasing capital investment needs, and affordability as primary causes of concern
- Deferred maintenance will remain a driver of infrastructure deficiencies and likely result in impaired financial performance
- Climate hazards could stress system resiliency and increase leverage as utilities address mitigation and adaptation goals
- The pace of regulatory activity expected to moderate, which could be neutral to positive for utilities
- Regulations and climate-related risks will remain top of mind and continue to underpin operating pressures
- Project execution and construction difficulties could persist, necessitating changes to procurement and project delivery
- Affordability struggles will require thoughtful management practices
- Rate structure is important to cost recovery and revenue stability
- Small systems continue exhibiting greater vulnerability from lesser economies of scale and staffing limitations

U.S. not-for-profit utilities: By the numbers



Average rise in bills vs operating expenses



Source: S&P Global Ratings.
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Source: S&P Report, "U.S. Not-For-Profit Utilities 2025 Outlook: Rough Water Likely Will Underscore Credit Trends" January 15, 2025.



Moody's Water & Sewer Sector Outlook for 2025

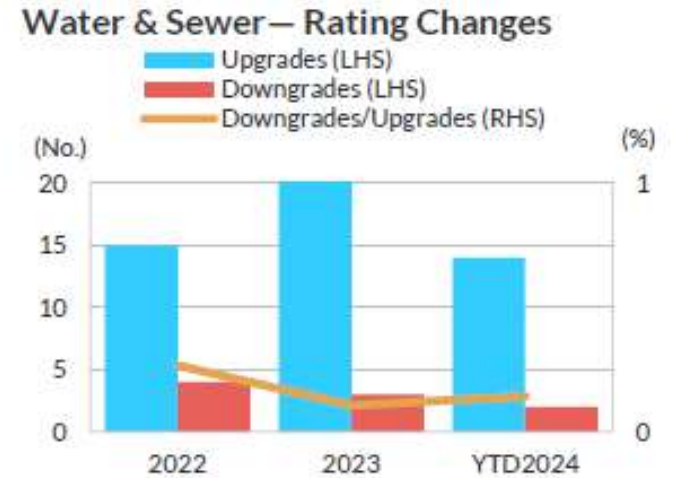
- ◆ **Stable Outlook:** Rate increases will drive revenue growth, supporting higher capital and operating costs that arise from new federal regulations
 - Outlook could be revised to positive if liquidity improves by over 8% or if additional federal programs are established that significantly reduce the cost of complying with new regulatory requirements
 - Outlook could change to negative if changes in operating conditions suggest liquidity will decline by over 10%
- ◆ Strong governance and rate-setting authority provide foundational strengths to mitigate longer-term risks, though rate affordability concerns remain
- ◆ Increasing government regulations such as the EPA's policy to reduce perfluoroalkyl and polyfluoroalkyl substances (PFAS) levels in drinking water will cause systems to begin allocating more cash reserves and start long-term capital planning for PFAS remediation
- ◆ Liquidity will remain strong, with revenue growth insulating against escalating costs
- ◆ Debt burdens will stay flat in 2025, reversing a long trend of declining debt, and coverage will remain stable
- ◆ Asset condition will remain flat, but may begin to improve after 2025 as utilities increase capital spending

Source: Moody's Report, "2025 Outlook – Stable as higher costs will be absorbed by rate increases" December 11, 2024.

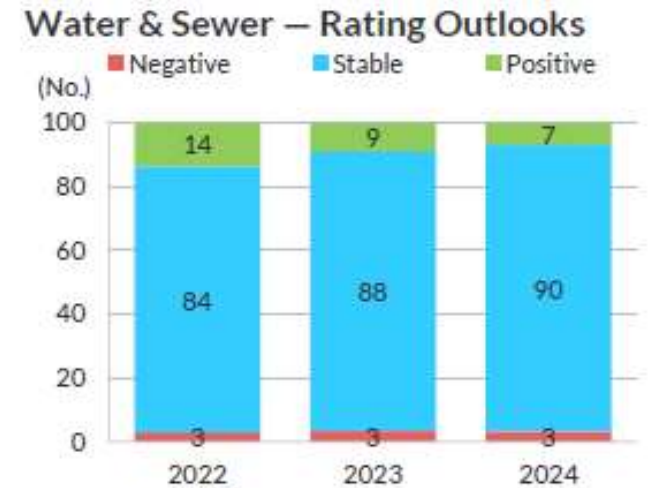


Fitch’s Water & Sewer Sector Outlook for 2025

- ◆ **Neutral outlook**, with the key factors affecting the sector’s performance being easing inflationary pressures, and stable increases in chemical, labor and power costs
- ◆ Fitch expects that improved revenue generation moving in line with cost increases should stabilize ratings across the sector in 2025
- ◆ Rating distribution remains stable across the portfolio as most utilities still have headroom for absorbing higher costs
- ◆ Although the Fitch-rated portfolio maintains sound rate flexibility, affordability remains a key concern for stakeholders in 2025
- ◆ The cost of complying with environmental regulations is expected to be meaningful but the full scope of new rules and effect on cost and capital remain undetermined
- ◆ Additional key sector issues include the increased frequency and severity of extreme weather events and breach of critical utility assets from cyberattacks



Source: Fitch Ratings

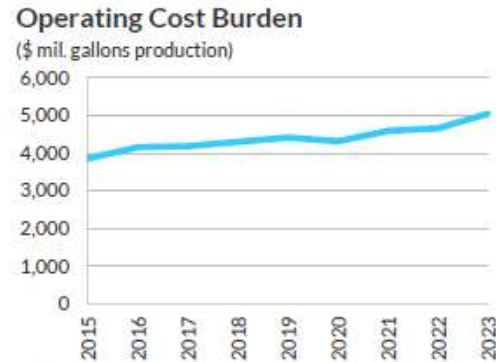


Source: Fitch Ratings

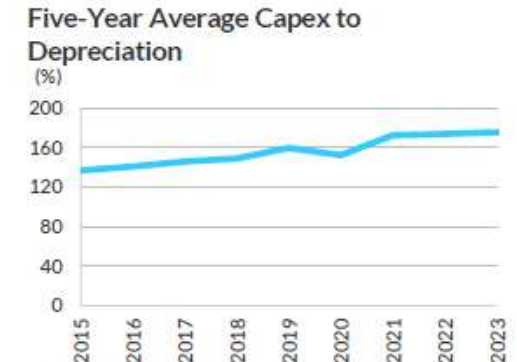


Fitch’s Water & Sewer Sector Outlook for 2025

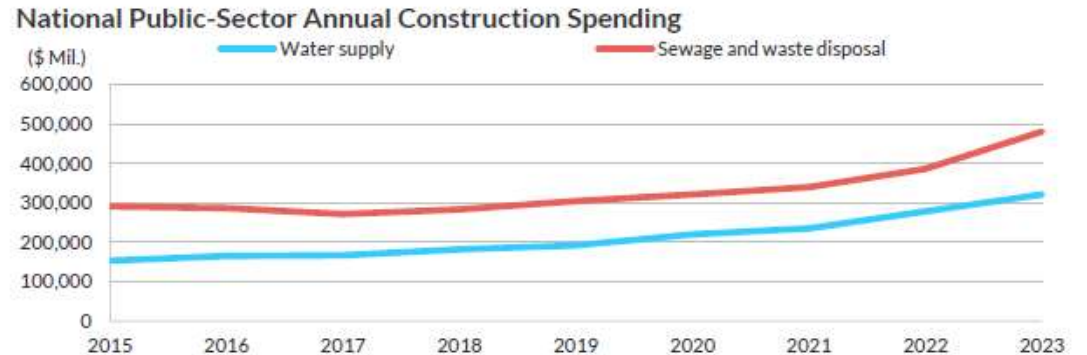
- Operating costs are expected to remain elevated over the near term as utilities budget for increased capital spending.
- Resurgent inflation, increased supply or labor costs, a severe recession and/or higher long-term interest rates could shift the sector outlook to ‘deteriorating’
- Interest rates are moderating from the highest level in over a decade, with further cuts expected in 2025
- The infusion of federal funds through the Inflation Reduction Act and the Bipartisan Infrastructure Law supplemented utilities' funding sources and will offset some debt issuance or cash drawdowns
- While many utilities maintain flexibility within their capital programs to defer projects, this flexibility will be diminishing for those facing regulatory-driven requirements



Source: Fitch Ratings



Source: Fitch Ratings



Source: Fitch Ratings, U.S. Census Bureau

Source: Fitch “2025 Outlook: Water and Sewer Sector” December 12, 2024.





Financial Services Audit Committee Communication

Date: February 17, 2025

To: Great Lakes Water Authority Audit Committee

From: Nicolette N. Bateson, Chief Financial Officer & Treasurer

Re: Recommendation to the Board of Directors 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

Background & Analysis: See attached draft Great Lakes Water Authority (“GLWA”) Board letter related to proposed 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.

Proposed Action: The Audit Committee recommends that the Board of Directors 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.

..Title

Resolution Adopting the FY 2026 & FY 2027 Biennial Budget

..Body

Agenda of: February 26, 2025

Item No.: **2025-019**

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: Resolution Adopting the FY 2026 & FY 2027 Biennial Budget

MOTION

Upon recommendation of Nicolette Bateson, Chief Financial Officer/Treasurer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA):

- 1) Concludes the Public Hearing related to the FY 2026 and FY 2027 Biennial Budget held on February 26, 2025;**
- 2) Pending public comment, adopts the attached resolution, 2025-019, adopting the FY 2026 and FY 2027 Biennial Budget for the GLWA;**
- 3) Notes that the GLWA By-Laws Article X, Section 5, requires a super-majority affirmative vote of at least five (5) members of the Board is necessary for the approval of the operating budget; and**
- 4) Authorizes the Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote.**

BACKGROUND

The Great Lakes Water Authority (“GLWA” or the “Authority”) assumed the operation of the Regional Water and Sewer systems on January 1, 2016 (the “Effective Date”) pursuant to the Lease Agreements between the GLWA and the City of Detroit dated June 12, 2015. Section 5.6 of the Lease Agreements require the Authority to adopt a two-year budget for the Regional Water and Sewer Systems that sets forth budgeted revenues and expenses for each such Fiscal Year.

JUSTIFICATION

Establishing the budget and charges each year is an impactful decision which merits public discussion that spans several months encompasses stakeholder groups. An outline of discussions related to the FY 2026 & FY 2027 Biennial Budget and FY 2026 Charges is outlined below.

Board of Directors Public Engagement

- ✓ October 9, 2024 – Board Workshop – In-Depth Budget & Charges Briefing
- ✓ January 6, 2025 - Audit Committee receives proposed budget and charges presentation
- ✓ January 22, 2025 - Board Meeting – Board receives a proposed budget and charges presentation and refers the matters back to Audit Committee for further review
- ✓ February 17, 2025 - Audit Committee continued review of budget and proposed charges
- ✓ February 26, 2025 - Board Meeting – Board conducts public hearing related to the proposed budget and charges

Member Partner Engagement

- ✓ October 17, 2024 - Charges Rollout #1 - Capital Improvement Plan (CIP) Review
- ✓ November 12, 2024 - Charges Rollout #2 - Units of Service (UOS)
- ✓ January 9, 2025 - Charges Rollout #3 – Proposed Charges Overview and Introduction of Budget
- ✓ January 13, 2025 – Member Partner specific email with preliminary calculation worksheet and letter from Chief Executive Officer
- ✓ January 16, 2025 - Charges Rollout #4 - Feedback on Proposed Charges and further discussion of the Budget with the Long-term Financial Plan
- ✓ January 27, 2025 – Member Partner specific email with proposed calculation worksheet, letter from Chief Executive Officer, and one pager related to FY 2026 Proposed Charge Increase

A Notice of Public Hearing was published in the Detroit Legal News on February 12, 2025. That notice, along with related supporting materials throughout the budget and charges development process, is available online at www.glwater.org/financials.

BUDGET IMPACT

This action establishes a budget for FY 2026 and FY 2027.

COMMITTEE REVIEW

The GLWA Audit Committee reviewed the budget and supplemental analysis at the meetings noted above. On *[insert date]* the Audit Committee *[insert action]* that the Board of Directors adopts the resolution related to the FY 2026 and FY 2027 Budget subject to public comment at the public hearing to be held on February 26, 2025.

DRAFT



Great Lakes Water Authority Resolution 2025-019

Resolution Adopting the Biennial FY 2026 & FY 2027 Budget

By Board Member: _____

- WHEREAS** The Great Lakes Water Authority (“GLWA” or the “Authority”) assumed the operation of the regional water and sewer systems on January 1, 2016 (the “Effective Date”) pursuant to Water System and Sewer System Lease Agreements between the GLWA and the City of Detroit dated June 12, 2015; and
- WHEREAS** In accordance with the by-laws of the GLWA, the Board shall adopt a two-year (Biennial) operating budget for the Regional Water and Sewer Systems; and
- WHEREAS** The Authority, through the terms of the Leases, committed to an annual increase in revenue requirement budget of no more than 4% though the fiscal year ending June 30, 2025 with the fiscal year ending June 30, 2026 being the first year outside of the 4% commitment; and
- WHEREAS** The Regional Water System annual revenue requirement budget increase of 6.75% equates to a 6.6% increase in revenues from Water Service Charges and a Regional Sewer System annual revenue requirements budget increase of 4.63% equates to a 4.4% increase in revenues from Sewer Service Charges; and
- WHEREAS** To support the revenue requirement for each system, the comparable Regional Water System average charge adjustment is an increase of 6.96% reflecting a reduction in estimated sales volumes and the comparable Regional Sewer System average charge adjustment is an increase of 4.5% reflecting a reduction in industrial specific activity; and
- WHEREAS** The budgeted expenses for each such Fiscal Year shall equal the sum of the projected expenses and revenue requirements for the Regional Water System and the Regional Sewer System for each such Fiscal Year; and
- WHEREAS** The budgeted annual revenue requirements for the Regional Water System for FY 2026 is \$411,118,900 and for FY 2027 is \$441,946,200 as shown on “Schedule 1A – Water System Revenue Requirements” of the budget document; and
- WHEREAS** The budgeted annual revenue requirements for the Regional Sewer System for FY 2026 is \$544,754,700 and for FY 2027 is \$574,709,700 as shown on “Schedule 1B – Sewer System Revenue Requirements” of the budget



document; and

WHEREAS The operations and maintenance budget for the Regional Water System for FY 2026 is \$182,456,000 and for FY 2027 is \$196,859,600 as shown on “Schedule 1A – Water System Revenue Requirements” of the budget document; and

WHEREAS The operations and maintenance budget for the Regional Sewer System for FY 2026 is \$236,098,700 and for FY 2027 is \$246,387,900 as shown on “Schedule 1B – Sewer System Revenue Requirements” of the budget document; and

WHEREAS The amounts necessary to pay the principal of and interest on all Water System bonds is \$228,277,100* for FY 2026 and \$248,369,000* for FY 2027 as shown on “Schedule 4 - Debt Service Coverage Calculations Consistent with the Master Bond Ordinance” of the budget document; and

WHEREAS The amounts necessary to pay the principal of and interest on all Sewer System bonds is \$254,652,100* for FY 2026 and \$275,845,600* for FY 2027 as shown on “Schedule 4 - Debt Service Coverage Calculations Consistent with the Master Bond Ordinance” of the budget document; and

WHEREAS The amounts necessary to fund the annual water system capital expenditures of \$11,691,400 in FY 2026 and \$8,039,100 in FY 2027 for capital outlay in accordance with the “Schedule 5A – Water Capital Financing Plan: Water Improvement and Extension Fund” budget; and

WHEREAS The amounts necessary to fund the annual water system capital expenditures of \$185,000,000 in FY 2026 and \$235,000,000 in FY 2027 for the capital improvement plan in accordance with the “Schedule 5A – Water Capital Financing Plan: Water Construction Fund” budget with those capital amounts reflecting an 100% Capital Spend Ratio Assumption applied to FY 2026 and FY 2027 as shown in the proposed FY 2026 through FY 2030 Capital Improvement Plan; and

*Amounts are subject to change pending receipt of final DWSD budget information.



WHEREAS The amounts necessary to fund the annual sewer system capital expenditures of \$11,779,500 in FY 2026 and \$14,016,000 in FY 2027 for the capital outlay in accordance with the “Schedule 5B – Sewer Capital Financing Plan: Sewer Improvement and Extension Fund” budget; and

WHEREAS The amounts necessary to fund the annual sewer system capital expenditures of \$175,000,000 in FY 2026 and \$235,000,000 in FY 2027 for the capital improvement plan in accordance with “Schedule 5B – Sewer Capital Financing Plan: Sewer Construction Fund” budget with those capital amounts reflecting a 90% Capital Spending Ratio applied to FY 2026 and a Capital Spend Rate Assumption of 80% applied to FY 2027 as shown in the proposed FY 2026 through FY 2030 Capital Improvement Plan; and

WHEREAS The GLWA Audit Committee began review of the budget and five-year financial plan document developed for FY 2026 through FY 2030 at its meeting on January 6, 2025; with updates at its meeting on February 17, 2025; and

WHEREAS The GLWA Board conducted a public hearing on the proposed budget in accordance with the provisions of Public Act No. 43 of the Acts of the State Legislature of 1963 (“Budget Hearings of Local Governments”); and

WHEREAS A notice for the public hearing on the proposed budget scheduled for February 26, 2025 at 2:00 p.m. either in person or via a telephonic Zoom meeting was published in The Detroit Legal News announcing a public hearing on the budget in addition to posting the notice and proposed budget on glwater.org/financials; and

WHEREAS An affirmative vote of 5 Board Members is necessary for the adoption of this Resolution,

NOW THEREFORE BE IT:

RESOLVED That the GLWA Board conducted a public hearing on February 26, 2025 to receive public comment regarding the proposed budget for the Fiscal Years 2026 and 2027; and be it further

RESOLVED That the GLWA Board approves the budget for Fiscal Years 2026 and 2027; and be it finally

RESOLVED That the Chief Executive Officer, and the Chief Financial Officer/Treasurer are authorized to take such other action as may be necessary to accomplish the intent of this resolution.



Note: Amounts highlighted in yellow in the following tables are presented in the Biennial Budget Authorizing Resolution.

Schedule 1A – Water System Revenue Requirements Biennial Budget

Water System Revenue Requirement	Current Year		Biennial Budget					
	FY 2025		FY 2026			FY 2027		
	Adopted Budget	Projected	Proposed Budget	Dollar Variance	Percent Variance	Proposed Budget	Dollar Variance	Percent Variance
Revenues								
Revenues from Charges								
Suburban Wholesale Customers	\$ 347,758,000	\$ 347,758,000	\$ 369,107,600	\$ 21,349,600	6.1%	\$ 395,017,200	\$ 25,909,600	7.0%
Local System Charges	27,094,800	27,094,800	30,528,000	3,433,200	12.7%	34,204,800	3,676,800	12.0%
Bad Debt Recovery Credit	-	-	-	-	0.0%	-	-	0.0%
Total Revenue from Charges	374,852,800	374,852,800	399,635,600	24,782,800	6.6%	429,222,000	29,586,400	7.4%
Investment Earnings								
Unrestricted	6,692,200	10,181,800	7,884,400	1,192,200	17.8%	8,941,100	1,056,700	13.4%
Restricted for Debt Service	3,182,100	3,292,600	3,302,100	120,000	3.8%	3,483,100	181,000	5.5%
Total Investment Earnings	9,874,300	13,474,400	11,186,500	1,312,200	13.3%	12,424,200	1,237,700	11.1%
Other Operating Revenue	400,000	400,000	296,800	(103,200)	-25.8%	300,000	3,200	1.1%
Total Revenues	\$ 385,127,100	\$ 388,727,200	\$ 411,118,900	\$ 25,991,800	6.75%	\$ 441,946,200	\$ 30,827,300	7.5%
Revenue Requirements								
Operations & Maintenance Expense	\$ 169,625,000	\$ 172,625,000	\$ 182,456,000	\$ 12,831,000	7.6%	\$ 196,859,600	\$ 14,403,600	7.9%
Debt Service	175,300,800	163,455,000	183,083,000	7,782,200	4.4%	202,952,300	19,869,300	10.9%
General Retirement System Pension	2,283,300	1,653,300	1,622,200	(661,100)	-29.0%	1,450,400	(171,800)	-10.6%
Water Residential Assistance Program Contribution	1,947,800	1,876,500	1,989,700	41,900	2.2%	2,136,900	147,200	7.4%
Extraordinary Repair & Replacement Deposit	-	-	1,244,500	1,244,500	100.0%	1,892,200	647,700	52.0%
Regional System Lease	22,500,000	22,500,000	22,500,000	-	0.0%	22,500,000	-	0.0%
Receiving Fund Working Capital Requirement	6,200,000	12,300,000	1,600,000	(4,600,000)	-74.2%	1,800,000	200,000	12.5%
Improvement & Extension Fund Transfer Pending	7,270,200	14,317,400	16,623,500	9,353,300	128.7%	12,354,800	(4,268,700)	-25.7%
Annual Water System Revenue Requirements	\$ 385,127,100	\$ 388,727,200	\$ 411,118,900	\$ 25,991,800	6.75%	\$ 441,946,200	\$ 30,827,300	7.5%

Charge Adjustment Calculation

Baseline Revenue - What FY 2026 Revenue from Charges would be using FY 2026 projected volume and FY 2025 Fixed and Commodity Charges	\$ 373,638,900	
Charge Adjustment		
Attributable to Change in Annual Revenue Requirement	\$ 25,991,800	6.96%
Attributable to Non-Charge Revenue (FY 2026 increase in Investment Earnings & Other Operating Revenue)	(1,209,000)	-0.32%
Attributable to decreased in projected Sales Volume in FY 2026	1,213,900	0.32%
Charge Adjustment (Average System Charge Increase)	\$ 25,996,700	6.96%



Note: Amounts highlighted in yellow in the following tables are presented in the Biennial Budget Authorizing Resolution.

Schedule 1B – Sewer System Revenue Requirements Biennial Budget

Sewer System Revenue Requirement	Current Year		Biennial Budget					
	FY 2025		FY 2026			FY 2027		
	Adopted Budget	Projected	Proposed Budget	Dollar Variance	Percent Variance	Proposed Budget	Dollar Variance	Percent Variance
Revenues								
Revenues from Charges								
Suburban Wholesale Customers	\$ 287,517,600	\$ 287,517,600	\$ 300,296,400	\$ 12,778,800	4.4%	\$ 316,116,200	\$ 15,819,800	5.3%
Local System Charges	205,924,800	205,924,800	215,336,400	9,411,600	4.6%	227,368,700	12,032,300	5.6%
Industrial Waste Control Charges	8,719,300	8,719,300	9,150,300	431,000	4.9%	9,644,600	494,300	5.4%
Pollutant Surcharges	5,434,400	5,434,400	5,112,700	(321,700)	-5.9%	5,388,900	276,200	5.4%
Bad Debt Recovery Credit	-	-	-	-	0.0%	-	-	0.0%
Total Revenue from Charges	507,596,100	507,596,100	529,895,800	22,299,700	4.4%	558,518,400	28,622,600	5.4%
Investment Earnings								
Unrestricted	10,494,500	10,807,600	10,331,200	(163,300)	-1.6%	11,421,400	1,090,200	10.6%
Restricted for Debt Service	1,861,500	4,249,500	4,081,400	2,219,900	119.3%	4,319,900	238,500	5.8%
Total Investment Earnings	12,356,000	15,057,100	14,412,600	2,056,600	16.6%	15,741,300	1,328,700	9.2%
Other Operating Revenue	700,000	700,000	446,300	(253,700)	-36.2%	450,000	3,700	0.8%
Total Revenues	\$ 520,652,100	\$ 523,353,200	\$ 544,754,700	\$ 24,102,600	4.63%	\$ 574,709,700	\$ 29,955,000	5.5%
Revenue Requirements								
Operations & Maintenance Expense	\$228,934,000	\$231,434,000	\$236,098,700	\$7,164,700	3.1%	\$246,387,900	\$10,289,200	4.4%
Debt Service	226,279,400	218,750,700	222,402,500	(3,876,900)	-1.7%	243,432,000	21,029,500	9.5%
General Retirement System Pension	4,846,300	3,718,800	3,648,800	(1,197,500)	-24.7%	3,262,300	(386,500)	-10.6%
Water Residential Assistance Program Contribution	2,651,700	2,541,500	2,638,500	(13,200)	-0.5%	2,780,900	142,400	5.4%
Extraordinary Repair & Replacement Deposit	-	-	-	-	100.0%	-	-	NA
Regional System Lease	27,500,000	27,500,000	27,500,000	-	0.0%	27,500,000	-	0.0%
Receiving Fund Working Capital Requirement	2,300,000	-	-	(2,300,000)	-100.0%	2,700,000	2,700,000	100.0%
Improvement & Extension Fund Transfer Pending	28,140,700	39,408,200	52,466,200	24,325,500	86.4%	48,646,600	(3,819,600)	-7.3%
Annual Sewer System Revenue Requirements	\$ 520,652,100	\$ 523,353,200	\$ 544,754,700	\$ 24,102,600	4.63%	\$ 574,709,700	\$ 29,955,000	5.5%

Charge Adjustment Calculation

Baseline Revenue - What FY 2026 Revenue from Charges would be using FY 2025

Fixed Monthly Charges and volume and loading projections for Industrial Waste Control and Pollutant Surcharges

\$ 507,090,300

Charge Adjustment

Attributable to Change in Annual Revenue Requirement

\$ 24,102,600 4.75%

Attributable to Non-Charge Revenue (FY 2026 increase in Investment Earnings & Other Operating Revenue)

(1,802,900) -0.36%

Attributable to decreased in projected Sales Volume in FY 2026 (No change in Member Partners allocation-amount reflects change due to projected Industrial Waste Control volume and Pollutant Surcharges volume and loadings)

505,800 0.10%

Charge Adjustment (Average System Charge Increase)

\$ 22,805,500 **4.50%**



Note: Amounts highlighted in yellow in the following tables are presented in the Biennial Budget Authorizing Resolution.

Schedule 1C – Combined Water and Sewer System Revenue Requirements Biennial Budget

Combined Water & Sewer System Revenue Requirement	Current Year		Biennial Budget					
	FY 2025		FY 2026			FY 2027		
	Adopted Budget	Projected	Proposed Budget	Dollar Variance	Percent Variance	Proposed Budget	Dollar Variance	Percent Variance
Revenues								
Revenues from Charges								
Suburban Wholesale Customers	\$ 635,275,600	\$ 635,275,600	\$ 669,404,000	\$ 34,128,400	5.4%	\$ 711,133,400	\$ 41,729,400	6.2%
Local System Charges	233,019,600	233,019,600	245,864,400	12,844,800	5.5%	261,573,500	15,709,100	6.4%
Industrial Waste Control Charges	8,719,300	8,719,300	9,150,300	431,000	4.9%	9,644,600	494,300	5.4%
Pollutant Surcharges	5,434,400	5,434,400	5,112,700	(321,700)	-5.9%	5,388,900	276,200	5.4%
Bad Debt Recovery Credit	-	-	-	-	NA	-	-	NA
Total Revenue from Charges	882,448,900	882,448,900	929,531,400	47,082,500	5.3%	987,740,400	58,209,000	6.3%
Investment Earnings								
Unrestricted	17,186,700	20,989,400	18,215,600	1,028,900	6.0%	20,362,500	2,146,900	11.8%
Restricted for Debt Service	5,043,600	7,542,100	7,383,500	2,339,900	46.4%	7,803,000	419,500	5.7%
Total Investment Earnings	22,230,300	28,531,500	25,599,100	3,368,800	15.2%	28,165,500	2,566,400	10.0%
Other Operating Revenue	1,100,000	1,100,000	743,100	(356,900)	-32.4%	750,000	6,900	0.9%
Total Revenues	\$ 905,779,200	\$ 912,080,400	\$ 955,873,600	\$ 50,094,400	5.5%	\$ 1,016,655,900	\$ 60,782,300	6.4%
Revenue Requirements								
Operations & Maintenance Expense	\$398,559,000	\$404,059,000	\$418,554,700	\$19,995,700	5.0%	\$443,247,500	\$24,692,800	5.9%
Debt Service	401,580,200	382,205,700	405,485,500	3,905,300	1.0%	446,384,300	40,898,800	10.1%
General Retirement System Pension	7,129,600	5,372,100	5,271,000	(1,858,600)	-26.1%	4,712,700	(558,300)	-10.6%
Water Residential Assistance Program Contribution	4,599,500	4,418,000	4,628,200	28,700	0.6%	4,917,800	289,600	6.3%
Extraordinary Repair & Replacement Deposit	-	-	1,244,500	1,244,500	100.0%	1,892,200	647,700	52.0%
Regional System Lease	50,000,000	50,000,000	50,000,000	-	0.0%	50,000,000	-	0.0%
Receiving Fund Working Capital Requirement	8,500,000	12,300,000	1,600,000	(6,900,000)	-81.2%	4,500,000	2,900,000	181.3%
Improvement & Extension Fund Transfer Pending	35,410,900	53,725,600	69,089,700	33,678,800	95.1%	61,001,400	(8,088,300)	-11.7%
Annual Water & Sewer System Revenue Requirements	\$ 905,779,200	\$ 912,080,400	\$ 955,873,600	\$ 50,094,400	5.5%	\$ 1,016,655,900	\$ 60,782,300	6.4%

There is no Schedule 3 for purposes of the Budget Resolution.



Note: Amounts highlighted in yellow in the following tables are presented in the Biennial Budget Authorizing Resolution.

Schedule 4 – Debt Service Coverage Calculations Consistent with the Master Bond Ordinance

	FY 2026 Water Fund Requested	FY 2026 Sewer Fund Requested	FY 2026 Combined (Informational Only)	FY 2027 Water Fund Requested	FY 2027 Sewer Fund Requested	FY 2027 Combined (Informational Only)
Debt Service Coverage Calculation						
Revenues						
1 Regional System Wholesale Revenues	\$ 399,635,600	\$ 529,895,800	\$ 929,531,400	\$ 429,222,000	\$ 558,518,400	\$ 987,740,400
2 Local System Revenues	93,633,100	90,206,500	183,839,600	96,805,200	95,117,000	191,922,200
3 Miscellaneous Revenue (Local System)	5,124,000	8,320,000	13,444,000	5,329,000	8,652,800	13,981,800
4 Other Revenues & Investment Earnings (Regional System)	11,483,300	14,858,900	26,342,200	12,724,200	16,191,300	28,915,500
5 Total Revenues	\$ 509,876,000	\$ 643,281,200	\$ 1,153,157,200	\$ 544,080,400	\$ 678,479,500	\$ 1,222,559,900
Revenue Requirements						
Operations & Maintenance Expense						
6 Regional System Wholesale Expenses	\$ 182,456,000	\$ 236,098,700	\$ 418,554,700	\$ 196,859,600	\$ 246,387,900	\$ 443,247,500
7 Local System Expenses	48,484,000	60,104,400	108,588,400	50,448,000	62,561,500	113,009,500
8 Total Operations & Maintenance Expense	230,940,000	296,203,100	527,143,100	247,307,600	308,949,400	556,257,000
9 Net Revenues after Operations & Maintenance Expense	\$ 278,936,000	\$ 347,078,100	\$ 626,014,100	\$ 296,772,800	\$ 369,530,100	\$ 666,302,900
Debt Service by Lien						
10 Senior Lien Bonds	\$ 157,768,800	\$ 158,783,700	\$ 316,552,500	\$ 178,324,000	\$ 173,849,200	\$ 352,173,200
11 Second Lien Bonds	50,697,200	56,447,200	107,144,400	50,704,500	60,086,300	110,790,800
12 SRF Junior Lien Bonds	19,811,100	39,421,200	59,232,300	19,340,500	41,910,100	61,250,600
13 Total Debt Service	\$ 228,277,100	\$ 254,652,100	\$ 482,929,200	\$ 248,369,000	\$ 275,845,600	\$ 524,214,600
Debt Service Coverage						
14 Senior Lien Bonds (9)/(10)	1.77	2.19		1.66	2.13	
15 Second Lien Bonds (9)/[(10)+(11)]	1.34	1.61		1.30	1.58	
16 SRF Junior Lien Bonds (10)/(13)	1.22	1.36		1.19	1.34	

****Rows highlighted in light grey in the above table are designed to align with the Local System information provided from Detroit Water & Sewerage Department (DWSD) as of February 1, 2025**



Note: Amounts highlighted in yellow in the following tables are presented in the Biennial Budget Authorizing Resolution.

Schedule 5A – Water Capital Financing Plan

Water Improvement & Extension Fund

	Current Year	Biennial Budget	
	Adopted Budget	Proposed Budget	
	FY 2025	FY 2026	FY 2027
Water Improvement & Extension Fund			
Inflows			
Transfers in from Water Operations Fund			
Revenue Transfers	\$ 7,270,200	\$ 16,623,500	\$ 12,354,800
Investment Earnings	938,700	4,304,700	3,998,200
Total Inflows	8,208,900	20,928,200	16,353,000
Outflows			
Capital outlay	10,527,800	11,691,400	8,039,100
Transfers out to Water Operations Fund			
Investment Earnings	938,700	4,304,700	3,998,200
Transfer out to Water Construction Fund			
Revenue Financed Capital	15,000,000	9,250,000	11,750,000
Total Outflows	26,466,500	25,246,100	23,787,300
Net Inflow (Outflow) - Use of I&E Funds	\$ (18,257,600)	(4,317,900)	(7,434,300)

Water Construction Fund

	Current Year	Biennial Budget	
	Adopted Budget	Proposed Budget	
	FY 2025	FY 2026	FY 2027
Water Construction Fund			
Inflows			
Transfers in from Water Improvement & Extension Fund			
Revenue Financed Capital	\$ 15,000,000	\$ 9,250,000	\$ 11,750,000
Transfers in from Water Operations Fund			
Bond Proceeds	271,562,500	350,000,000	-
State Revolving Loans	30,800,000	1,369,200	-
Grants and Capital Contributions	-	2,300,000	2,000,000
Investment Earnings	7,953,300	13,807,900	12,972,900
Total Inflows	325,315,800	376,727,100	26,722,900
Outflows			
Capital Program	210,000,000	185,000,000	235,000,000
Transfers out to Water Operations Fund			
Bond Cost of Issuance	-	2,625,000	-
Total Outflows	210,000,000	187,625,000	235,000,000
Net Inflow (Outflow) - Use of Construction Funds	\$ 115,315,800	189,102,100	(208,277,100)



Note: Amounts highlighted in yellow in the following tables are presented in the Biennial Budget Authorizing Resolution.

Schedule 5B – Sewer Capital Financing Plan

Sewer Improvement & Extension Fund

	Current Year	Biennial Budget	
	Adopted Budget	Proposed Budget	
	FY 2025	FY 2026	FY 2027
Sewer Improvement & Extension Fund			
Inflows			
Transfers in from Water Operations Fund			
Revenue Transfers	\$ 28,140,700	\$ 52,466,200	\$ 48,646,600
Investment Earnings	1,076,000	5,171,500	5,978,200
Total Inflows	29,216,700	57,637,700	54,624,800
Outflows			
Capital outlay	12,071,300	11,779,500	14,016,000
Transfers out to Water Operations Fund			
Investment Earnings	1,076,000	5,171,500	5,978,200
Transfer out to Water Construction Fund			
Revenue Financed Capital	5,500,000	8,750,000	11,750,000
Total Outflows	18,647,300	25,701,000	31,744,200
Net Inflow (Outflow) - Use of I&E Funds	\$ 10,569,400	31,936,700	22,880,600

Sewer Construction Fund

	Current Year	Biennial Budget	
	Adopted Budget	Proposed Budget	
	FY 2025	FY 2026	FY 2027
Sewer Construction Fund			
Inflows			
Transfers in from Water Improvement & Extension Fund			
Revenue Financed Capital	\$ 15,000,000	\$ 8,750,000	\$ 11,750,000
Transfers in from Water Operations Fund			
Bond Proceeds	271,562,500	150,000,000	-
State Revolving Loans	30,800,000	52,936,600	99,745,500
Grants and Capital Contributions	-	23,191,650	-
Investment Earnings	7,953,300	6,136,300	5,063,700
Total Inflows	325,315,800	241,014,550	116,559,200
Outflows			
Capital Program	210,000,000	175,000,000	235,000,000
Transfers out to Water Operations Fund			
Bond Cost of Issuance	-	1,125,000	-
Total Outflows	210,000,000	176,125,000	235,000,000
Net Inflow (Outflow) - Use of Construction Funds	\$ 115,315,800	64,889,550	(118,440,800)



Financial Services Audit Committee Communication

Date: February 17, 2025

To: Great Lakes Water Authority Audit Committee

From: Matthew S. Lane, MPA; Manager - Charges Outreach and Modeling

Re: Recommendation to the Board of Directors to 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

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

Proposed Action: The Audit Committee recommends that the Board of Directors 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.

..Title

Resolution Regarding Approval of FY 2026 Schedule of Service Charges

..Body

Agenda of: February 26, 2025
Item No.: **2025-020**
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: Resolution Regarding Approval of FY 2026 Schedule of Service Charges

MOTION

Upon recommendation of Nicolette Bateson, Chief Financial Officer/Treasurer, the Board of Directors (Board) of the Great Lakes Water Authority, **approves the following actions, which require a supermajority affirmative vote of at least five (5) members of the Board, and the attached Resolution 2025-020** with an effective date of July 1, 2025:

- 1) FY 2026 fixed monthly charges and commodity charges included in the water supply system schedule of service charges as well as the lead and copper rule sample testing fee;
- 2) FY 2026 fixed monthly charges included in the sewage disposal system schedule of charges as well as the FY 2026 schedule of industrial waste control charges, pollutant surcharges and septage disposal fee included in the sewage disposal system industrial specific charges;
- 3) FY 2026 City of Detroit allocated wholesale water revenue requirement of \$30,528,000 which is the net of \$51,228,000 gross revenue requirement less the

Ownership Equity Credit of \$20,700,000 pursuant to the terms of the Water and Sewer Services Agreement (WSSA);

- 4) FY 2026 City of Detroit allocated wholesale sewer revenue requirement of \$215,336,400 which is the net of \$220,852,400 gross revenue requirement less the Ownership Equity Credit of \$5,516,000 in accordance with the WSSA;
- 5) FY 2026 City of Detroit allocated indirect water revenue requirement of \$TBD, in accordance with the Regional Water Supply System Lease;
- 6) FY 2026 City of Detroit allocated indirect sewer revenue requirement of \$TBD, in accordance with the Regional Sewage Disposal System Lease; and
- 7) authorizes the Chief Executive Officer to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

Pursuant to the water system and sewer system leases signed between the Great Lakes Water Authority (GLWA/Authority) and the City of Detroit, the GLWA began operations of the regional water supply and sewage disposal system on January 1, 2016. Consistent with the terms of those leases, the Authority shall, for each fiscal year fix and approve rates and charges to its customers in an amount that is expected to produce revenues sufficient to satisfy the Authority revenue requirement. The attached, proposed schedule of charges meets that requirement.

Leading up to this charge recommendation, staff presented the proposed FY 2026 and 2027 Biennial Budget and five-year financial plan for FY 2026 through 2030 and an analysis of proposed water and sewer system charges at its February 17, 2025 Board meeting. A Public Hearing was opened for the FY 2026 Water Service Charges and Sewer Service Charges on February 26, 2025.

JUSTIFICATION

The water and sewer system charges support the proposed FY 2026 water system revenue requirements budget and the proposed FY 2026 sewer system revenue requirements, respectively. The FY 2026 water and sewer revenue requirements reflect GLWA's commitment providing our Member Partners with wholesale water and wastewater services of unquestionable quality at a fair and equitable cost.

Establishing the budget and charges each year is an impactful decision which merits public discussion that spans several months encompasses stakeholder groups. An outline of discussions related to the FY 2026 & FY 2027 Biennial Budget and FY 2026 Charges is outlined below.

Board of Directors Public Engagement

- ✓ October 9, 2024 – Board Workshop – In-Depth Budget & Charges Briefing
- ✓ January 6, 2025 - Audit Committee receives proposed budget and charges presentation
- ✓ January 22, 2025 - Board Meeting – Board receives a proposed budget and charges presentation and refers the matters back to Audit Committee for further review
- ✓ February 17, 2025 - Audit Committee continued review of budget and proposed charges
- ✓ February 26, 2025 - Board Meeting – Board conducts public hearing related to the proposed budget and charges

Member Partner Engagement

- ✓ October 17, 2024 - Charges Rollout #1 - Capital Improvement Plan (CIP) Review
- ✓ November 12, 2024 - Charges Rollout #2 - Units of Service (UOS)
- ✓ January 9, 2025 - Charges Rollout #3 – Proposed Charges Overview and Introduction of Budget
- ✓ January 13, 2025 – Member Partner specific email with preliminary calculation worksheet and letter from Chief Executive Officer
- ✓ January 16, 2025 - Charges Rollout #4 - Feedback on Proposed Charges and further discussion of the Budget with the Long-term Financial Plan
- ✓ January 27, 2025 – Member Partner specific email with proposed calculation worksheet, letter from Chief Executive Officer, and one pager related to FY 2026 Proposed Charge Increase

A Notice of Public Hearing was published in the Detroit Legal News on February 12, 2025. That notice, along with related supporting materials throughout the budget and charges development process, is available online at www.gllwater.org/financials.

Proposed FY 2026 Water Charges

The proposed FY 2026 water service charges reflect a proposed FY 2026 Water budget increase of 6.75 percent along with increased investment earnings and reduction in estimated sales volumes. **Therefore, the average water system charges increase will be 6.96 percent.**

Proposed FY 2026 Sewer Charges

The proposed FY 2026 sewer service charges reflect a proposed FY 2026 Sewer budget increase of 4.63 percent along with the increased investment earnings and reduction in

estimated industrial charges. **Therefore, the average sewer system charges increase will be 4.5 percent.**

BUDGET IMPACT

The recommended FY 2026 Schedule of Water Service Charges and Sewer Service Charges as presented produces the necessary revenues to fund the FY 2026 Water System and Sewer System Budget.

Coordination with DWSD's Budget – Under the terms of the lease agreements and related financial commitments, key inputs are required from DWSD. An analysis of the DWSD budget inputs and related reconciliation based upon some of the changes above is reflected in the attached schedules.

COMMITTEE REVIEW

The Audit Committee has reviewed the FY 2026 financial plan, including charge setting matters, at its meetings on January 6, 2025 and February 17, 2025. On February 17, 2025 the Audit Committee [*insert action*] that the Board of Directors adopts the resolution related to the FY 2026 and FY 2027 Budget and related FY 2026 Schedule of Charges as presented on [*insert date*] subject to public comment at the public hearing to be held on February 26, 2025.

SHARED SERVICES IMPACT

This item does not impact the Shared Services Agreement between the GLWA and the City of Detroit.

Great Lakes Water Authority

Resolution 2025-020

RE: Approval of FY 2026 Schedule of Water and Sewer Service Charges

By Board Member: _____

Whereas The Great Lakes Water Authority (“GLWA”) management and its consultant, Willdan Financial Services, have developed the attached Schedule of Water Service Charges and Sewer Service Charges for FY 2026, including the direct and indirect City of Detroit Revenue Requirements for the water and sewer systems, to support the FY 2026 water system and sewer system revenue requirements budget with an effective date of July 1, 2025; and

Whereas The FY 2026 water and sewer revenue requirements reflect GLWA’s commitment to providing our Member Partners with wholesale water and wastewater services of unquestionable quality at a fair and equitable cost; and

Whereas A Public Hearing was held for the Water Service Charges and Sewer Service Charges proposed by the GLWA for FY 2026 on February 26, 2025 at 2:00 p.m.; and

NOW THEREFORE BE IT:

RESOLVED The Great Lakes Water Authority Board approves the proposed:

- 1) FY 2026 fixed monthly charges and commodity charges included in the water supply system schedule of service charges as well as the lead and copper rule sample testing fee;
- 2) FY 2026 fixed monthly charges included in the sewage disposal system schedule of charges as well as the FY 2026 schedule of industrial waste control charges, pollutant surcharges and septage disposal fee included in the sewage disposal system industrial specific charges;
- 3) FY 2026 City of Detroit allocated wholesale water revenue requirement of \$30,528,000 which is the net of \$51,5228,000 gross revenue requirement less the Ownership Equity Credit of \$20,700,000 pursuant to the terms of the Water and Sewer Services Agreement (WSSA);
- 4) FY 2026 City of Detroit allocated wholesale sewer revenue requirement of \$215,336,400 which is the net of \$220,852,400 gross revenue requirement less the Ownership Equity Credit of \$5,516,000 in accordance with the WSSA;
- 5) FY 2026 City of Detroit allocated indirect water revenue requirement of \$TBD, in accordance with the Regional Water Supply System Lease;

6) FY 2026 City of Detroit allocated indirect sewer revenue requirement of \$TBD, in accordance with the Regional Sewage Disposal System Lease; and

RESOLVED That the Chief Executive Officer, and the Chief Financial Officer/Treasurer are authorized to take such other action as may be necessary to accomplish the intent of this vote.

DRAFT

GREAT LAKES WATER AUTHORITY
WATER SUPPLY SYSTEM

Schedule updated by GLWA Staff Pending Review by
 Willdan Financial Services

Service Charges and Allocated Revenue Requirements

FINAL PROPOSED - EFFECTIVE JULY 1, 2025 FOR ALL BILLS ISSUED ON OR AFTER AUGUST 1, 2025

Line No.	Member Partner	Contract	Fixed Monthly Charge (a)		Commodity Charge (a)		Projected Revenue From Charges (g)
				\$/mo		\$/mcf	\$
1	Allen Park	Model	\$	142,900	\$	9.90	\$ 2,858,300
2	Almont Village	Model	\$	14,400	\$	12.99	\$ 287,100
3	Ash Township	Model	\$	50,600	\$	10.84	\$ 1,012,600
4	Belleville	Model	\$	19,500	\$	11.19	\$ 390,700
5	Berlin Township	Model	\$	42,900	\$	12.78	\$ 857,300
6	Brownstown Township	Model	\$	230,100	\$	13.24	\$ 4,602,900
7	Bruce Township	Model	\$	18,800	\$	52.27	\$ 375,100
8	Burtchville Township	Model	\$	24,700	\$	20.33	\$ 493,600
9	Canton Township	Model	\$	640,100	\$	13.41	\$ 12,802,500
10	Center Line	Model	\$	29,600	\$	7.46	\$ 590,900
11	Chesterfield Township	Model	\$	267,700	\$	12.05	\$ 5,354,900
12	Clinton Township	Model	\$	463,000	\$	9.81	\$ 9,260,300
13	Commerce Township	Model	\$	212,600	\$	16.14	\$ 4,250,700
14	Dearborn	No Contract	\$	589,600	\$	9.00	\$ 11,793,000
15	Dearborn Heights	Model	\$	231,100	\$	9.49	\$ 4,621,900
16	Eastpointe	Model	\$	98,800	\$	7.82	\$ 1,975,400
17	Ecorse	Model	\$	68,100	\$	7.08	\$ 1,362,400
18	Farmington	Model	\$	60,500	\$	11.14	\$ 1,209,500
19	Farmington Hills	Model	\$	547,400	\$	12.61	\$ 10,949,500
20	Ferndale	Model	\$	65,500	\$	8.13	\$ 1,310,400
21	Flat Rock	Model	\$	88,200	\$	13.39	\$ 1,764,100
22	Flint	Model	\$	598,700	\$	12.15	\$ 11,971,500
	<i>less: Adjustment for KWA Debt Service (b)</i>						\$ (6,447,300)
	<i>Net projected revenue - Flint</i>						\$ 5,524,200
23	Fraser	Model	\$	77,300	\$	11.04	\$ 1,545,800
24	Garden City	Model	\$	104,700	\$	11.55	\$ 2,093,800
25	Gibraltar	Model	\$	21,500	\$	10.01	\$ 429,200
26	Greenwood Township (DTE)	Model	\$	82,400	\$	20.22	\$ 1,648,000
27	Grosse Ile Township	Model	\$	72,900	\$	13.64	\$ 1,458,600
28	Grosse Pt. Park	Model	\$	81,200	\$	12.86	\$ 1,623,800
29	Grosse Pt. Shores	Model	\$	36,700	\$	16.53	\$ 734,600
30	Grosse Pt. Woods	Model	\$	79,400	\$	9.55	\$ 1,587,900
31	Hamtramck	Model	\$	51,200	\$	6.59	\$ 1,023,000
32	Harper Woods	Model	\$	55,400	\$	8.07	\$ 1,107,000
33	Harrison Township	Model	\$	102,700	\$	8.66	\$ 2,054,200
34	Hazel Park	Model	\$	46,500	\$	7.93	\$ 929,100
35	Highland Park	Model	\$	52,400	\$	5.42	\$ 1,047,200

**GREAT LAKES WATER AUTHORITY
WATER SUPPLY SYSTEM**

Schedule updated by GLWA Staff Pending Review by
Willdan Financial Services

Service Charges and Allocated Revenue Requirements

FINAL PROPOSED - EFFECTIVE JULY 1, 2025 FOR ALL BILLS ISSUED ON OR AFTER AUGUST 1, 2025

Line No.	Member Partner	Contract	Fixed Monthly Charge (a)		Commodity Charge (a)		Projected Revenue From Charges (g)	
				\$/mo		\$/mcf		\$
36	Huron Township	Model	\$	94,300	\$	11.50	\$	1,886,000
37	Imlay City	Model	\$	92,900	\$	15.87	\$	1,857,500
38	Imlay Township (Single User)	No Contract	\$	600	\$	530.00	\$	12,500
39	Inkster	Model	\$	81,000	\$	6.57	\$	1,619,100
40	Keego Harbor	Model	\$	18,600	\$	15.20	\$	372,200
41	Lapeer	Model	\$	96,600	\$	14.25	\$	1,931,600
42	Lenox Township	Model	\$	20,000	\$	9.93	\$	399,900
43	Lincoln Park	Model	\$	142,500	\$	6.61	\$	2,849,600
44	Livonia	Model	\$	716,700	\$	12.76	\$	14,336,000
45	Macomb Township	Model	\$	770,300	\$	18.24	\$	15,405,100
46	Madison Heights	Model	\$	129,100	\$	8.42	\$	2,582,300
47	Mayfield Township (KAMAX)	Model	\$	3,200	\$	46.42	\$	63,000
48	Melvindale	Model	\$	41,000	\$	7.10	\$	820,700
49	New Haven, Village of	Model	\$	27,300	\$	10.97	\$	545,900
50	NOCWA	Model	\$	1,371,300	\$	12.60	\$	27,430,200
51	Northville	Model	\$	47,900	\$	13.05	\$	958,500
52	Northville Township	Model	\$	286,600	\$	17.02	\$	5,731,800
53	Novi	Model	\$	570,900	\$	15.08	\$	11,418,500
54	Oak Park	Model	\$	87,400	\$	7.72	\$	1,748,200
55	Oakland GWK Drain District	Model	\$	5,600	\$	4.94	\$	111,200
56	Plymouth	Model	\$	68,000	\$	12.48	\$	1,360,100
57	Plymouth Township	Model	\$	276,300	\$	14.37	\$	5,527,100
58	Redford Township	Model	\$	183,700	\$	9.60	\$	3,673,200
59	River Rouge	Model	\$	32,700	\$	6.53	\$	654,300
60	Riverview	Model	\$	53,800	\$	9.64	\$	1,076,500
61	Rockwood	Model	\$	15,400	\$	13.06	\$	308,900
62	Romeo	Model	\$	11,000	\$	28.29	\$	219,700
63	Romulus	Model	\$	228,300	\$	9.14	\$	4,564,900
64	Roseville	Model	\$	160,000	\$	7.50	\$	3,199,500
65	Royal Oak Township	Model	\$	13,000	\$	10.23	\$	259,300
66	Shelby Township	Model	\$	688,900	\$	13.59	\$	13,776,200
67	SOCWA	Model	\$	1,461,700	\$	9.58	\$	29,234,700
68	South Rockwood	Model	\$	7,400	\$	12.19	\$	147,300
69	Southgate	Model	\$	130,100	\$	8.89	\$	2,603,100
70	St. Clair Shores	Model	\$	194,600	\$	7.86	\$	3,893,100
71	Sterling Heights	Model	\$	908,600	\$	12.81	\$	18,172,900
72	Sumpter Township	Model	\$	45,300	\$	10.36	\$	906,200

**GREAT LAKES WATER AUTHORITY
WATER SUPPLY SYSTEM**

Schedule updated by GLWA Staff Pending Review by Willdan Financial Services
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Service Charges and Allocated Revenue Requirements

FINAL PROPOSED - EFFECTIVE JULY 1, 2025 FOR ALL BILLS ISSUED ON OR AFTER AUGUST 1, 2025

Line No.	Member Partner	Contract	Fixed Monthly Charge (a)		Commodity Charge (a)		Projected Revenue From Charges (g)		
				\$/mo		\$/mcf		\$	
73	Sylvan Lake	Model	\$	14,500	\$	17.52	\$	289,600	
74	Taylor	Model	\$	287,000	\$	8.57	\$	5,739,000	
75	Trenton	Model	\$	109,500	\$	10.74	\$	2,190,400	
76	Troy	Model	\$	840,700	\$	15.86	\$	16,814,600	
77	Utica	Model	\$	36,800	\$	12.25	\$	735,600	
78	Van Buren Township	Model	\$	209,600	\$	13.40	\$	4,191,500	
79	Walled Lake	Model	\$	49,300	\$	13.65	\$	986,100	
80	Warren	Model	\$	594,200	\$	7.72	\$	11,882,800	
81	Washington Township	Model	\$	145,500	\$	13.58	\$	2,909,800	
82	Wayne	Model	\$	111,400	\$	8.82	\$	2,227,600	
83	West Bloomfield Township	Model	\$	660,400	\$	19.07	\$	13,209,100	
84	Westland	Model	\$	377,100	\$	9.59	\$	7,540,300	
85	Wixom	Model	\$	153,700	\$	16.08	\$	3,074,500	
86	Woodhaven	Model	\$	90,600	\$	13.24	\$	1,812,800	
87	Ypsilanti Comm Util Auth	Model	\$	646,000	\$	10.62	\$	12,917,600	
88	Total Wholesale Contract Member Partners (c)						\$	\$	369,107,600
<u>Detroit Customer Class - \$</u>									
89	Wholesale Revenue Requirement (d)						\$		51,228,000
90	less: Ownership Benefit per Lease						\$		(20,700,000)
91	Net Local System Wholesale Revenue Requirement (c)						\$		30,528,000
92	Revenue from Wholesale Water Charges (88) + (91) (c)						\$		399,635,600
<u>Detroit Customer Class -Other</u>									
93	Indirect Retail Revenue Requirements (e)								TBD
94	less: Use of Lease Payment for Debt Service								TBD
95	Net Indirect Retail Revenue Requirements (e)								TBD
96	Subtotal Subject to GLWA Board Approval (91) + (95)								TBD
97	Direct Retail Revenue Requirements (f)								TBD
98	Total Local Retail Revenue Requirement (95) + (97)								TBD
99	Total Requirement Detroit Customer Class (91) + (98) (agrees with GLWA Budget Schedule 3)								TBD
<u>Other Water System Charges</u>									
100	Lead and Copper Rule Sample Testing Fee - \$/Sample						\$		64.00

(a) Proposed effective date of July 1, 2025. Effective on all bills issued on or after August 1, 2025.

Service Charges and Allocated Revenue Requirements

FINAL PROPOSED - EFFECTIVE JULY 1, 2025 FOR ALL BILLS ISSUED ON OR AFTER AUGUST 1, 2025

Line No.	Member Partner	Contract	Fixed Monthly Charge (a)	Commodity Charge (a)	Projected Revenue From Charges (g)
			\$/mo	\$/mcf	\$

- (b) Flint receives a monthly credit related to KWA debt service in accordance with service agreements.
- (c) Agrees with GLWA Budget Schedule 1
- (d) Wholesale revenue requirements for the Detroit Customer Class.
- (e) Local System revenue requirements related to Master Bond Ordinance and related agreements
- (f) Local System operating expenses (net of shared services reimbursement) and I&E deposit. Not Subject to GLWA Board approval.
- (g) Amounts may vary from individual Member Partner charge calculation sheets due to rounding.

**GREAT LAKES WATER AUTHORITY
SEWAGE DISPOSAL SYSTEM**

Schedule updated by GLWA Staff Pending Review by
Willdan Financial Services

Service Charges and Allocated Revenues Requirements

FINAL PROPOSED - EFFECTIVE JULY 1, 2025 FOR ALL BILLS ISSUED ON OR AFTER AUGUST 1, 2025

Line No.	Member Partner	Contract	Fixed Monthly Charge (a)	Projected Revenue From Charges
			\$/mo	\$
1	OMID Common	Model	\$ 6,537,300	\$ 78,447,600
2	Rouge Valley	Older	\$ 5,030,500	\$ 60,366,000
3	Oakland GWK	Older	\$ 4,200,900	\$ 50,410,800
4	Evergreen Farmington	Model	\$ 3,296,900	\$ 39,562,800
5	SE Macomb San Dist	Model	\$ 2,269,600	\$ 27,235,200
6	Dearborn	Model	\$ 1,869,300	\$ 22,431,600
7	Grosse Pointe Farms	Older	\$ 242,600	\$ 2,911,200
8	Grosse Pointe Park	Model	\$ 173,100	\$ 2,077,200
9	Melvindale	Model	\$ 143,000	\$ 1,716,000
10	Farmington	Model	\$ 109,000	\$ 1,308,000
11	Center Line	Model	\$ 95,400	\$ 1,144,800
12	Allen Park	Model	\$ 76,900	\$ 922,800
13	Grosse Pointe	Model	\$ 106,600	\$ 1,279,200
14	Highland Park	Model	\$ 433,000	\$ 5,196,000
15	Hamtramck	Model	\$ 390,900	\$ 4,690,800
16	Harper Woods	Model	\$ 14,800	\$ 177,600
17	Redford Township	Model	\$ 30,600	\$ 367,200
18	Wayne County #3	Older	\$ 4,300	\$ 51,600
19	Total Wholesale Contract Member Partners (c)			\$ 300,296,400
<u>Other Sewer System Charges</u>				
20	Industrial Waste Control (c)			\$ 9,150,300
21	Pollutant Surcharges (c)			\$ 5,112,700
22	Subtotal Regional Wholesale Revenues			\$ 314,559,400
<u>Detroit Customer Class - \$</u>				
23	Wholesale Revenue Requirement (d)			\$ 220,852,400
24	less: Ownership Benefit per Lease			\$ (5,516,000)
25	Net Local System Wholesale Revenue Requirement (c)			\$ 215,336,400
26	Total Revenue from Wholesale Charges (22) + (25) (c)			\$ 529,895,800

**GREAT LAKES WATER AUTHORITY
SEWAGE DISPOSAL SYSTEM**

Schedule updated by GLWA Staff Pending Review by
Willdan Financial Services

Service Charges and Allocated Revenues Requirements

FINAL PROPOSED - EFFECTIVE JULY 1, 2025 FOR ALL BILLS ISSUED ON OR AFTER AUGUST 1, 2025

<u>Detroit Customer Class -Other</u>		
27	Indirect Retail Revenue Requirements (e)	TBD
28	less: Use of Lease Payment for Debt Service	TBD
29	Net Indirect Retail Revenue Requirements (e)	TBD
30	Subtotal Subject to GLWA Board Approval (25) + (29)	TBD
31	Direct Retail Revenue Requirements (f)	TBD
32	Total Local System Revenue Requirement (29) + (31)	TBD
33	Total Requirement from Detroit Customer Class (25) + (32) (agrees with GLWA Budget Schedule 3)	TBD
(a)	Proposed effective date of July 1, 2025. Effective on all bills issued on or after August 1, 2025.	
(b)	Reserved	
(c)	Agrees with GLWA Budget Schedule	
(d)	Wholesale revenue requirements for the Detroit Customer Class.	
(e)	Local System revenue requirements related to Master Bond Ordinance and related agreements	
(f)	Local System operating expenses (net of shared services reimbursement) and I&E deposit. Not Subject to GLWA Board approval.	

**GREAT LAKES WATER AUTHORITY
SEWAGE DISPOSAL SYSTEM**

Industrial Specific Retail Charges

FINAL PROPOSED - EFFECTIVE JULY 1, 2025 FOR ALL BILLS ISSUED ON OR AFTER
AUGUST 1, 2025

Schedule updated by
GLWA Staff Pending
Review by Willdan
Financial Services

Industrial Waste Control Charges				
Meter Size		Full Charge		Admin Only Charge
inches		\$/mo		\$/mo
5/8	\$	3.89	\$	0.97
3/4	\$	5.84	\$	1.46
1	\$	9.73	\$	2.43
1-1/2	\$	21.40	\$	5.34
2	\$	31.12	\$	7.76
3	\$	56.41	\$	14.07
4	\$	77.80	\$	19.40
6	\$	116.70	\$	29.10
8	\$	194.50	\$	48.50
10	\$	272.30	\$	67.90
12	\$	311.20	\$	77.60
14	\$	389.00	\$	97.00
16	\$	466.80	\$	116.40
18	\$	544.60	\$	135.80
20	\$	622.40	\$	155.20
24	\$	700.20	\$	174.60
30	\$	778.00	\$	194.00
36	\$	855.80	\$	213.40
48	\$	933.60	\$	232.80

Pollutant Surcharges		
Pollutant		Charge
		\$/lb
BIOCHEMICAL OXYGEN DEMAND (BOD)		
for concentrations > 275 mg/l	\$	0.409
TOTAL SUSPENDED SOLIDS (TSS)		
for concentrations > 350 mg/l	\$	0.548
PHOSPHORUS (P)		
for concentrations > 12 mg/l	\$	7.907
FATS, OIL AND GREASE (FOG)		
for concentrations > 100 mg/l	\$	0.131
SEPTAGE DISPOSAL FEE		
Per 500 gallons of disposal	\$	40.00



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=WtM8XT8wsXhXivlRVtQnarkM6od3De.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**

The Executive Summary Dashboard (pages 1-2) and Budget to Actual Analysis (pages 3-8) sections of this report were revised as of 3/12/2025.

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This section revised as of 3/12/2025

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)

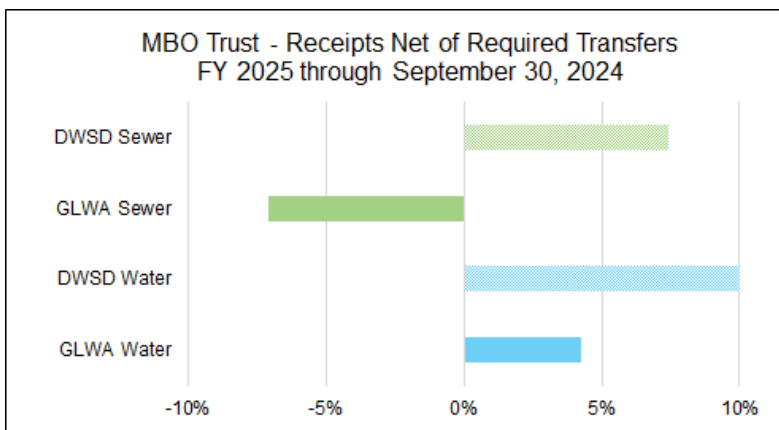
Variations are monitored by the Great Lakes Water Authority (GLWA) management and operating and/or budget priorities are re-evaluated where appropriate. Staff reviews the need for budget amendments quarterly and requests necessary amendments when required based on the most current information available.

For the current year, water and sewer operations and maintenance, capital spend, and investment earnings reflect variances to budget outside the normal range. GLWA staff will monitor water and sewer operations and maintenance to determine if budget amendments will be necessary. Capital spend variances reflect evolving changes in timing that the Capital Improvement Planning group continues to monitor and review. FY 2025 investment earnings are in line with FY 2024 earnings, though expectations are for lower interest income in FY 2025 mainly due to the Federal Reserve moving monetary policy to a more neutral level.

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	\$39.6	-7%	5
Wholesale Sewer Operations & Maintenance (\$M)	\$57.2	\$57.2	\$62.1	9%	
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 25.5% of budget through September 2024 which is above the pro-rata benchmark of 25.0%. This negative variance equates to a dollar amount of \$2.1 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 above the pro-rata benchmark; the *water* system is at 27.4% while the *sewer* system is at 25.5%. 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 credit issued 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 are above the pro-rata benchmark for FY 2025 at 42.4%. The *sewer* system is also above the pro-rata benchmark for FY 2025 at 46.3%. FY 2025 investment earnings are in line with FY 2024 earnings, though expectations are for lower interest income in FY 2025 mainly due to the Federal Reserve moving monetary policy to a more neutral level. 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 are below the pro-rata benchmark for FY 2025 at 23.3% while the *sewer* system O&M is above the pro-rata benchmark for FY 2025 at 27.1%.
5. **Debt Service:** For FY 2025, both systems are above the pro-rata benchmark for debt service; the *water* system is at 25.5% while the *sewer* system is at 25.6%. 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 the *water* system is below the pro-rata benchmark at 24.1%. Total revenue requirements for the *sewer* system is above the pro-rata benchmark at 26.1%.

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.

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 at 6/30/2024	FY 2025 Board Adopted Budget	FY 2025 Amended Budget	FY 2025 Activity Thru 9/30/2024	Percent Year-to- Date at 9/30/2024
Water System							
Revenues							
Wholesale Charges	\$ 328,203	\$ 91,033	27.7%	\$ 347,758	\$ 347,758	\$ 94,396	27.1%
Local System Charges	25,537	6,384	25.0%	27,095	27,095	6,774	25.0%
Investment Earnings	18,051	3,613	20.0%	9,874	9,874	4,183	42.4%
Other Revenues	943	239	25.4%	400	400	54	13.6%
Total Revenues	\$ 372,734	\$ 101,269	27.2%	\$ 385,127	\$ 385,127	\$ 105,407	27.4%
Revenue Requirements							
Operations & Maintenance Expense	\$ 168,873	\$ 40,205	23.8%	\$ 169,625	\$ 169,625	\$ 39,571	23.3%
Debt Service	162,236	39,871	24.6%	175,301	175,301	44,776	25.5%
General Retirement System Pension	1,506	849	56.4%	2,283	2,283	571	25.0%
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%
Receiving Fund Working Capital Requirement	-	-	0.0%	6,200	6,200	-	0.0%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending	-	-	0.0%	-	-	-	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	\$ 94,557	25.4%	\$ 385,127	\$ 385,127	\$ 92,848	24.1%
Net Difference		\$ 6,712				\$ 12,559	
<i>Recap of Net Positive Variance</i>							
<i>Revenue Variance</i>		\$ 8,086				\$ 9,125	
<i>Revenue Requirement Variance</i>		(1,374)				3,434	
<i>Overall Variance</i>		\$ 6,712				\$ 12,559	

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 at 6/30/2024	FY 2025 Board Adopted Budget	FY 2025 Amended Budget	FY 2025 Activity Thru 9/30/2024	Percent Year-to- Date at 9/30/2024
Sewer System							
Revenues							
Wholesale Charges	\$ 267,879	\$ 69,854	26.1%	\$ 287,518	\$ 287,518	\$ 72,089	25.1%
Local System 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	4,949	21.6%	12,356	12,356	5,716	46.3%
Other Revenues	1,130	413	36.5%	700	700	111	15.8%
Total Revenues	\$ 502,349	\$ 127,654	25.4%	\$ 520,652	\$ 520,652	\$ 132,670	25.5%
Revenue Requirements							
Operations & Maintenance Expense	\$ 224,874	\$ 51,333	22.8%	\$ 228,934	\$ 228,934	\$ 62,124	27.1%
Debt Service	230,976	57,082	24.7%	226,279	226,279	57,919	25.6%
General Retirement System Pension	3,097	1,620	52.3%	4,846	4,846	1,212	25.0%
Water Residential Assistance Program Contribution	2,503	626	25.0%	2,652	2,652	663	25.0%
Regional System Lease	27,500	6,875	25.0%	27,500	27,500	6,875	25.0%
Receiving Fund Working Capital Requirement	-	-	0.0%	2,300	2,300	-	0.0%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending	-	-	0.0%	-	-	-	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	\$ 125,078	24.9%	\$ 520,652	\$ 520,652	\$ 135,828	26.1%
Net Difference		\$ 2,575				\$ (3,158)	
<i>Recap of Net Positive Variance</i>							
<i>Revenue Variance</i>		\$ 2,067				\$ 2,507	
<i>Revenue Requirement Variance</i>		509				(5,665)	
<i>Overall Variance</i>		\$ 2,575				\$ (3,158)	

Operations & Maintenance Budget – Major Budget Categories

The year-over-year benchmark ratio as of September 30, 2024, is 25.0% (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)

Service Area	FY 2024	FY 2024	Percent	FY 2025	FY 2025	FY 2025	Percent
	Amended Budget	Activity Thru 9/30/2023	Year-to- Date at 9/30/2023	Board Adopted Budget	Amended Budget	Activity Thru 9/30/2024	Year-to- Date at 9/30/2024
A Water System Operations	\$ 90,810	\$ 22,365	24.6%	\$ 94,670	\$ 94,670	\$ 25,377	26.8%
B Wastewater System Operations	146,722	34,956	23.8%	147,245	147,245	37,953	25.8%
C Centralized Services	117,468	26,111	22.2%	116,980	116,980	29,949	25.6%
D Administrative & Other Services	38,747	8,107	20.9%	39,664	39,664	8,872	22.4%
Employee Benefits	-	-	0.0%	-	-	(456)	0.0%
Total O&M Budget	\$ 393,747	\$ 91,538	23.2%	\$ 398,559	\$ 398,559	\$ 101,695	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 slightly above the pro-rata benchmark of 25.0%. This negative variance equates to a dollar amount of \$2.1 million. The expense category commentary is provided below for items highlighted on Table 3.

Personnel Costs: The overall category is slightly above the pro-rata benchmark; coming in at 25.9% 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 above 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 below than the benchmark of 25.0%. This category is under review.
- **Sewage service** is lower than the benchmark, coming in at 10.7%. This category is under review.
- **Water service** is lower than the benchmark, coming in at 16.7%. This category is under review.

Chemicals: This category is higher 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 25.7% 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 higher than the pro-rata benchmark; coming in at 27.3% 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 lower than the benchmark; coming in at 13.0% 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 – (\$000)**

Expense Categories	FY 2024		Percent Year-to- Date at	FY 2023		Percent Year-to- Date at	FY 2025 PRORATED		FY 2025 ACTIVITY	Percent Year-to- Date	FY 2025 Prorated Amended Budget Less FY 2025 Activity
	FY 2024 AMENDED BUDGET	ACTIVITY THRU 9/30/2023		ACTIVITY THRU 6/30/2024	FY 2025 AMENDED BUDGET		BUDGET (3 MONTHS)	ACTIVITY THRU 9/30/2024			
Entity-wide											
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	638	30.3%	(112)	
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	7,090	23.4%	497	
Transition Services	9,877	2,722	27.6%	9,249	29.4%	8,198	2,050	2,024	24.7%	26	
Employee Benefits Fund	-	-	0.0%	-	0.0%	-	-	(456)	0.0%	456	
Personnel Costs	<u>125,653</u>	<u>29,578</u>	23.5%	<u>125,455</u>	23.6%	<u>130,368</u>	<u>32,592</u>	<u>33,759</u>	25.9%	<u>(1,167)</u>	
Electric	50,716	13,708	27.0%	49,805	27.5%	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 Service	2,538	695	27.4%	2,336	29.8%	2,980	745	318	10.7%	427	
Water Service	12,803	3,047	23.8%	12,586	24.2%	11,602	2,900	1,940	16.7%	961	
Utilities	<u>73,823</u>	<u>18,690</u>	25.3%	<u>71,939</u>	26.0%	<u>70,603</u>	<u>17,651</u>	<u>17,636</u>	25.0%	<u>14</u>	
Chemicals	32,824	7,826	23.8%	31,075	25.2%	34,835	8,709	9,195	26.4%	(486)	
Supplies & Other	45,364	8,916	19.7%	43,604	20.4%	43,539	10,885	11,184	25.7%	(299)	
Contractual Services	120,914	27,453	22.7%	116,766	23.5%	113,871	28,468	31,069	27.3%	(2,601)	
Capital Program Allocation	(2,624)	(523)	19.9%	(2,847)	18.4%	(4,582)	(1,145)	(598)	13.0%	(548)	
Shared Services	(2,207)	(402)	18.2%	(2,281)	17.6%	(2,280)	(570)	(550)	24.1%	(19)	
Unallocated Reserve	-	-	0.0%	-	0.0%	12,205	3,051	-	0.0%	3,051	
Total Expenses	<u>\$ 393,747</u>	<u>\$ 91,538</u>	23.2%	<u>\$ 383,711</u>	23.9%	<u>\$ 398,559</u>	<u>\$ 99,640</u>	<u>\$ 101,695</u>	25.5%	<u>\$ (2,055)</u>	

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) dechr in fair value of invstmnt	(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	\$ 15,232	\$ 18,515	\$ 33,747	\$ 147,736

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.

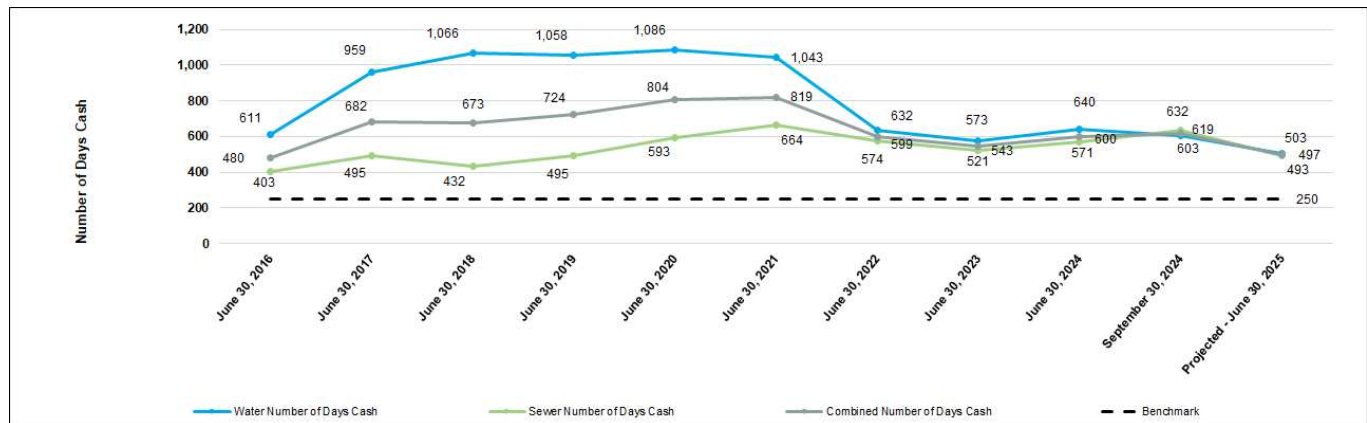


Financial Operations KPI - Liquidity

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

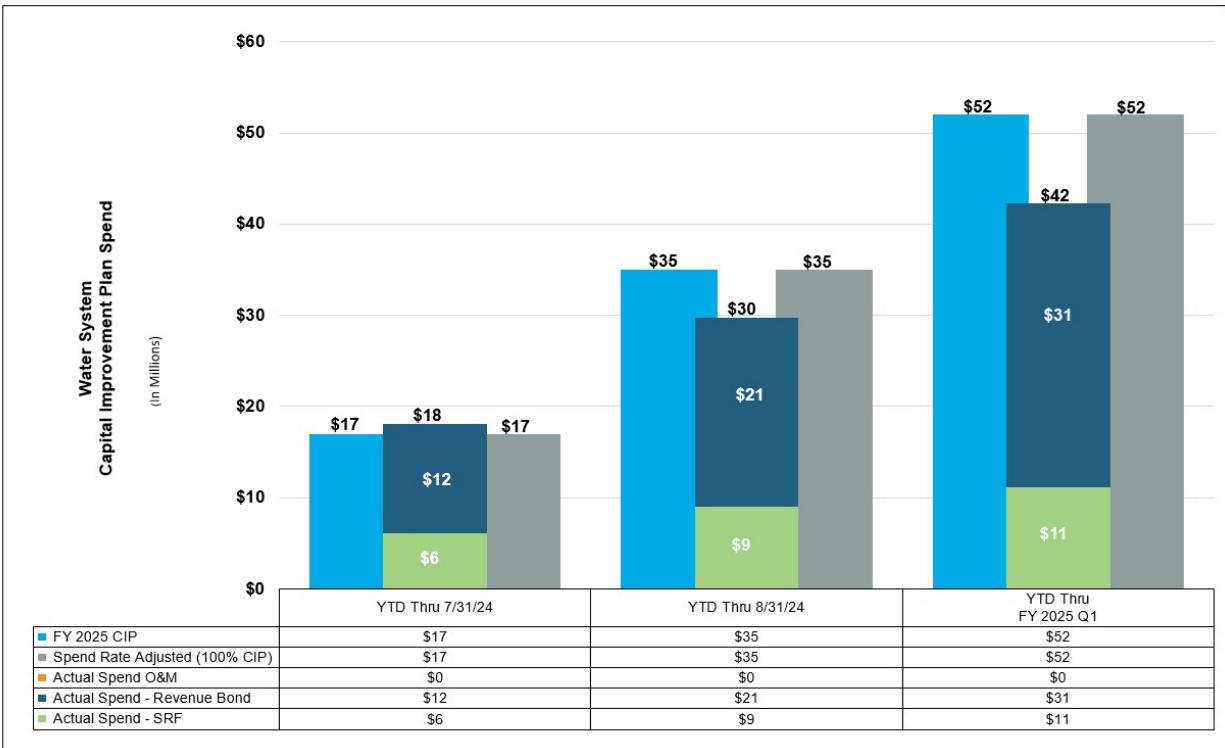
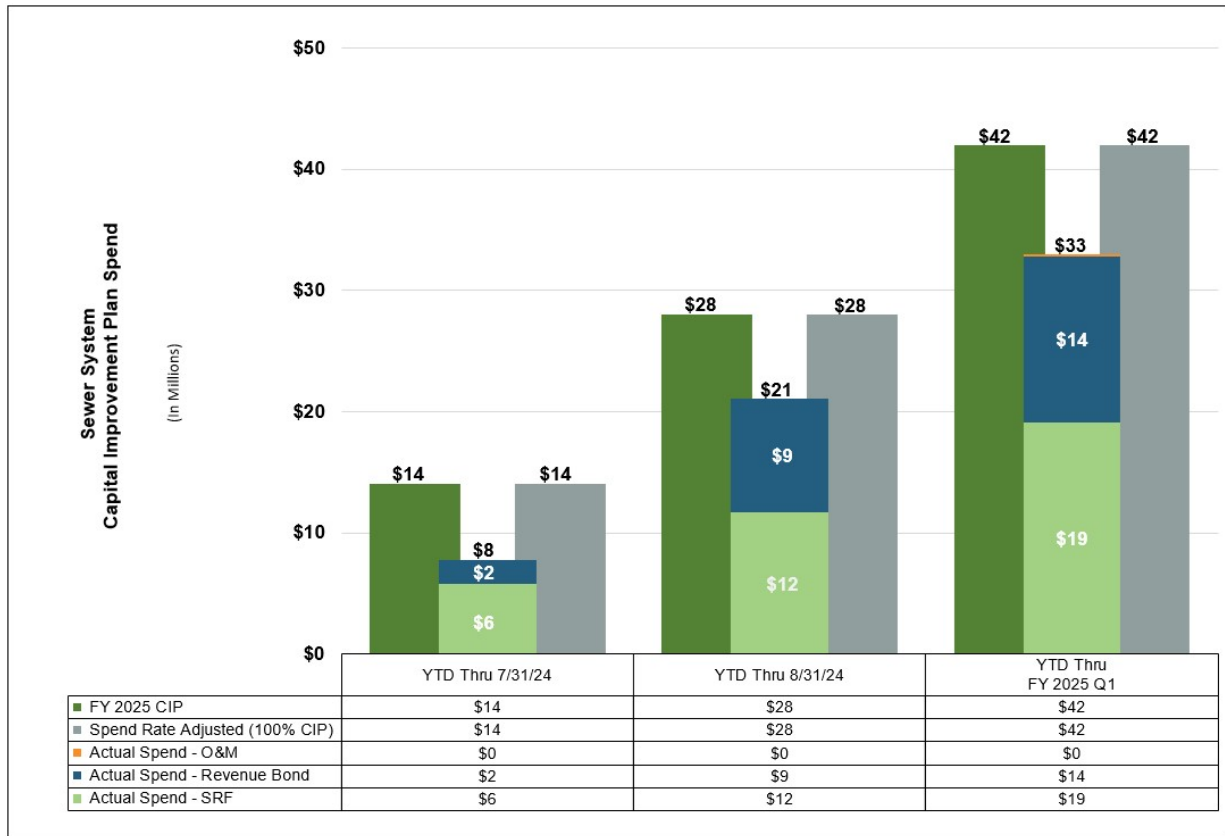


Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date

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					
	<u>Operations & Maintenance</u>	<u>Pension</u>		<u>Lease Payment (I&E Fund)</u>	<u>Total Water</u>
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					
	<u>Operations & Maintenance</u>	<u>Pension</u>		<u>Lease Payment (I&E Fund)</u>	<u>Total Sewer</u>
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

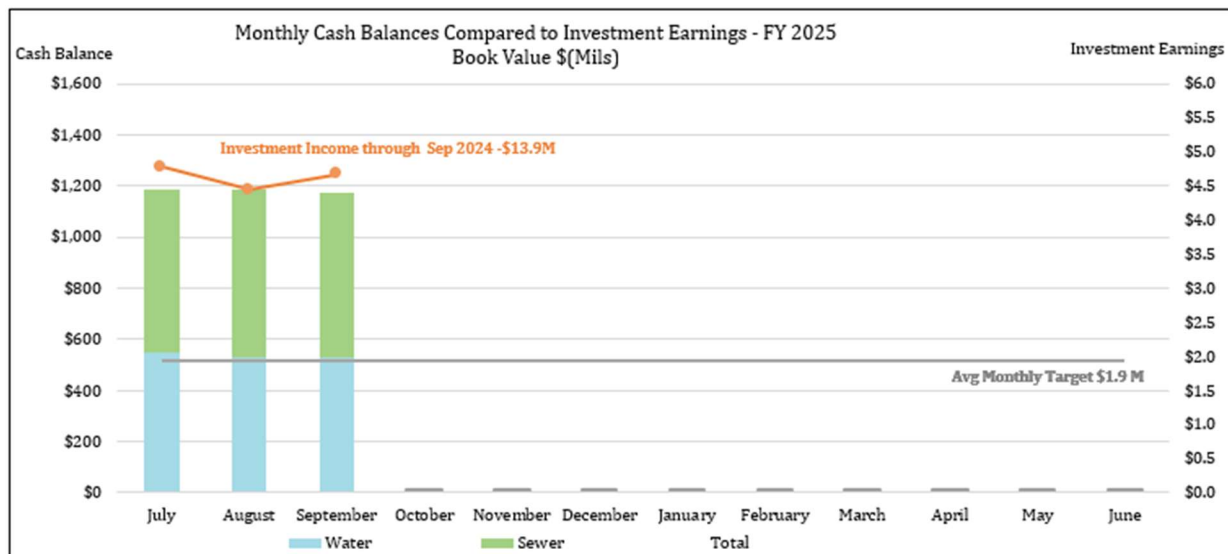
Monthly Cash Balances Compared to Investment Income

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.

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:

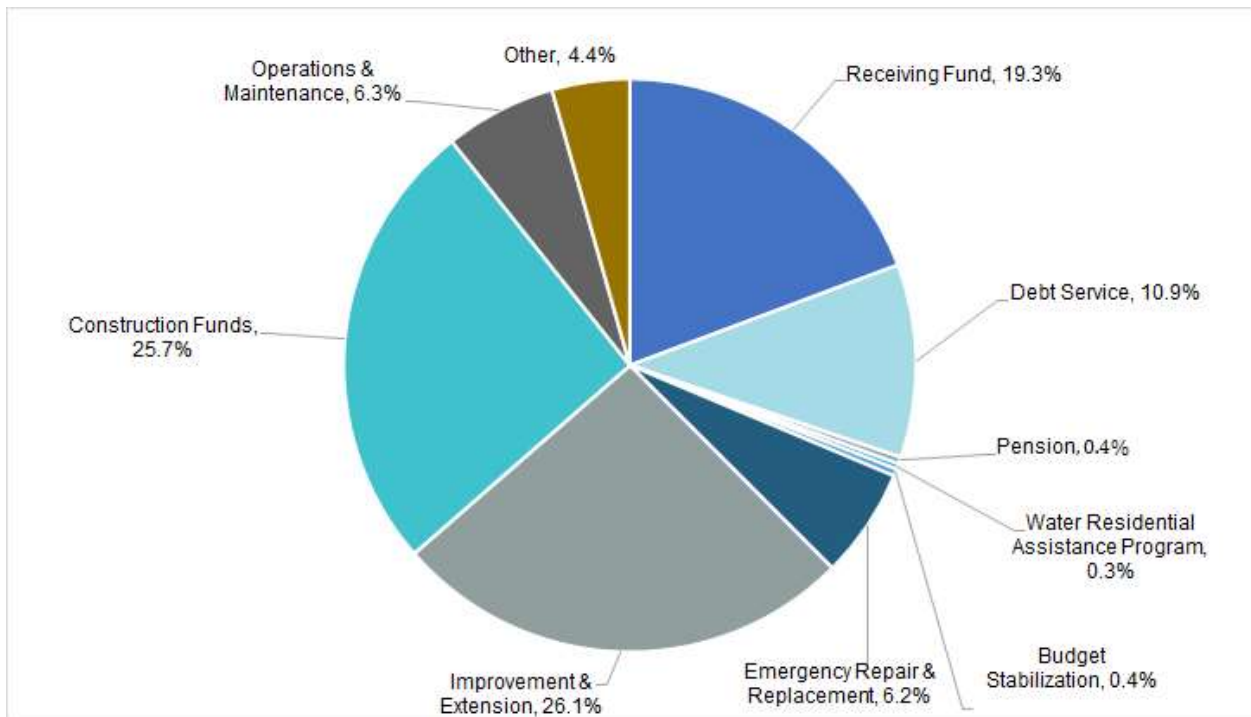
- Bond Proceeds – funds raised from debt issuance used for costs of repairs, construction, and improvements of the regional system
- Operations & Maintenance (O&M) – funds used to meet the operational and maintenance requirements of the regional system
- Other – retainage funds held on behalf of contractors 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

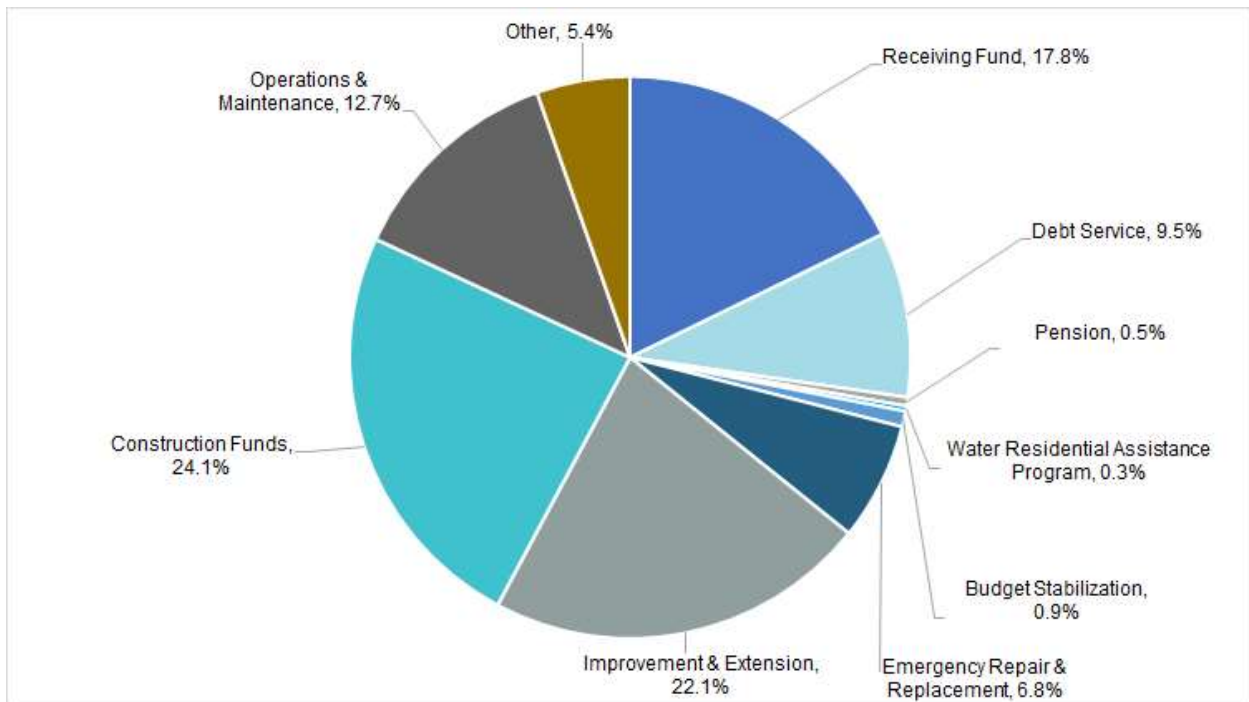


Note: Due to rounding totals may not equal 100%.

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
<i>Subtotals ytd</i>	<i>750,000</i>	<i>38,628,567</i>	<i>706,192</i>	<i>35,966,603</i>	<i>(43,808)</i>	<i>(2,661,964)</i>		
<i>Achievement of Budget</i>			<i>94.16%</i>	<i>93.11%</i>				

(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>			<i>90.68%</i>	<i>92.55%</i>				

(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, 2023. 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			Days in AR (1)
		Total	Allowance	Net	
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
<i>Totals may be off due to rounding</i>					

(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	87

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
<i>Subtotals ytd</i>	<i>4,102,296</i>	<i>97,812,200</i>	<i>3,959,726</i>	<i>96,531,592</i>	<i>(142,570)</i>	<i>(1,280,608)</i>		
<i>Achievement of Original Plan</i>			<i>96.52%</i>	<i>98.69%</i>				

(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	<u>4</u>
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
<i>Subtotals ytd</i>		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		

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

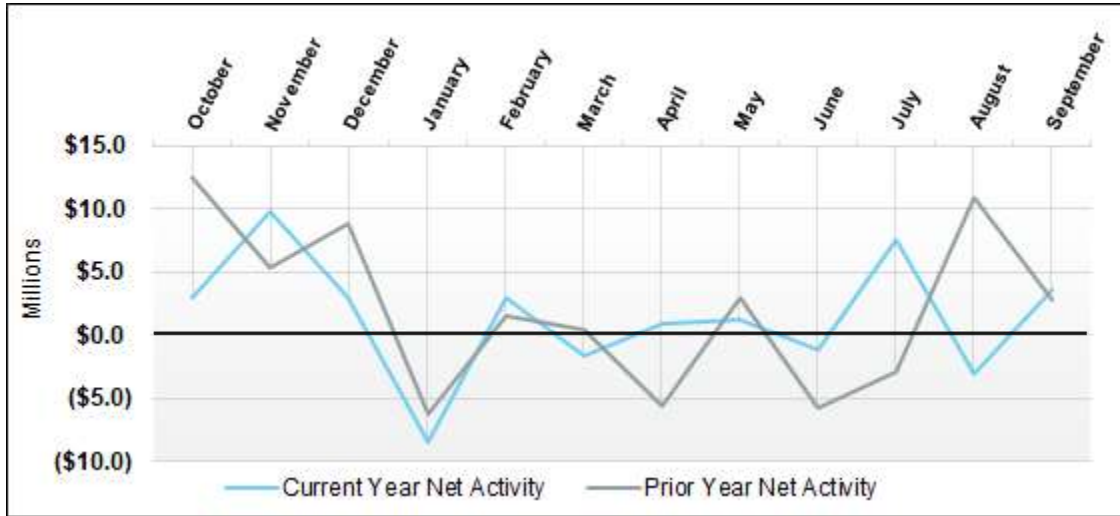


Chart 2 – GLWA 12-Month Net Receipts – Sewer



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

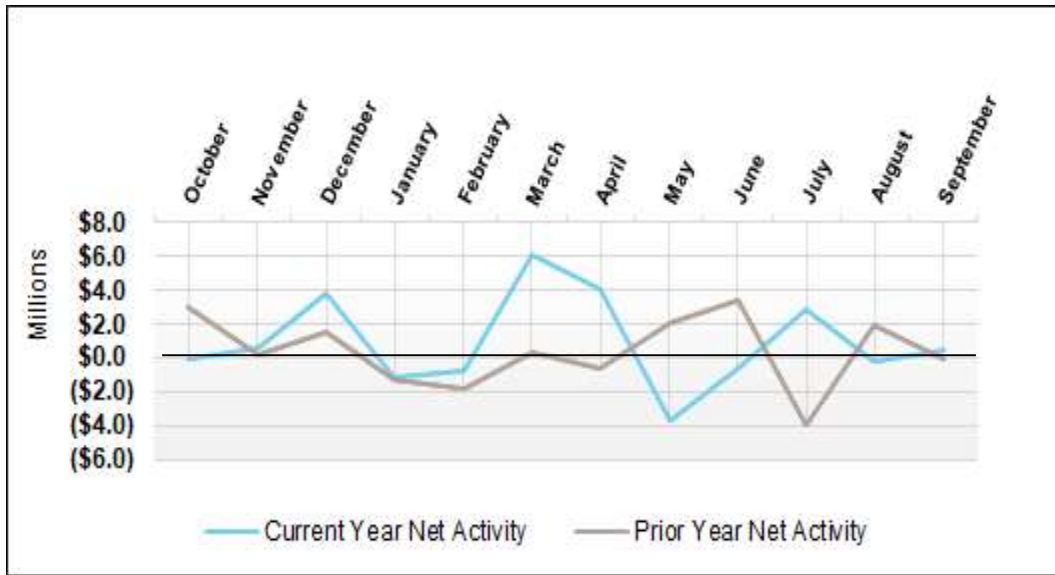
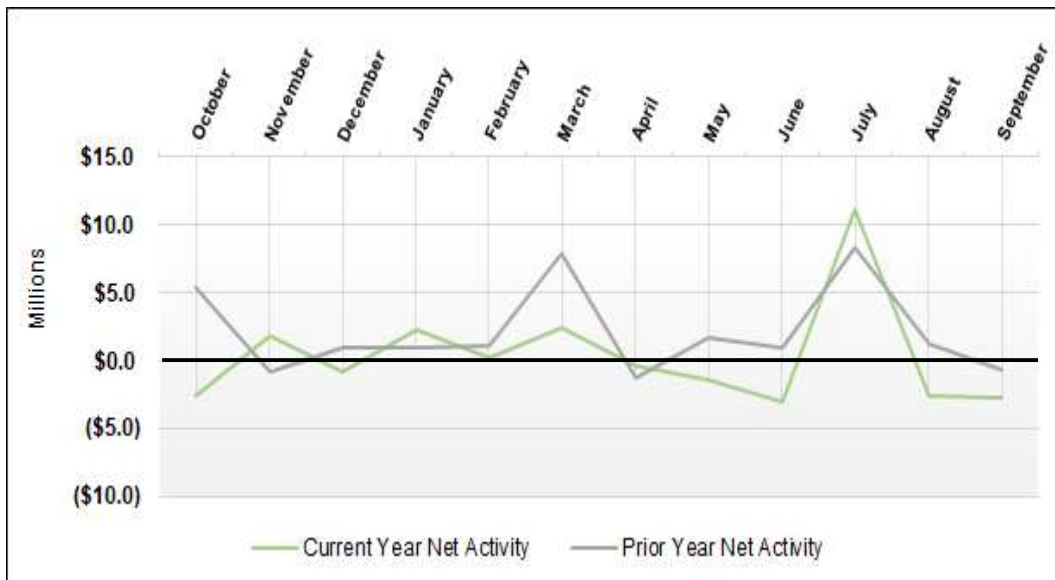


Chart 4 – DWSD 12-Month Net Receipts – Sewer



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://www.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

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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		FY 2025		FY 2025	
	FY 2024	Activity	Percentage	FY 2025	Prorated (Three Months)	Activity (Unaudited)	Percentage	
<i>(in millions)</i>								
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 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	CWIP Balance September 30, 2024
City of Detroit	\$ 507,502,995	\$ 66,649,664	\$ 59,589,941	\$ 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	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board	FY 2025 Board	FY 2025 Activity	CWIP Balance September 30, 2024
			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		Life to Date Activity Through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
								Capitalizations And Other Activity	Activity Through September 30, 2024		
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 Activity through September 30, 2024	FY 2025 Capitalizations And Other		CWIP Balance September 30, 2024	Life to Date		Life to Date Activity through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
			FY 2025 Board Approved CIP	With Project Amendments		Activity Through September 30, 2024	Capitalizations And Other Activity					
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	FY 2025 Capitalizations	FY 2025 Activity through September 30, 2024	FY 2025 Activity Through September 30, 2024	CWIP Balance September 30, 2024	Life to Date Capitalizations And Other Activity September 30, 2024	Life to Date Activity Through September 30, 2024	Life to Date Activity / Total Project Plan Estimate
					Approved CIP	And Other						
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 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 Transmission System Water Main Work-Wick Road Parallel Water Main	-	(0)	-	-	-	-	(0)	16,947,443	16,947,443	0%
	122006	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 48-Inch Water Main Installation at Vining and Wick Roads in Romulus	799,716	89,245,966	799,716	799,716	2,328,701	-	91,574,667	17,510,830	109,085,497	13641%
	122014	30-Inch Water Main	-	-	-	-	-	-	-	4,011,084	4,011,084	0%
	122015	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												
General Purpose - Water Total	161001	Comprehensive Water Master Plan Update	-	-	-	-	-	-	-	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 Intake Lagoon	-	-	-	-	-	-	-	1,935,792	1,935,792	0%
	170107	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 Transmission System Valve Assessment and Rehabilitation/Replacement Program	59,284,637	-	17,778	17,778	-	-	-	-	-	0%
	170500	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%

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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	FY 2025 Board	FY 2025 Capitalizations	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	
					Approved CIP	With Project Amendments	Activity through September 30, 2024					
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%		

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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	FY 2025 Board	FY 2025	FY 2025 Capitalizations	CWIP Balance September 30, 2024	Life to Date	Life to Date	Life to Date
					Approved CIP	With Project Amendments	Activity through September 30, 2024	And Other Activity Through September 30, 2024		Capitalizations And Other Activity	Activity Through September 30, 2024	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	FY 2025 Board	FY 2025	FY 2025 Capitalizations	CWIP Balance September 30, 2024	Life to Date		Life to Date Activity / Total Project Plan Estimate
					Approved CIP	With Project Amendments	Activity through September 30, 2024	And Other Activity Through September 30, 2024		Capitalizations And Other Activity	Activity through September 30, 2024	
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	FY 2025 Board	FY 2025	FY 2025 Capitalizations	CWIP Balance September 30, 2024	Life to Date	Life to Date	Life to Date
					Approved CIP	With Project Amendments	Activity through September 30, 2024	And Other Activity through September 30, 2024		Capitalizations And Other Activity	Activity through September 30, 2024	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%

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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	FY 2025 Board	FY 2025	FY 2025 Capitalizations	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
					Approved CIP	With Project Amendments	Activity through September 30, 2024	And Other Activity Through September 30, 2024				
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 Improvements	-	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 P51 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	6,231,557	-	-	-	-	-	-	-	-	0%
213001	Replacement of Belt Filter Presses for Complex I and Upper Level Complex II	-	-	-	-	-	-	-	36,669,231	36,669,231	0%	
213003	Sewage Sludge Incinerator Air Quality Improvements at WRRF	-	-	-	-	-	-	-	36,675,871	36,675,871	0%	
213004	Biosolids Dryer Facility at WRRF	-	-	-	-	-	-	-	2,408,470	2,408,470	0%	
213005	Complex I Incinerators Decommissioning and Reusability	-	-	-	-	-	-	-	369,671	369,671	0%	
213006	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

Project Category	Project	Project Name	Total Project Plan Estimate	CWIP Balance July 1, 2024	FY 2025 Board	FY 2025 Board	FY 2025	FY 2025 Capitalizations	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	
					Approved CIP	With Project Amendments	Activity through September 30, 2024	And Other Activity Through September 30, 2024					
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.



FINAL - FY 2026 Units of Service Report

Uniform Forecast Period
October 1, 2021 – September 30, 2024

Water System

Issued: February 13, 2025

Compiled by: Charges Outreach & Modeling Team

Matt Lane, Manager

Guy Belew, Management Professional

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Introduction

A component of the water charges development process for the upcoming fiscal year is developing a forecast of projected water volumes for each community. This forecast is based on a three-year average derived from usage and billing data known as the “Uniform Forecast Period” period. Together with colleagues across the Great Lakes Water Authority (GLWA) organization, the Charges Outreach & Modeling Team reviews the data and prepares an analysis to establish the water units of service for the water service charges for the next year. Annually a preliminary calculation is presented at Charges Rollout #2. For the upcoming FY 2026 charges, that meeting was held on November 12, 2024 and included billing data for the unclosed period of September 2024. This final version of the report, dated February 13, 2025, reflects updated actual data from the closed period including any billing adjustments, finalized estimates, or billing changes. Those updates did not have a material impact on the projected volumetric demands.

How Units of Service Impact Annual Charges

The water system charge methodology provides that 60% of the annual charge is based on a fixed amount and that 40% is based on a commodity charge. Commodity, units of service, and demand are several ways of conveying the same concept. Charges are established based on forecasted demand and subsequently billed based on the actual flow of water through their communities’ master meters (or some established proxy if there are no master meters in place).

Uniform Forecast Period

The Uniform Forecast Period is based on the premise that the same timeframe is used for all members partners (hence, it is uniform) and spans a 36-month period ending September 30th in the year preceding the next fiscal year. For the FY 2026 charges, the forecast period spans October 2021 through September 2024.

The uniform forecast period also considers that water demand is not consistent throughout the year. For this reason, the analysis takes into account that there are base months and peak months. Base months include those with more stable demand patterns and include October through March. Peak months tend to be higher usage and have greater fluctuation based on seasonal needs in our region. Peak months include April through September.

Nationally, water demands continue to decline for several reasons such as more water efficient plumbing fixtures and water resource conservation efforts. For this reason, the methodology includes a final step to reduce the historic data by 1% annually to account for the declining demand trend.

As a recap, the “Uniform Forecasting Method” projects anticipated commodity volume demand for the upcoming fiscal year based on an average of the last 3 years, with the base month averages adjusted downward by 1.0% annually to reflect water use patterns. The peak months are not adjusted.

Water System Units of Service

The preliminary Units of Service for each Member Partner for the upcoming FY 2026 Water Cost of Service Study were presented at Charges Rollout #2 on November 12, 2024. This “final” report reflects billing information from September 2024 that was not available when the “preliminary” report was published. In addition, the report also reflects the negotiated reduction in projected volume for the City of Highland Park.

A county-level summary of water units is shown in the table below (expressed in Mcf).

Summary by County (Mcf)				
County	FY 2025 Charges	FY 2026 Charges	Difference	% Change
Macomb	3,330,670	3,285,660	(45,010)	-1.35%
Oakland	4,082,500	4,057,300	(25,200)	-0.62%
Wayne	4,739,900	4,698,200	(41,700)	-0.88%
Other*	1,121,120	1,102,040	(19,080)	-1.70%
Subtotal	13,274,190	13,143,200	(130,990)	-0.99%
Detroit	4,230,000	4,231,000	1,000	0.02%
Total	17,504,190	17,374,200	(129,990)	-0.74%

*Other includes all member partners in Washtenaw, St Clair, Monroe, Lapeer & Genesee Counties.

For the purpose of calculating FY 2026 charges, system-wide demands are anticipated to decrease by 129,990 Mcf or 0.74 percent based on the uniform forecasting period. Suburban Wholesale volumes are down by 0.99 percent. Since 40 percent of charges revenue is recovered through commodity charges (based on demand), this equates to a structural revenue variance of -0.39 percent.

<i>[a]</i>	<i>[b]</i>	<i>[c]</i>	<i>[d]</i>	<i>[e]</i>	<i>[f]</i>
FY 2025 Volumes (mcf)	Proposed FY 2026 Projected Volume (mcf)	Change (mcf)	Metered Member Partner Volume Change %	Commodity Charge Factor	Cost Recovery Charge Impact
		$[b]-[a]$	$[c]/[a]$		$[d]*[e]$
13,274,190	13,143,200	(130,990)	-0.99%	40%	-0.39%

Appendix 1 – Schedule of Final Proposed Water Units of Service – Sales Volumes presents the calculation of projected “Wholesale Water Sales” for each Member Partner, separated into:

- “Base months” (October through March)
- “Peak Months” (April through September)
- Annual totals

It should be noted that in some cases, this data reflects our interpretation of billing adjustments for prior periods, and other related adjustments. In these instances, forecasted sales are highlighted in **yellow**.

Appendix 2 – Comparison of FY 2025 Approved & FY 2026 Final Proposed Units of Service – Sales Volumes presents a comparison of water units of service between the approved FY 2025 Cost of Service study and the FY 2026 units of service included in the FY 2026 Cost of Service analysis.

The units of service for “non master metered” Member Partners (Detroit, Dearborn, Highland Park) include “wholesale proxy” volumes based on the Black & Veatch Units of Service (UoS) Studies (Phase 1 and Phase 2). The proposed max day and peak hour demands for these Member Partners continue to be presumed to be “locked in” for the four-year Contract Alignment Process (“CAP”) period to put those customers on the same basis as the Master Metered customers.

Appendix 3 - Final Water Units of Service FY Comparison- FY 2025 & FY 2026 presents a comparison of the projected wholesale volumes converted into “average day demands” in millions of gallons per day (mgd) and also present the max day and peak hour demands, also in mgd.

Max Day/ Peak Hour Demands

The max day and peak hour demands for all of the Master Metered Member Partners, with the exception of Northville Township, reflect the current amounts that were used for the FY 2025 Water Cost of Service Study and the current water charges. Those amounts were negotiated via the CAP process during 2022 and are scheduled to remain in place through FY 2027. Northville Township reduced their peak hour demand from 13.5 mgd to 9 mgd by installing an additional 0.5 mgd elevated storage tank.

Should there be any questions or comments, please contact us at charges@glwater.org

APPENDIX

[Appendix 1 - Schedule of Final Proposed Water Units of Service – Sales Volumes](#)

The Preliminary Proposed Schedule of Water Units of Service on the next page is scaled to fit an 11x17 inch page setup.

GLWA Wholesale Master Metered Water Sales Volumes - BASE Months - Mcf
October through March

Note for columns 5 and 6 that the calculation refers to the "base month adjustment" factor and "peak month adjustment factor" of 0.98. That factor of 0.98 is calculated as 100 percent less the average of the sum of 1% for three years for period ending September 2022 (or 3%) plus 1% for two years for period ending September 2023 (or 2%) plus 1% for one year for period ending September 2024 (or 1%) or (100 - (average of 3+2+1) or 98%.

Line	Customer	(1)	(2)	(3)	(4)	(5)	(6)	(7)		(9)	
		Base 2021 10/20 - 3/21	Base 2022 10/21 - 3/22	Base 2023 10/22 - 3/23	Base 2024 10/23 - 3/24	Original FY 2025 Proj (1) ~ (3) Avg	Proposed FY 2026 Proj (2) ~ (4) Avg	Variance from FY 2025 Proj Volume	Percent	Variance from FY 2024 Actual Volume	Percent
	Adjustment Factor:					98.0%	98.0%				
1	Allen Park	81,831	65,102	52,891	52,904	51,500	51,600	100	0.2%	(1,304)	-2.5%
2	Almont Village	4,164	4,266	4,129	4,173	4,100	4,100	0	0.0%	(73)	-1.7%
3	Ash Township	19,038	17,236	16,880	16,158	17,400	16,400	(1,000)	-5.7%	242	1.5%
4	Belleville	7,999	6,515	6,296	6,638	6,300	6,400	100	1.6%	(238)	-3.6%
5	Berlin Township	11,760	12,328	11,618	11,464	11,700	11,600	(100)	-0.9%	136	1.2%
6	Brownstown Township	55,952	58,467	58,715	57,777	56,600	57,200	600	1.1%	(577)	-1.0%
7	Bruce Township	742	742	667	778	700	710	10	1.4%	(68)	-8.8%
8	Burtchville Township	3,533	2,407	3,068	4,771	2,900	3,300	400	13.8%	(1,471)	-30.8%
9	Canton Township	146,552	148,020	157,272	169,186	147,600	155,000	7,400	5.0%	(14,186)	-8.4%
10	Center Line	16,870	15,097	15,159	15,211	15,400	14,900	(500)	-3.2%	(311)	-2.0%
11	Chesterfield Township	76,746	77,581	75,908	80,789	75,200	76,500	1,300	1.7%	(4,289)	-5.3%
12	Clinton Township	165,468	167,627	171,551	162,467	164,900	163,900	(1,000)	-0.6%	1,433	0.9%
13	Commerce Township	43,707	37,508	38,621	39,373	36,900	37,700	800	2.2%	(1,673)	-4.3%
14	Dearborn Heights	91,362	92,067	95,751	90,685	91,200	91,000	(200)	-0.2%	315	0.3%
15	Eastpointe	52,296	49,608	52,111	50,325	50,300	49,700	(600)	-1.2%	(625)	-1.2%
16	Ecorse	52,151	46,618	42,926	38,579	42,000	37,800	(4,200)	-10.0%	(779)	-2.0%
17	Farmington	20,120	19,698	19,187	19,042	19,300	18,900	(400)	-2.1%	(142)	-0.7%
18	Farmington Hills	142,834	147,904	143,058	141,793	141,700	141,400	(300)	-0.2%	(393)	-0.3%
19	Ferndale	36,834	35,165	30,843	31,534	32,300	31,900	(400)	-1.2%	366	1.2%
20	Flat Rock	22,799	22,456	24,284	23,842	22,700	23,100	400	1.8%	(742)	-3.1%
21	Flint	250,282	240,991	193,303	182,504	204,100	190,400	(13,700)	-6.7%	7,896	4.3%
22	Fraser	25,617	26,562	25,517	25,569	25,500	25,400	(100)	-0.4%	(169)	-0.7%
23	Garden City	36,126	33,583	32,437	34,365	33,400	32,800	(600)	-1.8%	(1,565)	-4.6%
24	Gibraltar	7,832	8,013	7,406	8,102	7,600	7,700	100	1.3%	(402)	-5.0%
25	Greenwood Township (DTE)	6,491	4,206	3,990	6,911	4,800	4,900	100	2.1%	(2,011)	-29.1%
26	Grosse Ile Township	15,628	17,411	22,126	18,832	18,000	19,100	1,100	6.1%	268	1.4%
27	Grosse Pt. Park	21,538	20,797	19,796	20,200	20,300	19,900	(400)	-2.0%	(300)	-1.5%
28	Grosse Pt. Shores	5,860	5,640	6,159	5,086	5,800	5,500	(300)	-5.2%	414	8.1%
29	Grosse Pt. Woods	26,123	27,292	27,906	24,967	26,600	26,200	(400)	-1.5%	1,233	4.9%
30	Hamtramck	31,069	28,424	32,576	30,493	30,100	29,900	(200)	-0.7%	(593)	-1.9%
31	Harper Woods	24,533	27,600	26,298	27,610	25,600	26,600	1,000	3.9%	(1,010)	-3.7%
32	Harrison Township	42,891	43,039	42,794	42,667	42,000	42,000	0	0.0%	(667)	-1.6%
33	Hazel Park	23,481	20,584	22,801	22,214	21,800	21,400	(400)	-1.8%	(814)	-3.7%
34	Huron Township	27,533	30,030	46,961	52,129	28,200	28,200	0	0.0%	(23,929)	-45.9%
35	Imlay City	18,639	20,230	19,949	15,440	19,200	18,200	(1,000)	-5.2%	2,760	17.9%
36	Imlay Township (Single User)	85	49	2	7	0	0	0	0.0%	(7)	-100.0%
37	Inkster	53,615	49,404	52,334	48,350	49,600	49,000	(600)	-1.2%	650	1.3%
38	Keego Harbor	4,229	4,514	4,393	4,245	4,300	4,300	0	0.0%	55	1.3%
39	Lapeer	25,157	27,308	23,922	25,264	25,000	25,000	0	0.0%	(264)	-1.0%
40	Lenox Township	6,257	7,156	7,394	8,074	6,800	7,400	600	8.8%	(674)	-8.3%
41	Lincoln Park	80,423	84,762	85,779	82,698	82,000	82,700	700	0.9%	2	0.0%
42	Livonia	181,296	183,814	181,263	181,280	178,500	178,500	0	0.0%	(2,780)	-1.5%
43	Macomb Township	125,005	124,249	129,185	137,794	123,600	127,800	4,200	3.4%	(9,994)	-7.3%

GLWA Wholesale Master Metered Water Sales Volumes - BASE Months - Mcf
October through March

Note for columns 5 and 6 that the calculation refers to the "base month adjustment" factor and "peak month adjustment factor" of 0.98. That factor of 0.98 is calculated as 100 percent less the average of the sum of 1% for three years for period ending September 2022 (or 3%) plus 1% for two years for period ending September 2023 (or 2%) plus 1% for one years for period ending September 2024 (or 1%) or (100 - (average of 3+2+1) or 98%.

Line	Customer	(1)	(2)	(3)	(4)	(5)	(6)	(7)		(9)	
		Base 2021 10/20 - 3/21	Base 2022 10/21 - 3/22	Base 2023 10/22 - 3/23	Base 2024 10/23 - 3/24	Original FY 2025 Proj (1) ~ (3) Avg	Proposed FY 2026 Proj (2) ~ (4) Avg	Variance from FY 2025 Proj Volume	Percent	Variance from FY 2024 Actual Volume	Percent
	Adjustment Factor:					98.0%	98.0%				
44	Madison Heights	50,911	59,807	57,240	54,504	57,300	56,000	(1,300)	-2.3%	1,496	2.7%
45	Mayfield Township (KAMAX)	126	195	238	199	180	210	30	16.7%	11	5.3%
46	Melvindale	21,235	21,719	25,689	24,316	22,400	23,400	1,000	4.5%	(916)	-3.8%
47	New Haven, Village of	8,352	8,626	9,014	9,179	8,500	8,800	300	3.5%	(379)	-4.1%
48	NOCWA	358,032	351,425	360,528	347,818	349,500	346,200	(3,300)	-0.9%	(1,618)	-0.5%
49	Northville	12,214	14,076	12,889	10,874	12,800	12,400	(400)	-3.1%	1,526	14.0%
50	Northville Township	49,410	46,961	47,414	48,613	47,000	46,700	(300)	-0.6%	(1,913)	-3.9%
51	Novi	110,276	116,868	114,775	115,147	111,700	113,300	1,600	1.4%	(1,847)	-1.6%
52	Oak Park	42,629	44,771	44,089	44,042	43,000	43,400	400	0.9%	(642)	-1.5%
53	Oakland GWK Drain District	2,291	4,044	2,875	3,856	3,000	3,500	500	16.7%	(356)	-9.2%
54	Plymouth	18,717	18,216	18,193	18,063	18,000	17,800	(200)	-1.1%	(263)	-1.5%
55	Plymouth Township	60,449	60,475	58,350	57,772	58,600	57,700	(900)	-1.5%	(72)	-0.1%
56	Redford Township	73,322	73,109	73,280	73,569	71,800	71,900	100	0.1%	(1,669)	-2.3%
57	River Rouge	16,696	19,116	16,606	18,400	17,100	17,700	600	3.5%	(700)	-3.8%
58	Riverview	21,926	20,826	21,754	18,988	21,100	20,100	(1,000)	-4.7%	1,112	5.9%
59	Rockwood	4,804	4,652	4,362	4,434	4,500	4,400	(100)	-2.2%	(34)	-0.8%
60	Romeo	2,305	2,578	1,628	1,021	1,300	1,100	(200)	-15.4%	79	7.7%
61	Romulus	102,763	97,221	88,899	88,375	94,400	89,700	(4,700)	-5.0%	1,325	1.5%
62	Roseville	93,571	82,344	82,743	85,494	84,500	81,900	(2,600)	-3.1%	(3,594)	-4.2%
63	Royal Oak Township	4,601	4,804	4,884	4,643	4,700	4,700	0	0.0%	57	1.2%
64	Shelby Township	169,655	147,549	146,385	151,053	151,400	145,400	(6,000)	-4.0%	(5,653)	-3.7%
65	SOCWA	495,528	514,408	515,974	469,894	498,500	490,100	(8,400)	-1.7%	20,206	4.3%
66	South Rockwood	2,168	2,279	2,206	2,252	2,200	2,200	0	0.0%	(52)	-2.3%
67	Southgate	51,769	56,331	53,546	53,107	52,800	53,200	400	0.8%	93	0.2%
68	St. Clair Shores	88,073	94,170	98,708	88,509	91,800	91,900	100	0.1%	3,391	3.8%
69	Sterling Heights	262,667	255,436	232,510	244,400	245,200	239,200	(6,000)	-2.4%	(5,200)	-2.1%
70	Sumpter Township	14,495	17,950	14,935	16,322	15,500	16,100	600	3.9%	(222)	-1.4%
71	Sylvan Lake	2,914	3,436	2,792	2,719	3,000	2,900	(100)	-3.3%	181	6.7%
72	Taylor	114,826	120,875	125,878	123,825	118,100	121,100	3,000	2.5%	(2,725)	-2.2%
73	Trenton	37,841	37,761	39,250	37,894	37,500	37,500	0	0.0%	(394)	-1.0%
74	Troy	184,123	169,406	167,123	167,064	170,100	164,500	(5,600)	-3.3%	(2,564)	-1.5%
75	Utica	9,355	10,659	10,582	10,179	10,000	10,300	300	3.0%	121	1.2%
76	Van Buren Township	58,942	55,299	54,097	48,484	55,000	51,600	(3,400)	-6.2%	3,116	6.4%
77	Walled Lake	13,388	13,210	12,534	12,743	12,800	12,600	(200)	-1.6%	(143)	-1.1%
78	Warren	291,278	294,837	279,793	284,386	282,900	280,600	(2,300)	-0.8%	(3,786)	-1.3%
79	Washington Township	28,629	30,059	29,522	29,561	28,800	29,100	300	1.0%	(461)	-1.6%
80	Wayne	51,786	47,769	49,254	49,277	48,600	47,800	(800)	-1.6%	(1,477)	-3.0%
81	West Bloomfield Township	107,265	115,289	114,739	112,640	110,200	111,900	1,700	1.5%	(740)	-0.7%
82	Westland	150,650	150,153	153,113	140,740	148,300	145,000	(3,300)	-2.2%	4,260	3.0%
83	Wixom	30,511	28,968	28,355	29,624	28,700	28,400	(300)	-1.0%	(1,224)	-4.1%
84	Woodhaven	25,335	25,798	22,938	22,195	24,200	23,200	(1,000)	-4.1%	1,005	4.5%
85	Ypsilanti Comm Util Auth	211,937	221,464	216,371	212,340	212,300	212,400	100	0.0%	60	0.0%
86	Total Master Metered	5,550,227	5,527,009	5,451,282	5,360,802	5,352,780	5,303,920	(48,860)	-0.9%	(56,882)	-1.1%

GLWA Wholesale Master Metered Water Sales Volumes - BASE Months - Mcf
 October through March

Note for columns 5 and 6 that the calculation refers to the "base month adjustment" factor and "peak month adjustment factor" of 0.98. That factor of 0.98 is calculated as 100 percent less the average of the sum of 1% for three years for period ending September 2022 (or 3%) plus 1% for two years for period ending September 2023 (or 2%) plus 1% for one years for period ending September 2024 (or 1%) or (100 - (average of 3+2+1) or 98%.

Line	Customer	(1)	(2)	(3)	(4)	(5)	(6)	(7)		(9)	
		Base 2021 10/20 - 3/21	Base 2022 10/21 - 3/22	Base 2023 10/22 - 3/23	Base 2024 10/23 - 3/24	Original FY 2025 Proj (1) ~ (3) Avg	Proposed FY 2026 Proj (2) ~ (4) Avg	Variance from FY 2025 Proj Volume	Percent	Variance from FY 2024 Actual Volume	Percent
	Adjustment Factor:					98.0%	98.0%				
87	Dearborn Wholesale Proxy	277,604	265,708	261,336	279,646	262,900	263,500	600	0.2%	(16,146)	-5.8%
88	Highland Park Wholesale Proxy	48,282	48,790	48,698	44,000	47,600	35,400	(12,200)	-25.6%	(8,600)	-19.5%
89	Detroit Wholesale Proxy	1,941,135	2,046,440	2,111,707	2,064,427	1,992,400	2,047,000	54,600	2.7%	(17,427)	-0.8%
90	Subtotal Non Master Mtrd	2,267,021	2,360,938	2,421,741	2,388,072	2,302,900	2,345,900	(54,720)	-2.4%	(155,936)	-6.5%
91	TOTAL	7,817,248	7,887,947	7,873,023	7,748,874	7,655,680	7,649,820	(103,580)	-1.4%	(212,818)	-2.7%
92	Subtotal Sub Wholesale	5,876,113	5,841,507	5,761,316	5,684,448	5,663,280	5,602,820	(158,180)	-2.8%	(195,392)	-3.4%

GLWA Wholesale Master Metered Water Sales Volumes during PEAK Months - Mcf
 April through September

Line	Customer	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Peak 2021 4/21 - 9/21	Peak 2022 4/22 - 9/22	Peak 2023 4/23 - 9/23	Peak 2024 4/24 - 9/24	Original FY 2025 Proj (1) ~ (3) Avg	Proposed FY 2026 Proj (2) ~ (4) Avg	Variance from FY 2025 Proj Volume (6) - (5)	Variance from FY 2025 Proj Percent (7) / (5)	Variance from FY 2024 Actual Volume (6) - (4)	Variance from FY 2024 Actual Percent (9) / (4)
	Adjustment Factor:					100.0%	100.0%				
1	Allen Park	95,289	65,987	64,380	61,393	65,200	63,900	(1,300)	-2.0%	2,507	4.1%
2	Almont Village	5,063	4,925	4,569	4,694	4,900	4,700	(200)	-4.1%	6	0.1%
3	Ash Township	21,400	22,392	20,087	20,656	21,300	21,000	(300)	-1.4%	344	1.7%
4	Belleville	7,603	7,807	7,358	7,717	7,600	7,600	0	0.0%	(117)	-1.5%
5	Berlin Township	15,857	15,523	14,824	15,173	15,400	15,200	(200)	-1.3%	27	0.2%
6	Brownstown Township	80,134	86,529	80,879	78,378	82,500	81,900	(600)	-0.7%	3,522	4.5%
7	Bruce Township	2,374	2,425	2,311	1,723	2,370	2,150	(220)	-9.3%	427	24.8%
8	Burtchville Township	6,064	6,027	6,458	6,812	6,200	6,400	200	3.2%	(412)	-6.0%
9	Canton Township	214,100	230,557	237,547	212,655	227,400	226,900	(500)	-0.2%	14,245	6.7%
10	Center Line	16,760	16,722	16,785	16,672	16,800	16,700	(100)	-0.6%	28	0.2%
11	Chesterfield Township	107,485	107,295	100,502	96,178	105,100	101,300	(3,800)	-3.6%	5,122	5.3%
12	Clinton Township	225,176	217,027	218,063	206,077	220,100	213,700	(6,400)	-2.9%	7,623	3.7%
13	Commerce Township	64,276	70,920	66,313	65,710	67,200	67,600	400	0.6%	1,890	2.9%
14	Dearborn Heights	103,460	109,609	100,282	101,382	104,500	103,800	(700)	-0.7%	2,418	2.4%
15	Eastpointe	53,272	54,888	49,358	49,605	52,500	51,300	(1,200)	-2.3%	1,695	3.4%
16	Ecorse	47,727	45,777	39,748	39,158	39,700	39,200	(500)	-1.3%	42	0.1%
17	Farmington	24,140	25,462	24,673	23,263	24,800	24,500	(300)	-1.2%	1,237	5.3%
18	Farmington Hills	203,340	216,599	206,183	195,256	208,700	206,000	(2,700)	-1.3%	10,744	5.5%
19	Ferndale	35,703	30,957	33,468	33,380	32,200	32,600	400	1.2%	(780)	-2.3%
20	Flat Rock	23,276	32,959	27,966	27,774	28,100	29,600	1,500	5.3%	1,826	6.6%
21	Flint	263,620	226,597	211,411	195,425	211,400	203,600	(7,800)	-3.7%	8,175	4.2%
22	Fraser	31,787	31,030	31,007	29,776	31,000	30,600	(400)	-1.3%	824	2.8%
23	Garden City	39,210	39,706	39,276	40,050	39,400	39,700	300	0.8%	(350)	-0.9%
24	Gibraltar	8,369	8,625	8,509	11,127	8,500	9,400	900	10.6%	(1,727)	-15.5%
25	Greenwood Township (DTE)	19,971	12,117	31,797	39,335	21,300	27,700	6,400	30.0%	(11,635)	-29.6%
26	Grosse Ile Township	21,429	23,229	26,335	21,447	23,700	23,700	0	0.0%	2,253	10.5%
27	Grosse Pt. Park	32,795	33,564	30,752	27,513	32,400	30,600	(1,800)	-5.6%	3,087	11.2%
28	Grosse Pt. Shores	13,108	14,323	11,790	10,858	13,100	12,300	(800)	-6.1%	1,442	13.3%
29	Grosse Pt. Woods	40,020	44,771	39,781	36,242	41,500	40,300	(1,200)	-2.9%	4,058	11.2%
30	Hamtramck	30,035	30,797	34,931	30,681	31,900	32,100	200	0.6%	1,419	4.6%
31	Harper Woods	26,555	30,361	27,644	26,638	28,200	28,200	0	0.0%	1,562	5.9%
32	Harrison Township	55,358	57,128	54,729	46,889	55,700	52,900	(2,800)	-5.0%	6,011	12.8%
33	Hazel Park	25,587	26,931	25,670	23,738	26,100	25,400	(700)	-2.7%	1,662	7.0%
34	Huron Township	36,238	38,601	57,804	47,467	37,400	37,400	0	0.0%	(10,067)	-21.2%
35	Imlay City	27,032	25,446	30,986	29,325	27,800	28,600	800	2.9%	(725)	-2.5%
36	Imlay Township (Single User)	89	14	1	8	0	10	10	0.0%	2	21.2%
37	Inkster	62,633	52,322	50,133	46,065	51,200	49,500	(1,700)	-3.3%	3,435	7.5%
38	Keego Harbor	5,392	5,554	5,526	5,326	5,500	5,500	0	0.0%	174	3.3%
39	Lapeer	30,974	26,864	30,066	28,708	30,000	29,200	(800)	-2.7%	492	1.7%
40	Lenox Township	7,111	8,341	8,440	9,219	8,000	8,700	700	8.8%	(519)	-5.6%
41	Lincoln Park	87,143	92,622	88,969	87,389	89,600	89,700	100	0.1%	2,311	2.6%

GLWA Wholesale Master Metered Water Sales Volumes during PEAK Months - Mcf
 April through September

Line	Customer	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Peak 2021 4/21 - 9/21	Peak 2022 4/22 - 9/22	Peak 2023 4/23 - 9/23	Peak 2024 4/24 - 9/24	Original FY 2025 Proj (1) ~ (3) Avg	Proposed FY 2026 Proj (2) ~ (4) Avg	Variance from FY 2025 Proj Volume (6) - (5)	Variance from FY 2025 Proj Percent (7) / (5)	Variance from FY 2024 Actual Volume (6) - (4)	Variance from FY 2024 Actual Percent (9) / (4)
	Adjustment Factor:					100.0%	100.0%				
42	Livonia	277,424	276,574	272,271	264,144	275,400	271,000	(4,400)	-1.6%	6,856	2.6%
43	Macomb Township	188,033	218,589	212,250	199,139	206,300	210,000	3,700	1.8%	10,861	5.5%
44	Madison Heights	62,318	68,954	65,953	65,315	67,500	66,700	(800)	-1.2%	1,385	2.1%
45	Mayfield Township (KAMAX)	285	364	331	256	330	320	(10)	-3.0%	64	24.8%
46	Melvindale	23,179	23,897	22,010	22,872	23,000	22,900	(100)	-0.4%	28	0.1%
47	New Haven, Village of	10,409	11,242	11,179	10,883	10,900	11,100	200	1.8%	217	2.0%
48	NOCWA	490,017	547,131	523,629	503,600	520,300	524,800	4,500	0.9%	21,200	4.2%
49	Northville	17,452	17,506	16,815	16,534	17,300	17,000	(300)	-1.7%	466	2.8%
50	Northville Township	86,864	87,914	89,698	86,424	88,200	88,000	(200)	-0.2%	1,576	1.8%
51	Novi	181,861	203,991	174,714	190,049	186,900	189,600	2,700	1.4%	(449)	-0.2%
52	Oak Park	47,176	48,063	45,758	47,709	47,000	47,200	200	0.4%	(509)	-1.1%
53	Oakland GWK Drain District	7,623	4,989	5,955	5,402	6,200	5,400	(800)	-12.9%	(2)	0.0%
54	Plymouth	26,114	26,799	25,946	24,542	26,300	25,800	(500)	-1.9%	1,258	5.1%
55	Plymouth Township	97,060	99,391	97,218	91,964	97,900	96,200	(1,700)	-1.7%	4,236	4.6%
56	Redford Township	83,217	83,057	82,621	77,600	83,000	81,100	(1,900)	-2.3%	3,500	4.5%
57	River Rouge	19,738	20,151	20,728	26,448	20,200	22,400	2,200	10.9%	(4,048)	-15.3%
58	Riverview	24,792	26,737	23,844	23,309	25,100	24,600	(500)	-2.0%	1,291	5.5%
59	Rockwood	4,804	5,173	5,060	5,128	5,000	5,100	100	2.0%	(28)	-0.5%
60	Romeo	3,777	3,408	1,789	2,223	1,800	2,000	200	11.1%	(223)	-10.0%
61	Romulus	115,357	112,150	107,782	109,947	111,800	110,000	(1,800)	-1.6%	53	0.0%
62	Roseville	87,488	87,830	87,474	90,915	87,600	88,700	1,100	1.3%	(2,215)	-2.4%
63	Royal Oak Township	5,298	5,467	5,554	5,185	5,400	5,400	0	0.0%	215	4.1%
64	Shelby Township	251,852	275,781	262,191	242,148	263,300	260,000	(3,300)	-1.3%	17,852	7.4%
65	SOCWA	705,538	773,397	728,279	690,070	735,700	730,600	(5,100)	-0.7%	40,530	5.9%
66	South Rockwood	2,645	2,535	2,471	2,702	2,600	2,600	0	0.0%	(102)	-3.8%
67	Southgate	53,216	67,176	62,979	61,880	61,100	64,000	2,900	4.7%	2,120	3.4%
68	St. Clair Shores	102,312	113,031	106,974	98,928	107,400	106,300	(1,100)	-1.0%	7,372	7.5%
69	Sterling Heights	350,654	347,431	328,150	309,456	342,100	328,300	(13,800)	-4.0%	18,844	6.1%
70	Sumpter Township	16,759	20,801	17,768	18,116	18,400	18,900	500	2.7%	784	4.3%
71	Sylvan Lake	3,400	3,929	3,643	3,549	3,700	3,700	0	0.0%	151	4.2%
72	Taylor	140,682	152,854	144,924	142,307	146,200	146,700	500	0.3%	4,393	3.1%
73	Trenton	45,952	54,916	44,374	42,403	45,500	44,100	(1,400)	-3.1%	1,697	4.0%
74	Troy	267,758	265,092	262,160	251,562	265,000	259,600	(5,400)	-2.0%	8,038	3.2%
75	Utica	12,333	14,312	14,283	12,523	13,600	13,700	100	0.7%	1,177	9.4%
76	Van Buren Township	81,350	77,053	73,313	70,010	77,200	73,500	(3,700)	-4.8%	3,490	5.0%
77	Walled Lake	16,157	16,346	16,023	16,579	16,200	16,300	100	0.6%	(279)	-1.7%
78	Warren	340,019	347,379	332,704	324,837	340,000	335,000	(5,000)	-1.5%	10,163	3.1%
79	Washington Township	55,383	58,902	57,721	53,264	57,300	56,600	(700)	-1.2%	3,336	6.3%
80	Wayne	51,451	54,408	53,446	51,758	53,100	53,200	100	0.2%	1,442	2.8%
81	West Bloomfield Township	166,181	174,870	162,149	158,441	167,700	165,200	(2,500)	-1.5%	6,759	4.3%
82	Westland	178,631	188,361	147,779	172,086	171,600	169,400	(2,200)	-1.3%	(2,686)	-1.6%

GLWA Wholesale Master Metered Water Sales Volumes during PEAK Months - Mcf
April through September

Line	Customer	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Peak 2021 4/21 - 9/21	Peak 2022 4/22 - 9/22	Peak 2023 4/23 - 9/23	Peak 2024 4/24 - 9/24	Original FY 2025 Proj (1) ~ (3) Avg	Proposed FY 2026 Proj (2) ~ (4) Avg	Variance from FY 2025 Proj Volume (6) - (5)	Percent (7) / (5)	Variance from FY 2024 Actual Volume (6) - (4)	Percent (9) / (4)
	Adjustment Factor:					100.0%	100.0%				
83	Wixom	45,768	51,885	45,131	47,248	47,600	48,100	500	1.1%	852	1.8%
84	Woodhaven	32,973	34,139	30,322	30,202	32,500	31,600	(900)	-2.8%	1,398	4.6%
85	Ypsilanti Comm Util Auth	270,763	283,465	273,610	265,032	275,900	274,000	(1,900)	-0.7%	8,968	3.4%
	Subtotal Master Metered	7,269,016	7,556,766	7,236,287	6,991,570	7,303,400	7,237,880	(65,520)	-0.9%	246,310	3.5%
86	Total Master Metered	7,269,016	7,556,766	7,236,287	6,991,570	7,303,400	7,237,880	(65,520)	-0.9%	246,310	3.5%
87	Dearborn Wholesale Proxy	276,293	287,223	270,084	224,767	277,900	260,700	(17,200)	-6.2%	35,933	16.0%
88	Highland Park Wholesale Proxy	56,646	55,463	56,058	42,973	56,100	41,800	(14,300)	-25.5%	(1,173)	-2.7%
89	Detroit Wholesale Proxy	2,211,517	2,244,945	2,191,220	2,116,645	2,215,900	2,184,300	(31,600)	-1.4%	67,655	3.2%
90	Subtotal Non Master Mtrd	2,544,455	2,587,631	2,517,363	2,384,385	2,549,900	2,486,800	(63,100)	-2.5%	595,035	25.0%
91	TOTAL	9,813,471	10,144,397	9,753,650	9,375,955	9,853,300	9,724,680	(128,620)	-1.3%	841,346	9.0%
92	Subtotal Sub Wholesale	7,601,954	7,899,452	7,562,429	7,259,310	7,637,400	7,540,380	(97,020)	-1.3%	773,691	10.7%

[Appendix 2 – Comparison of FY 2025 Approved & FY 2026 Final Proposed Units of Service](#)
The Comparison of FY 2025 Approved & FY 2026 Final Proposed Units of Service on the next page is scaled to fit an 11x17 inch page setup.

Note for columns 5 and 6 that the calculation refers to the “base month adjustment” factor and “peak month adjustment factor” of 0.98. That factor of 0.98 is calculated as 100 percent less the average of the sum of 1% for three years for period ending September 2022 (or 3%) plus 1% for two years for period ending September 2023 (or 2%) plus 1% for one years for period ending September 2024 (or 1%) or (100 – (average of 3+2+1) or 98%.

GLWA Wholesale Master Metered Water Sales Volumes - Mcf
Uniform Forecast Period (UFP) Summary

Line	Customer	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		October thru September				Original	Proposed	Variance from FY 2025 Proj		Variance from FY 2024 Actual	
		UFP 2021	UFP 2022	UFP 2023	UFP 2024	FY 2025 Proj	FY 2026 Proj	Volume	Percent	Volume	Percent
	10/20 - 9/21	10/21 - 9/22	10/22 - 9/23	10/23 - 9/24	(1) ~ (3) Avg	(2) ~ (4) Avg	(6) - (5)	(7) / (5)	(6) - (4)	(9) / (4)	
	Base Month Adjustment Factor:					98.0%	98.0%				
	Peak Month Adjustment Factor:					100.0%	100.0%				
1	Allen Park	177,120	131,089	117,271	114,297	116,700	115,500	(1,200)	-1.0%	1,203	1.1%
2	Almont Village	9,227	9,191	8,698	8,867	9,000	8,800	(200)	-2.2%	(67)	-0.8%
3	Ash Township	40,437	39,628	36,968	36,814	38,700	37,400	(1,300)	-3.4%	586	1.6%
4	Belleville	15,602	14,322	13,654	14,355	13,900	14,000	100	0.7%	(355)	-2.5%
5	Berlin Township	27,616	27,850	26,442	26,637	27,100	26,800	(300)	-1.1%	163	0.6%
6	Brownstown Township	136,086	144,996	139,594	136,154	139,100	139,100	0	0.0%	2,946	2.2%
7	Bruce Township	3,116	3,167	2,978	2,501	3,070	2,860	(210)	-6.8%	359	14.4%
8	Burtchville Township	9,597	8,434	9,526	11,582	9,100	9,700	600	6.6%	(1,882)	-16.3%
9	Canton Township	360,652	378,577	394,819	381,842	375,000	381,900	6,900	1.8%	58	0.0%
10	Center Line	33,630	31,818	31,944	31,883	32,200	31,600	(600)	-1.9%	(283)	-0.9%
11	Chesterfield Township	184,231	184,876	176,410	176,967	180,300	177,800	(2,500)	-1.4%	833	0.5%
12	Clinton Township	390,644	384,654	389,614	368,544	385,000	377,600	(7,400)	-1.9%	9,056	2.5%
13	Commerce Township	107,983	108,428	104,934	105,083	104,100	105,300	1,200	1.2%	217	0.2%
14	Dearborn Heights	194,822	201,676	196,033	192,067	195,700	194,800	(900)	-0.5%	2,733	1.4%
15	Eastpointe	105,568	104,496	101,469	99,930	102,800	101,000	(1,800)	-1.8%	1,070	1.1%
16	Ecorse	99,878	92,395	82,675	77,736	81,700	77,000	(4,700)	-5.8%	(736)	-0.9%
17	Farmington	44,259	45,160	43,860	42,305	44,100	43,400	(700)	-1.6%	1,095	2.6%
18	Farmington Hills	346,173	364,503	349,241	337,049	350,400	347,400	(3,000)	-0.9%	10,351	3.1%
19	Ferndale	72,537	66,122	64,311	64,915	64,500	64,500	0	0.0%	(415)	-0.6%
20	Flat Rock	46,075	55,415	52,251	51,616	50,800	52,700	1,900	3.7%	1,084	2.1%
21	Flint	513,902	467,588	404,714	377,930	415,500	394,000	(21,500)	-5.2%	16,070	4.3%
22	Fraser	57,405	57,592	56,523	55,345	56,500	56,000	(500)	-0.9%	655	1.2%
23	Garden City	75,336	73,289	71,713	74,415	72,800	72,500	(300)	-0.4%	(1,915)	-2.6%
24	Gibraltar	16,201	16,638	15,916	19,228	16,100	17,100	1,000	6.2%	(2,128)	-11.1%
25	Greenwood Township (DTE)	26,463	16,323	35,787	46,246	26,100	32,600	6,500	24.9%	(13,646)	-29.5%
26	Grosse Ile Township	37,057	40,641	48,462	40,279	41,700	42,800	1,100	2.6%	2,521	6.3%
27	Grosse Pt. Park	54,332	54,361	50,548	47,713	52,700	50,500	(2,200)	-4.2%	2,787	5.8%
28	Grosse Pt. Shores	18,969	19,963	17,950	15,944	18,900	17,800	(1,100)	-5.8%	1,856	11.6%
29	Grosse Pt. Woods	66,143	72,064	67,687	61,209	68,100	66,500	(1,600)	-2.3%	5,291	8.6%
30	Hamtramck	61,104	59,220	67,507	61,174	62,000	62,000	0	0.0%	826	1.3%
31	Harper Woods	51,087	57,961	53,942	54,248	53,800	54,800	1,000	1.9%	552	1.0%
32	Harrison Township	98,249	100,167	97,524	89,556	97,700	94,900	(2,800)	-2.9%	5,344	6.0%
33	Hazel Park	49,068	47,516	48,472	45,951	47,900	46,800	(1,100)	-2.3%	849	1.8%
34	Huron Township	63,771	68,631	104,765	99,596	65,600	65,600	0	0.0%	(33,996)	-34.1%
35	Imlay City	45,671	45,676	50,935	44,765	47,100	46,800	(300)	-0.6%	2,035	4.5%
36	Imlay Township (Single User)	174	63	2	15	10	10	0	0.0%	(5)	-34.8%
37	Inkster	116,248	101,727	102,467	94,414	100,800	98,500	(2,300)	-2.3%	4,086	4.3%

Note for columns 5 and 6 that the calculation refers to the “base month adjustment” factor and “peak month adjustment factor” of 0.98. That factor of 0.98 is calculated as 100 percent less the average of the sum of 1% for three years for period ending September 2022 (or 3%) plus 1% for two years for period ending September 2023 (or 2%) plus 1% for one years for period ending September 2024 (or 1%) or (100 – (average of 3+2+1) or 98%.

GLWA Wholesale Master Metered Water Sales Volumes - Mcf
Uniform Forecast Period (UFP) Summary

Line	Customer	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		October thru September				Original	Proposed	Variance from FY 2025 Proj		Variance from FY 2024 Actual	
		UFP 2021	UFP 2022	UFP 2023	UFP 2024	FY 2025 Proj	FY 2026 Proj	Volume	Percent	Volume	Percent
		10/20 - 9/21	10/21 - 9/22	10/22 - 9/23	10/23 - 9/24	(1) ~ (3) Avg	(2) ~ (4) Avg	(6) - (5)	(7) / (5)	(6) - (4)	(9) / (4)
	Base Month Adjustment Factor:					98.0%	98.0%				
	Peak Month Adjustment Factor:					100.0%	100.0%				
38	Keego Harbor	9,621	10,068	9,919	9,571	9,800	9,800	0	0.0%	229	2.4%
39	Lapeer	56,130	54,172	53,988	53,971	55,000	54,200	(800)	-1.5%	229	0.4%
40	Lenox Township	13,367	15,496	15,834	17,293	14,800	16,100	1,300	8.8%	(1,193)	-6.9%
41	Lincoln Park	167,566	177,384	174,748	170,087	171,600	172,400	800	0.5%	2,313	1.4%
42	Livonia	458,720	460,387	453,533	445,423	453,800	449,500	(4,300)	-0.9%	4,077	0.9%
43	Macomb Township	313,038	342,838	341,435	336,933	329,900	337,800	7,900	2.4%	867	0.3%
44	Madison Heights	113,229	128,761	123,193	119,820	124,800	122,700	(2,100)	-1.7%	2,880	2.4%
45	Mayfield Township (KAMAX)	410	558	570	456	510	530	20	3.9%	74	16.3%
46	Melvindale	44,414	45,616	47,699	47,188	45,400	46,300	900	2.0%	(888)	-1.9%
47	New Haven, Village of	18,761	19,868	20,193	20,062	19,400	19,900	500	2.6%	(162)	-0.8%
48	NOCWA	848,049	898,556	884,157	851,419	869,800	871,000	1,200	0.1%	19,581	2.3%
49	Northville	29,666	31,581	29,704	27,408	30,100	29,400	(700)	-2.3%	1,992	7.3%
50	Northville Township	136,274	134,875	137,112	135,037	135,200	134,700	(500)	-0.4%	(337)	-0.2%
51	Novi	292,137	320,859	289,489	305,195	298,600	302,900	4,300	1.4%	(2,295)	-0.8%
52	Oak Park	89,805	92,834	89,847	91,751	90,000	90,600	600	0.7%	(1,151)	-1.3%
53	Oakland GWK Drain District	9,914	9,032	8,830	9,258	9,200	8,900	(300)	-3.3%	(358)	-3.9%
54	Plymouth	44,831	45,016	44,138	42,604	44,300	43,600	(700)	-1.6%	996	2.3%
55	Plymouth Township	157,509	159,866	155,568	149,736	156,500	153,900	(2,600)	-1.7%	4,164	2.8%
56	Redford Township	156,539	156,165	155,901	151,169	154,800	153,000	(1,800)	-1.2%	1,831	1.2%
57	River Rouge	36,434	39,268	37,333	44,848	37,300	40,100	2,800	7.5%	(4,748)	-10.6%
58	Riverview	46,718	47,563	45,599	42,297	46,200	44,700	(1,500)	-3.2%	2,403	5.7%
59	Rockwood	9,608	9,826	9,423	9,562	9,500	9,500	0	0.0%	(62)	-0.6%
60	Romeo	6,082	5,986	3,417	3,245	3,100	3,100	0	0.0%	(145)	-4.5%
61	Romulus	218,120	209,371	196,681	198,322	206,200	199,700	(6,500)	-3.2%	1,378	0.7%
62	Roseville	181,059	170,174	170,217	176,409	172,100	170,600	(1,500)	-0.9%	(5,809)	-3.3%
63	Royal Oak Township	9,899	10,271	10,437	9,828	10,100	10,100	0	0.0%	272	2.8%
64	Shelby Township	421,506	423,330	408,576	393,201	414,700	405,400	(9,300)	-2.2%	12,199	3.1%
65	SOCWA	1,201,066	1,287,805	1,244,254	1,159,964	1,234,200	1,220,700	(13,500)	-1.1%	60,736	5.2%
66	South Rockwood	4,813	4,814	4,676	4,954	4,800	4,800	0	0.0%	(154)	-3.1%
67	Southgate	104,985	123,507	116,525	114,987	113,900	117,200	3,300	2.9%	2,213	1.9%
68	St. Clair Shores	190,385	207,201	205,681	187,437	199,200	198,200	(1,000)	-0.5%	10,763	5.7%
69	Sterling Heights	613,321	602,867	560,661	553,857	587,300	567,500	(19,800)	-3.4%	13,643	2.5%
70	Sumpter Township	31,254	38,751	32,703	34,438	33,900	35,000	1,100	3.2%	562	1.6%
71	Sylvan Lake	6,314	7,365	6,435	6,268	6,700	6,600	(100)	-1.5%	332	5.3%
72	Taylor	255,507	273,728	270,802	266,132	264,300	267,800	3,500	1.3%	1,668	0.6%
73	Trenton	83,794	92,677	83,624	80,296	83,000	81,600	(1,400)	-1.7%	1,304	1.6%
74	Troy	451,881	434,498	429,283	418,626	435,100	424,100	(11,000)	-2.5%	5,474	1.3%
75	Utica	21,689	24,971	24,865	22,702	23,600	24,000	400	1.7%	1,298	5.7%

Note for columns 5 and 6 that the calculation refers to the “base month adjustment” factor and “peak month adjustment factor” of 0.98. That factor of 0.98 is calculated as 100 percent less the average of the sum of 1% for three years for period ending September 2022 (or 3%) plus 1% for two years for period ending September 2023 (or 2%) plus 1% for one years for period ending September 2024 (or 1%) or (100 – (average of 3+2+1) or 98%.

GLWA Wholesale Master Metered Water Sales Volumes - Mcf
Uniform Forecast Period (UFP) Summary

Line	Customer	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		October thru September				Original	Proposed	Variance from FY 2025 Proj		Variance from FY 2024 Actual	
		UFP 2021	UFP 2022	UFP 2023	UFP 2024	FY 2025 Proj	FY 2026 Proj	Volume	Percent	Volume	Percent
	10/20 - 9/21	10/21 - 9/22	10/22 - 9/23	10/23 - 9/24	(1) ~ (3) Avg	(2) ~ (4) Avg	(6) - (5)	(7) / (5)	(6) - (4)	(9) / (4)	
	Base Month Adjustment Factor:					98.0%	98.0%				
	Peak Month Adjustment Factor:					100.0%	100.0%				
76	Van Buren Township	140,292	132,352	127,409	118,494	132,200	125,100	(7,100)	-5.4%	6,606	5.6%
77	Walled Lake	29,545	29,556	28,556	29,321	29,000	28,900	(100)	-0.3%	(421)	-1.4%
78	Warren	631,298	642,215	612,497	609,223	622,900	615,600	(7,300)	-1.2%	6,377	1.0%
79	Washington Township	84,012	88,961	87,243	82,825	86,100	85,700	(400)	-0.5%	2,875	3.5%
80	Wayne	103,237	102,177	102,700	101,035	101,700	101,000	(700)	-0.7%	(35)	0.0%
81	West Bloomfield Township	273,445	290,158	276,887	271,082	277,900	277,100	(800)	-0.3%	6,018	2.2%
82	Westland	329,281	338,514	300,892	312,826	319,900	314,400	(5,500)	-1.7%	1,574	0.5%
83	Wixom	76,279	80,853	73,486	76,871	76,300	76,500	200	0.3%	(371)	-0.5%
84	Woodhaven	58,308	59,937	53,259	52,397	56,700	54,800	(1,900)	-3.4%	2,403	4.6%
85	Ypsilanti Comm Util Auth	482,700	504,929	489,981	477,372	488,200	486,400	(1,800)	-0.4%	9,028	1.9%
86	Total Master Metered	12,819,243	13,083,775	12,687,569	12,352,372	12,656,190	12,541,800	(114,390)	-0.9%	189,428	1.5%
87	Dearborn Wholesale Proxy	553,897	552,931	531,420	504,412	540,800	524,200	(16,600)	-3.1%	19,788	3.9%
88	Highland Park Wholesale Proxy	104,928	104,253	104,756	86,973	77,200	77,200	0	0.0%	(9,773)	-11.2%
89	Detroit Wholesale Proxy	4,152,652	4,291,385	4,302,927	4,181,072	4,230,000	4,231,000	1,000	0.0%	49,928	1.2%
90	Subtotal Non Master Mtrd	4,811,476	4,948,569	4,939,103	4,772,457	4,848,000	4,832,400	(15,600)	-0.3%	59,943	1.3%
91	TOTAL	17,630,719	18,032,344	17,626,672	17,124,829	17,504,190	17,374,200	(129,990)	-0.74%	249,371	1.5%
92	Subtotal Sub Wholesale	13,478,067	13,740,959	13,323,745	12,943,757	13,274,190	13,143,200	(130,990)	-0.99%	199,443	1.5%

Appendix 3 – Final Water Units of Service FY Comparison- FY 2025 & FY 2026

The comparison of the projected wholesale volumes converted into “average day demands” in millions of gallons per day (mgd) and also present the max day and peak hour demands, also in mgd.

Final Water Units of Service FY Comparison- FY25 & FY26

Customer	Units of Service Input Data						Change		
	Volume	Max Day	Peak Hour	Volume	Max Day	Peak Hour	Volume	Max Day	Peak Hour
	<i>Mcf</i>	<i>mgd</i>	<i>mgd</i>	<i>Mcf</i>	<i>mgd</i>	<i>mgd</i>	<i>Mcf</i>	<i>mgd</i>	<i>mgd</i>
	<u>FY 25 Vol</u>	<u>FY 25 MD</u>	<u>FY 25 PH</u>	<u>FY 26 Vol</u>	<u>FY 26 MD</u>	<u>FY 26 PH</u>			
Allen Park	116,700	5.45	7.54	115,500	5.45	7.54	(1,200)	0	0
Almont Village	9,000	0.400	0.440	8,800	0.400	0.440	(200)	0	0
Ash Township	38,700	1.45	2.27	37,400	1.45	2.27	(1,300)	0	0
Belleville	13,900	0.548	0.762	14,000	0.548	0.762	100	0	0
Berlin Township	27,100	1.13	1.76	26,800	1.13	1.76	(300)	0	0
Brownstown Township	139,100	7.00	11.00	139,100	7.00	11.00	0	0	0
Bruce Township	3,070	0.456	0.830	2,860	0.456	0.830	(210)	0	0
Burtchville Township	9,100	0.534	0.816	9,700	0.534	0.816	600	0	0
Canton Township	375,000	20.00	23.50	381,900	20.00	23.50	6,900	0	0
Center Line	32,200	1.13	1.60	31,600	1.13	1.60	(600)	0	0
Chesterfield Township	180,300	8.24	12.50	177,800	8.24	12.50	(2,500)	0	0
Clinton Township	385,000	19.70	22.00	377,600	19.70	22.00	(7,400)	0	0
Commerce Township	104,100	6.28	7.13	105,300	6.28	7.13	1,200	0	0
Dearborn	540,800	23.70	32.90	524,200	23.70	32.90	(16,600)	0	0
Dearborn Heights	195,700	8.00	12.00	194,800	8.00	12.00	(900)	0	0
Eastpointe	102,800	3.71	5.38	101,000	3.71	5.38	(1,800)	0	0
Ecorse	81,700	2.97	3.42	77,000	2.97	3.42	(4,700)	0	0
Farmington	44,100	2.10	2.31	43,400	2.10	2.31	(700)	0	0
Farmington Hills	350,400	18.00	21.30	347,400	18.00	21.30	(3,000)	0	0
Ferndale	64,500	2.89	3.10	64,500	2.89	3.10	0	0	0
Flat Rock	50,800	2.63	3.99	52,700	2.63	3.99	1,900	0	0
Flint	415,500	13.50	14.00	394,000	13.50	14.00	(21,500)	0	0
Fraser	56,500	2.81	4.25	56,000	2.81	4.25	(500)	0	0
Garden City	72,800	3.30	5.21	72,500	3.30	5.21	(300)	0	0
Gibraltar	16,100	0.649	0.836	17,100	0.649	0.836	1,000	0	0
Greenwood Township (DTE)	26,100	2.24	2.24	32,600	2.24	2.24	6,500	0	0
Grosse Ile Township	41,700	2.01	3.51	42,800	2.01	3.51	1,100	0	0
Grosse Pt. Park	52,700	3.09	5.31	50,500	3.09	5.31	(2,200)	0	0
Grosse Pt. Shores	18,900	1.43	2.19	17,800	1.43	2.19	(1,100)	0	0
Grosse Pt. Woods	68,100	3.36	4.29	66,500	3.36	4.29	(1,600)	0	0
Hamtramck	62,000	1.77	2.74	62,000	1.77	2.74	0	0	0
Harper Woods	53,800	2.09	2.99	54,800	2.09	2.99	1,000	0	0
Harrison Township	97,700	3.90	4.75	94,900	3.90	4.75	(2,800)	0	0
Hazel Park	47,900	1.76	2.41	46,800	1.76	2.41	(1,100)	0	0
Highland Park	77,200	2.40	2.46	77,200	2.40	2.46	0	0	0
Huron Township	65,600	3.10	3.91	65,600	3.10	3.91	0	0	0
Imlay City	47,100	2.22	2.48	46,800	2.22	2.48	(300)	0	0
Imlay Township (Single User)	10	0.012	0.024	10	0.012	0.024	0	0	0
Inkster	100,800	2.47	3.55	98,500	2.47	3.55	(2,300)	0	0
Keego Harbor	9,800	0.450	0.671	9,800	0.450	0.671	0	0	0
Lapeer	55,000	1.75	2.50	54,200	1.75	2.50	(800)	0	0
Lenox Township	14,800	0.510	0.704	16,100	0.510	0.704	1,300	0	0
Lincoln Park	171,600	5.30	6.93	172,400	5.30	6.93	800	0	0
Livonia	453,800	23.00	33.00	449,500	23.00	33.00	(4,300)	0	0
Macomb Township	329,900	23.00	40.00	337,800	23.00	40.00	7,900	0	0

Final Water Units of Service FY Comparison- FY25 & FY26

	Units of Service Input Data						Change		
	Volume	Max Day	Peak Hour	Volume	Max Day	Peak Hour	Volume	Max Day	Peak Hour
	<i>Mcf</i>	<i>mgd</i>	<i>mgd</i>	<i>Mcf</i>	<i>mgd</i>	<i>mgd</i>	<i>Mcf</i>	<i>mgd</i>	<i>mgd</i>
Madison Heights	124,800	4.75	6.50	122,700	4.75	6.50	(2,100)	0	0
Mayfield Township (KAMAX)	510	0.045	0.070	530	0.045	0.070	20	0	0
Melvindale	45,400	1.41	1.97	46,300	1.41	1.97	900	0	0
New Haven, Village of	19,400	0.785	1.200	19,900	0.785	1.200	500	0	0
NOCWA	869,800	43.50	48.60	871,000	43.50	48.60	1,200	0	0
Northville	30,100	1.55	1.65	29,400	1.55	1.65	(700)	0	0
Northville Township	135,200	9.00	13.50	134,700	9.00	9.00	(500)	0	(5)
Novi	298,600	17.00	19.00	302,900	17.00	19.00	4,300	0	0
Oak Park	90,000	3.90	3.90	90,600	3.90	3.90	600	0	0
Oakland GWK Drain District	9,200	0.204	0.204	8,900	0.204	0.204	(300)	0	0
Plymouth	44,300	1.81	2.71	43,600	1.81	2.71	(700)	0	0
Plymouth Township	156,500	10.00	10.00	153,900	10.00	10.00	(2,600)	0	0
Redford Township	154,800	6.35	9.00	153,000	6.35	9.00	(1,800)	0	0
River Rouge	37,300	1.07	1.63	40,100	1.07	1.63	2,800	0	0
Riverview	46,200	1.79	2.67	44,700	1.79	2.67	(1,500)	0	0
Rockwood	9,500	0.432	0.659	9,500	0.432	0.659	0	0	0
Romeo	3,100	0.253	0.451	3,100	0.253	0.451	0	0	0
Romulus	206,200	7.71	9.73	199,700	7.71	9.73	(6,500)	0	0
Roseville	172,100	6.03	8.63	170,600	6.03	8.63	(1,500)	0	0
Royal Oak Township	10,100	0.473	0.649	10,100	0.473	0.649	0	0	0
Shelby Township	414,700	26.60	30.00	405,400	26.60	30.00	(9,300)	0	0
SOCWA	1,234,200	60.50	60.50	1,220,700	60.50	60.50	(13,500)	0	0
South Rockwood	4,800	0.176	0.297	4,800	0.176	0.297	0	0	0
Southgate	113,900	4.60	6.23	117,200	4.60	6.23	3,300	0	0
St. Clair Shores	199,200	7.42	10.00	198,200	7.42	10.00	(1,000)	0	0
Sterling Heights	587,300	32.80	49.00	567,500	32.80	49.00	(19,800)	0	0
Sumpter Township	33,900	1.09	1.77	35,000	1.09	1.77	1,100	0	0
Sylvan Lake	6,700	0.352	0.539	6,600	0.352	0.539	(100)	0	0
Taylor	264,300	10.90	13.10	267,800	10.90	13.10	3,500	0	0
Trenton	83,000	3.52	5.20	81,600	3.52	5.20	(1,400)	0	0
Troy	435,100	27.30	40.30	424,100	27.30	40.30	(11,000)	0	0
Utica	23,600	1.20	1.75	24,000	1.20	1.75	400	0	0
Van Buren Township	132,200	6.90	8.17	125,100	6.90	8.17	(7,100)	0	0
Walled Lake	29,000	1.16	1.67	28,900	1.16	1.67	(100)	0	0
Warren	622,900	23.50	32.50	615,600	23.50	32.50	(7,300)	0	0
Washington Township	86,100	5.42	5.42	85,700	5.42	5.42	(400)	0	0
Wayne	101,700	3.95	4.71	101,000	3.95	4.71	(700)	0	0
West Bloomfield Township	277,900	15.00	26.40	277,100	15.00	26.40	(800)	0	0
Westland	319,900	12.00	17.00	314,400	12.00	17.00	(5,500)	0	0
Wixom	76,300	4.19	5.10	76,500	4.19	5.10	200	0	0
Woodhaven	56,700	2.85	4.40	54,800	2.85	4.40	(1,900)	0	0
Ypsilanti Comm Util Auth	488,200	19.50	21.00	486,400	19.50	21.00	(1,800)	0	0
Detroit	4,230,000	115.00	136.00	4,231,000	115.00	136.00	1,000	0	0
TOTAL CHANGE							(129,990)	0	(5)

Contract re-opener with peak hour modification



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