

**Great Lakes Water Authority Resolution 2026-070**

**Resolution Adopting the Biennial FY 2027 & FY 2028 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, this commitment no longer applies; and

**WHEREAS** The Regional Water System annual revenue requirement budget increase of 4.4% equates to a 5.5% increase in revenues from Water Service Charges and a Regional Sewer System annual revenue requirements budget increase of 3.3% equates to a 4.2% 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 5.80% reflecting a reduction in estimated investment earnings and sales volumes and the comparable Regional Sewer System average charge adjustment is an increase of 4.26% reflecting a reduction in estimated investment earnings and 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 2027 is \$426,758,100 and for FY 2028 is \$450,842,100 as shown on “Schedule 1 – Water System Revenue Requirements” of the budget document; and

**WHEREAS** The budgeted annual revenue requirements for the Regional Sewer System for FY 2027 is \$563,182,200 and for FY 2028 is \$587,759,800 as shown on “Schedule 2 – Sewer System Revenue Requirements” of the budget document; and

**WHEREAS** The operations and maintenance budget for the Regional Water System for FY 2027 is \$193,563,400 and for FY 2028 is \$200,736,600 as shown on “Schedule 1 – Water System Revenue Requirements” of the budget document; and

**WHEREAS** The operations and maintenance budget for the Regional Sewer System for FY 2027 is \$237,763,400 and for FY 2028 is \$248,410,600 as shown on “Schedule 2 – Sewer System Revenue Requirements” of the budget document; and

**WHEREAS** The amounts necessary to fund the annual water system capital expenditures of \$24,976,300 in FY 2027 and \$21,012,200 in FY 2028 for capital outlay in accordance with the “Schedule 4A – Water Improvement and Extension Fund” budget; and

**WHEREAS** The amounts necessary to fund the annual water system capital expenditures of \$245,000,000 in FY 2027 and \$245,000,000 in FY 2028 for the capital improvement plan in accordance with the “Schedule 5A –Water Construction Fund” budget with those capital amounts reflecting an 80% Capital Spend Ratio Assumption applied to FY 2027 and a Capital Spend Rate Assumption of 65% to FY 2028 as shown in the proposed FY 2027 through FY 2031 Capital Improvement Plan; and

**WHEREAS** The amounts necessary to fund the annual sewer system capital expenditures of \$15,431,100 in FY 2027 and \$15,322,600 in FY 2028 for the capital outlay in accordance with the “Schedule 4B – Sewer Improvement and Extension Fund” budget; and

**WHEREAS** The amounts necessary to fund the annual sewer system capital expenditures of \$255,000,000 in FY 2027 and \$280,000,000 in FY 2028 for the capital improvement plan in accordance with “Schedule 5B –Sewer Construction Fund” budget with those capital amounts reflecting an 88% Capital Spending Ratio applied to FY 2027 and a Capital Spend Rate Assumption of 84% applied to FY 2028 as shown in the proposed FY 2027 through FY 2031 Capital Improvement Plan; and

**WHEREAS** The amounts necessary to pay the principal of and interest on all Water System bonds is \$234,472,200 for FY 2027 and \$254,024,000 for FY 2028 as shown on “Schedule 10 – Flow of Funds and Debt Service Coverage 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 \$266,215,200 for FY 2027 and \$276,753,400 for FY 2028 as shown on “Schedule 10 – Flow of Funds and Debt Service Coverage Consistent with the Master Bond Ordinance” of the budget document; and

**WHEREAS** The GLWA Audit Committee began review of the budget and five-year financial plan document developed for FY 2027 through FY 2031 at its meeting on January 9, 2026; with updates at its meeting on January 30, 2026, February 13, 2026 and February 24, 2026; 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 25, 2026 at 1:00 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](http://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 25, 2026 to receive public comment regarding the proposed budget for the Fiscal Years 2027 and 2028; and be it further

**RESOLVED** That the GLWA Board approves the budget for Fiscal Years 2027 and 2028; 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 1 – Water System Revenue Requirements Biennial Budget

Water System Revenue Requirement	Current Year		Biennial Budget					
	FY 2026		FY 2027			FY 2028		
	Adopted Budget	Projected	Proposed Budget	Dollar Variance	Percent Variance	Proposed Budget	Dollar Variance	Percent Variance
<b>Revenues</b>								
Revenues from Charges								
Wholesale Customers	\$ 365,646,100	\$ 365,646,100	\$ 384,435,600	\$ 18,789,500	5.1%	\$ 406,033,200	\$ 21,597,600	5.6%
Charges to Local System	30,028,800	30,028,800	33,087,600	3,058,800	10.2%	36,139,800	3,052,200	9.2%
Total Revenue from Charges	395,674,900	395,674,900	417,523,200	21,848,300	5.5%	442,173,000	24,649,800	5.9%
Investment Earnings								
Unrestricted	4,654,800	4,404,900	3,171,000	(1,483,800)	-31.9%	3,056,800	(114,200)	-3.6%
I&E Fund Unrestricted	4,868,800	4,525,400	3,414,900	(1,453,900)	-29.9%	3,091,200	(323,700)	-9.5%
Restricted for Debt Service	3,260,100	2,832,700	2,150,500	(1,109,600)	-34.0%	2,221,100	70,600	3.3%
Total Investment Earnings	12,783,700	11,763,000	8,736,400	(4,047,300)	-31.7%	8,369,100	(367,300)	-4.2%
Other Operating Revenue	302,800	302,800	498,500	195,700	64.6%	300,000	(198,500)	-39.8%
<b>Total Revenues</b>	<b>\$ 408,761,400</b>	<b>\$ 407,740,700</b>	<b>\$ 426,758,100</b>	<b>\$ 17,996,700</b>	<b>4.4%</b>	<b>\$ 450,842,100</b>	<b>\$ 24,084,000</b>	<b>5.6%</b>
<b>Revenue Requirements</b>								
Operations & Maintenance Expense	\$ 182,456,000	\$ 183,909,400	\$ 193,563,400	\$ 11,107,400	6.1%	\$ 200,736,600	\$ 7,173,200	3.7%
Debt Service	179,082,200	177,503,100	189,086,400	10,004,200	5.6%	205,529,200	16,442,800	8.7%
General Retirement System Pension	2,730,800	2,730,800	2,559,000	(171,800)	-6.3%	2,415,300	(143,700)	-5.6%
Water Residential Assistance								
Program Contribution	1,970,000	1,970,000	2,079,700	109,700	5.6%	2,201,400	121,700	5.9%
Extraordinary Repair & Replacement Deposit	320,000	320,000	104,800	(215,200)	-67.3%	616,300	511,500	488.1%
Regional System Lease	22,500,000	22,500,000	22,500,000	-	0.0%	22,500,000	-	0.0%
Working Capital Requirement	600,000	-	600,000	-	0.0%	5,300,000	4,700,000	783.3%
Improvement & Extension Fund								
Transfer Pending	19,102,400	18,807,400	16,264,800	(2,837,600)	-14.9%	11,543,300	(4,721,500)	-29.0%
<b>Total Water System Revenue Requirements</b>	<b>\$ 408,761,400</b>	<b>\$ 407,740,700</b>	<b>\$ 426,758,100</b>	<b>\$ 17,996,700</b>	<b>4.4%</b>	<b>\$ 450,842,100</b>	<b>\$ 24,084,000</b>	<b>5.6%</b>

### Charge Adjustment Calculation

Proforma Revenue - What FY 2027 Revenue from Charges would be using FY 2027 projected volume and FY 2026 Fixed and Commodity Charges

\$ 394,633,100

Charge Adjustment

Attributable to Change in Annual Revenue Requirement	\$ 17,996,700	4.56%
Attributable to Non-Charge Revenue (Decrease in Investment Earnings & Other Operating Revenue)	3,851,600	0.98%
Attributable to decreased in projected Sales Volume in FY 2027	1,041,800	0.26%

**Charge Adjustment (Average System Charge Increase) \$ 22,890,100 5.80%**

## Schedule 2 – Sewer System Revenue Requirements Biennial Budget

Sewer System Revenue Requirement	Current Year		Biennial Budget					
	FY 2026		FY 2027			FY 2028		
	Adopted Budget	Projected	Proposed Budget	Dollar Variance	Percent Variance	Proposed Budget	Dollar Variance	Percent Variance
<b>Revenues</b>								
Revenues from Charges								
Wholesale Customers	\$ 300,316,800	\$ 300,316,800	\$ 312,321,600	\$ 12,004,800	4.0%	\$ 326,592,500	\$ 14,270,900	4.6%
Charges to Local System	215,324,400	215,324,400	225,283,200	9,958,800	4.6%	235,235,000	9,951,800	4.4%
Industrial Waste Control Charges	9,150,300	9,150,300	9,508,000	357,700	3.9%	9,936,400	428,400	4.5%
Pollutant Surcharges	5,112,700	5,112,700	5,115,500	2,800	0.1%	5,346,000	230,500	4.5%
Total Revenue from Charges	529,904,200	529,904,200	552,228,300	22,324,100	4.2%	577,109,900	24,881,600	4.5%
Investment Earnings								
Unrestricted	5,087,300	5,513,700	3,969,200	(1,118,100)	-22.0%	3,839,400	(129,800)	-3.3%
I&E Fund Unrestricted	5,451,500	5,319,600	3,985,100	(1,466,400)	-26.9%	3,841,600	(143,500)	-3.6%
Restricted for Debt Service	4,076,400	3,240,100	2,513,800	(1,562,600)	-38.3%	2,518,900	5,100	0.2%
Total Investment Earnings	14,615,200	14,073,400	10,468,100	(4,147,100)	-28.4%	10,199,900	(268,200)	-2.6%
Other Operating Revenue	442,600	442,600	485,800	43,200	9.8%	450,000	(35,800)	-7.4%
<b>Total Revenues</b>	<b>\$ 544,962,000</b>	<b>\$ 544,420,200</b>	<b>\$ 563,182,200</b>	<b>\$ 18,220,200</b>	<b>3.3%</b>	<b>\$ 587,759,800</b>	<b>\$ 24,577,600</b>	<b>4.4%</b>
<b>Revenue Requirements</b>								
Operations & Maintenance Expense	\$ 236,098,700	\$ 237,552,000	\$ 237,763,400	\$ 1,664,700	0.7%	\$ 248,410,600	\$ 10,647,200	4.5%
Debt Service	220,884,500	216,273,800	233,854,700	12,970,200	5.9%	242,444,800	8,590,100	3.7%
General Retirement System Pension	5,632,800	5,632,800	5,246,300	(386,500)	-6.9%	4,923,200	(323,100)	-6.2%
Water Residential Assistance								
Program Contribution	2,638,500	2,638,500	2,749,800	111,300	4.2%	2,873,400	123,600	4.5%
Extraordinary Repair & Replacement Deposit	-	-	-	-	0.0%	-	-	0.0%
Regional System Lease	27,500,000	27,500,000	27,500,000	-	0.0%	27,500,000	-	0.0%
Working Capital Requirement	-	-	1,500,000	1,500,000	100.0%	4,700,000	3,200,000	213.3%
Improvement & Extension Fund								
Transfer Pending	52,207,500	54,823,100	54,568,000	2,360,500	4.5%	56,907,800	2,339,800	4.3%
<b>Total Sewer System Revenue Requirements</b>	<b>\$ 544,962,000</b>	<b>\$ 544,420,200</b>	<b>\$ 563,182,200</b>	<b>\$ 18,220,200</b>	<b>3.3%</b>	<b>\$ 587,759,800</b>	<b>\$ 24,577,600</b>	<b>4.4%</b>

### Charge Adjustment Calculation

Proforma Revenue - What FY 2027 Revenue from Charges would be using FY 2026 Fixed Monthly Charges and volume and loading projections for Industrial Waste Control and Pollutant Surcharges

\$ 529,653,000

Charge Adjustment

Attributable to Change in Annual Revenue Requirement \$ 18,220,200 3.44%

Attributable to Non-Charge Revenue (Decrease in Investment Earnings & Other Operating Revenue) 4,103,900 0.77%

Attributable to decreased in projected Sales Volume in FY 2027 (amount reflects change due to projected Industrial Waste Control volume and Pollutant Surcharges volume and loadings) 251,200 0.05%

**Charge Adjustment (Average System Charge Increase) \$ 22,575,300 4.26%**

## Schedule 3 – Combined Water and Sewer System Revenue Requirements Biennial Budget

Water & Sewer System Combined Revenue Requirement	Current Year		Biennial Budget					
	FY 2026		FY 2027			FY 2028		
	Adopted Budget	Projected	Proposed Budget	Dollar Variance	Percent Variance	Proposed Budget	Dollar Variance	Percent Variance
<b>Revenues</b>								
Revenues from Charges								
Wholesale Customers	\$ 665,962,900	\$ 665,962,900	\$ 696,757,200	\$ 30,794,300	4.6%	\$ 732,625,700	\$ 35,868,500	5.1%
Charges to Local System	245,353,200	245,353,200	258,370,800	13,017,600	5.3%	271,374,800	13,004,000	5.0%
Industrial Waste Control Charges	9,150,300	9,150,300	9,508,000	357,700	3.9%	9,936,400	428,400	4.5%
Pollutant Surcharges	5,112,700	5,112,700	5,115,500	2,800	0.1%	5,346,000	230,500	4.5%
Total Revenue from Charges	925,579,100	925,579,100	969,751,500	44,172,400	4.8%	1,019,282,900	49,531,400	5.1%
Investment Earnings								
Unrestricted	9,742,100	9,918,600	7,140,200	(2,601,900)	-26.7%	6,896,200	(244,000)	-3.4%
I&E Fund Unrestricted	10,320,300	9,845,000	7,400,000	(2,920,300)	-28.3%	6,932,800	(467,200)	-6.3%
Restricted for Debt Service	7,336,500	6,072,800	4,664,300	(2,672,200)	-36.4%	4,740,000	75,700	1.6%
Total Investment Earnings	27,398,900	25,836,400	19,204,500	(8,194,400)	-29.9%	18,569,000	(635,500)	-3.3%
Other Operating Revenue	745,400	745,400	984,300	238,900	32.0%	750,000	(234,300)	-23.8%
<b>Total Revenues</b>	<b>\$ 953,723,400</b>	<b>\$ 952,160,900</b>	<b>\$ 989,940,300</b>	<b>\$ 36,216,900</b>	<b>3.8%</b>	<b>\$1,038,601,900</b>	<b>\$ 48,661,600</b>	<b>4.9%</b>
<b>Revenue Requirements</b>								
Operations & Maintenance Expense	\$418,554,700	\$421,461,400	\$ 431,326,800	\$12,772,100	3.1%	\$449,147,200	\$17,820,400	4.1%
Debt Service	399,966,700	393,776,900	422,941,100	22,974,400	5.7%	447,974,000	25,032,900	5.9%
General Retirement System Pension	8,363,600	8,363,600	7,805,300	(558,300)	-6.7%	7,338,500	(466,800)	-6.0%
Water Residential Assistance								
Program Contribution	4,608,500	4,608,500	4,829,500	221,000	4.8%	5,074,800	245,300	5.1%
Extraordinary Repair & Replacement Deposit	320,000	320,000	104,800	(215,200)	-67.3%	616,300	511,500	488.1%
Regional System Lease	50,000,000	50,000,000	50,000,000	-	0.0%	50,000,000	-	0.0%
Working Capital Requirement	600,000	-	2,100,000	1,500,000	250.0%	10,000,000	7,900,000	376.2%
Improvement & Extension Fund								
Transfer Pending	71,309,900	73,630,500	70,832,800	(477,100)	-0.7%	68,451,100	(2,381,700)	-3.4%
<b>Total Water &amp; Sewer System Combined Revenue Requirements</b>	<b>\$ 953,723,400</b>	<b>\$ 952,160,900</b>	<b>\$ 989,940,300</b>	<b>\$ 36,216,900</b>	<b>3.8%</b>	<b>\$1,038,601,900</b>	<b>\$ 48,661,600</b>	<b>4.9%</b>

## Water Capital Financing Plan

### Schedule 4A - Water Improvement & Extension Fund

	Current Year		Biennial Budget	
	Adopted Budget	Projected	Proposed Budget	
	FY 2026	FY 2026	FY 2027	FY 2028
<b>Water Improvement &amp; Extension Fund</b>				
<b>Inflows</b>				
Transfers in from Water Operations Fund				
Revenue Transfers	\$ 19,102,400	\$ 18,807,400	\$ 16,264,800	\$ 11,543,300
Investment Earnings	4,868,800	4,525,400	3,414,900	3,091,200
<b>Total Inflows</b>	<b>23,971,200</b>	<b>23,332,800</b>	<b>19,679,700</b>	<b>14,634,500</b>
<b>Outflows</b>				
Capital outlay	11,691,400	11,691,400	24,976,300	21,012,200
Transfers out to Water Operations Fund				
Investment Earnings	4,868,800	4,525,400	3,414,900	3,091,200
Transfer out to Water Construction Fund				
Revenue Financed Capital	9,250,000	-	-	-
<b>Total Outflows</b>	<b>25,810,200</b>	<b>16,216,800</b>	<b>28,391,200</b>	<b>24,103,400</b>
<b>Net Inflow (Outflow) - Use of I&amp;E Funds</b>	<b>\$ (1,839,000)</b>	<b>7,116,000</b>	<b>(8,711,500)</b>	<b>(9,468,900)</b>
Beginning Net Position		147,797,600	154,913,600	146,202,100
Projected Ending Net Position		\$ 154,913,600	\$ 146,202,100	\$ 136,733,200

## Schedule 5A - Water Construction Fund

	Actual	Current Year		Biennial Budget	
		FY 2025	Adopted Budget FY 2026	Projected FY 2026	Proposed Budget FY 2027    FY 2028
<b>Water Construction Fund</b>					
<b>Inflows</b>					
Transfers in from Water I&E Fund					
Revenue Financed Capital	\$ 171,562	\$ 9,250,000	\$ -	\$ -	\$ -
Transfers in from Water Operations Fund					
Bond Proceeds	231,833,814	222,000,000	158,000,000	243,000,000	228,000,000
State Revolving Loans	56,270,485	1,369,200	6,742,400	-	-
Grants and Capital Contributions	3,348,636	2,300,000	2,197,100	1,154,900	-
Investment Earnings	5,248,342	5,565,100	4,294,800	3,828,400	3,658,500
<b>Total Inflows</b>	<b>296,872,839</b>	<b>240,484,300</b>	<b>171,234,300</b>	<b>247,983,300</b>	<b>231,658,500</b>
<b>Outflows</b>					
Capital Program	156,209,178	185,000,000	165,000,000	245,000,000	245,000,000
Transfers out to Water Operations Fund					
Bond Cost of Issuance	1,812,585	1,665,000	1,185,000	1,822,500	1,710,000
<b>Total Outflows</b>	<b>158,021,763</b>	<b>186,665,000</b>	<b>166,185,000</b>	<b>246,822,500</b>	<b>246,710,000</b>
<b>Net Inflow (Outflow) - Use of Construction Funds</b>	<b>\$ 138,851,076</b>	<b>\$ 53,819,300</b>	<b>5,049,300</b>	<b>1,160,800</b>	<b>(15,051,500)</b>
Beginning Net Position			270,178,200	275,227,500	276,388,300
Projected Ending Net Position			\$ 275,227,500	\$ 276,388,300	\$ 261,336,800
Capital Improvement Plan		\$ 183,064,000	\$ 183,743,000	\$ 302,768,000	\$ 372,646,000
Capital Spending Ratio		100%	88%	80%	65%
Capital Financing Plan		\$ 185,000,000	\$ 165,000,000	\$ 245,000,000	\$ 245,000,000

## Sewer Capital Financing Plan

### Schedule 4B - Sewer Improvement & Extension Fund

	Current Year		Biennial Budget	
	Adopted Budget	Projected	Proposed Budget	
	FY 2026	FY 2026	FY 2027	FY 2028
<b>Sewer Improvement &amp; Extension Fund</b>				
<b>Inflows</b>				
Transfers in from Sewer Operations Fund Revenue Transfers	\$ 52,207,500	\$ 54,823,100	\$ 54,568,000	\$ 56,907,800
Transfer in from Sewer Construction Fund Working capital adjustment (1)	-	-	-	-
Investment Earnings	5,451,500	5,319,600	3,985,100	3,841,600
<b>Total Inflows</b>	<b>57,659,000</b>	<b>60,142,700</b>	<b>58,553,100</b>	<b>60,749,400</b>
<b>Outflows</b>				
Capital outlay	11,779,500	11,779,500	15,431,100	15,322,600
Transfers out to Sewer Operations Fund Investment Earnings	5,451,500	5,319,600	3,985,100	3,841,600
Transfer out to Sewer Construction Fund Revenue Financed Capital	26,250,000	36,000,000	38,250,000	56,000,000
<b>Total Outflows</b>	<b>43,481,000</b>	<b>53,099,100</b>	<b>57,666,200</b>	<b>75,164,200</b>
<b>Net Inflow (Outflow) - Use of I&amp;E Funds</b>	<b>\$ 14,178,000</b>	<b>7,043,600</b>	886,900	<b>(14,414,800)</b>
Beginning Net Position		173,729,100	180,772,700	181,659,600
Projected Ending Net Position		\$ 180,772,700	\$ 181,659,600	\$ 167,244,800

## Schedule 5B - Sewer Construction Fund

	Current Year		Biennial Budget	
	Adopted Budget	Projected	Proposed Budget	
	FY 2026	FY 2026	FY 2027	FY 2028
<b>Sewer Construction Fund</b>				
<b>Inflows</b>				
Transfers in from Sewer I&E Fund				
Revenue Financed Capital	\$ 26,250,000	\$ 36,000,000	\$ 38,250,000	\$ 56,000,000
Transfers in from Sewer Operations Fund				
Bond Proceeds	101,000,000	26,000,000	76,000,000	65,000,000
State Revolving Loans	52,936,600	102,632,900	159,595,800	140,710,700
Grants and Capital Contributions	23,191,650	33,623,000	10,157,500	6,624,500
Investment Earnings	3,936,400	1,767,600	2,019,200	2,248,800
<b>Total Inflows</b>	<b>207,314,650</b>	<b>200,023,500</b>	<b>286,022,500</b>	<b>270,584,000</b>
<b>Outflows</b>				
Capital Program	175,000,000	240,000,000	255,000,000	280,000,000
Transfers out to Sewer Operations Fund				
Bond Cost of Issuance	757,500	195,000	570,000	487,500
Transfers out to Sewer I&E Fund				
Working Capital Adjustment (1)	-	-	-	-
<b>Total Outflows</b>	<b>175,757,500</b>	<b>240,195,000</b>	<b>255,570,000</b>	<b>280,487,500</b>
<b>Net Inflow (Outflow) - Use of Construction Funds</b>	<b>\$ 31,557,150</b>	<b>(40,171,500)</b>	<b>30,452,500</b>	<b>(9,903,500)</b>
Beginning Net Position		149,360,300	109,188,800	139,641,300
Projected Ending Net Position		\$ 109,188,800	\$ 139,641,300	\$ 129,737,800
Capital Improvement Plan	\$193,221,000	\$262,279,000	\$287,641,000	\$330,945,000
Capital Spending Ratio	90%	90%	88%	84%
Capital Financing Plan	\$ 175,000,000	\$ 240,000,000	\$ 255,000,000	\$ 280,000,000

There are no schedules 6 – 9 for purposes of the Budget Resolution.

## Schedule 10 – Flow of Funds and Debt Service Coverage Consistent with the Master Bond Ordinance

Line No	Flow of Funds Basis	FY 2027			FY 2028		
		Water Fund	Sewer Fund	Combined (Info Only)	Water Fund	Sewer Fund	Combined (Info Only)
<b>Revenues</b>							
	GLWA Revenue						
1	Wholesale Charges	\$ 384,435,600	\$ 326,945,100	\$ 711,380,700	\$ 406,033,200	\$ 341,874,900	\$ 747,908,100
2	Charges to Local System [a]	33,087,600	225,283,200	258,370,800	36,139,800	235,235,000	271,374,800
3	Total GLWA Revenue from Charges	417,523,200	552,228,300	969,751,500	442,173,000	577,109,900	1,019,282,900
4	Investment Earnings & Other Revenues	9,234,900	10,953,900	20,188,800	8,669,100	10,649,900	19,319,000
5	Total GLWA Revenues	426,758,100	563,182,200	989,940,300	450,842,100	587,759,800	1,038,601,900
6	DWSD Local System Revenues [b]	104,113,600	100,599,000	204,712,600	109,221,400	106,983,300	216,204,700
7	<b>Total Revenues</b>	<b>\$ 530,871,700</b>	<b>\$ 663,781,200</b>	<b>\$ 1,194,652,900</b>	<b>\$ 560,063,500</b>	<b>\$ 694,743,100</b>	<b>\$ 1,254,806,600</b>
<b>Revenue Requirements</b>							
	Operations & Maintenance Expense						
8	GLWA Regional System	\$ 193,563,400	\$ 237,763,400	\$ 431,326,800	\$ 200,736,600	\$ 248,410,600	\$ 449,147,200
9	DWSD Local System	54,218,900	64,186,900	118,405,800	56,387,700	66,754,400	123,142,100
10	Less Shared Service Revenue	(1,537,300)	(1,455,800)	(2,993,100)	(1,537,300)	(1,455,800)	(2,993,100)
11	Net Local System O&M Transfer	52,681,600	62,731,100	115,412,700	54,850,400	65,298,600	120,149,000
12	Total Operations & Maintenance Expense	246,245,000	300,494,500	546,739,500	255,587,000	313,709,200	569,296,200
	Debt Service by Lien (Regional & Local)						
13	Senior Lien Bonds	157,116,600	163,909,100	321,025,700	175,772,000	167,966,100	343,738,100
14	Second Lien Bonds	58,357,600	60,283,100	118,640,700	59,135,400	60,060,700	119,196,100
15	SRF Junior Lien Bonds	18,998,000	42,023,000	61,021,000	19,116,600	48,726,600	67,843,200
16	Total Debt Service	<b>\$ 234,472,200</b>	<b>\$ 266,215,200</b>	<b>\$ 500,687,400</b>	<b>\$ 254,024,000</b>	<b>\$ 276,753,400</b>	<b>\$ 530,777,400</b>
17	GRS Pension	4,540,800	6,748,400	11,289,200	4,295,700	6,339,900	10,635,600
18	WRAP Contribution	3,066,300	4,224,400	7,290,700	3,248,100	4,436,900	7,685,000
	Lease Payment to Local System I&E Account	22,500,000	27,500,000	50,000,000	22,500,000	27,500,000	50,000,000
19	ER&R Deposit	216,800	-	216,800	618,900	-	618,900
20	Working Capital Requirements Available for Revenue Financed Capital	600,000	1,500,000	2,100,000	5,300,000	4,700,000	10,000,000
21	GLWA Regional System	16,152,800	54,568,000	70,720,800	11,540,700	56,907,800	68,448,500
22	DWSD Local System	3,077,800	2,530,700	5,608,500	2,949,100	4,395,900	7,345,000
23	Total Revenue Requirements	<b>\$ 530,871,700</b>	<b>\$ 663,781,200</b>	<b>\$ 1,194,652,900</b>	<b>\$ 560,063,500</b>	<b>\$ 694,743,100</b>	<b>\$ 1,254,806,600</b>
24	<b>Total Revenue Requirements</b>	<b>\$ 530,871,700</b>	<b>\$ 663,781,200</b>	<b>\$ 1,194,652,900</b>	<b>\$ 560,063,500</b>	<b>\$ 694,743,100</b>	<b>\$ 1,254,806,600</b>
25	<b>Pledged Revenue (7)-(12)</b>	<b>284,626,700</b>	<b>363,286,700</b>	<b>647,913,400</b>	<b>304,476,500</b>	<b>381,033,900</b>	<b>685,510,400</b>
<b>Debt Service Coverage</b>							
26	Senior Lien Bonds (25)/(13)	1.81	2.22		1.73	2.27	
27	Second Lien Bonds (25)/[(13)+(14)]	1.32	1.62		1.30	1.67	
28	All Bonds, including SRF Junior Lien Bonds (25)/(16)	1.21	1.36		1.20	1.38	

Schedule 10 includes the budget for both GLWA and the Local System(DWSD). The DWSD budget was approved by the DWSD Board of Commissioners on March 18, 2026.

[a] Charges to the Local System are for water and sewer services provided by GLWA to DWSD under Section 3.1 of the Water and Sewer Services Agreement.

[b] DWSD Local System Revenues is net of the GLWA Charges to Local System on line 2 which are paid from the local system revenues.

This page updated after the Board meeting on February 25, 2026 to add Schedule 10