



Board of Directors
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TO: Great Lakes Water Authority Board of Directors
Chief Executive Officer Sue McCormick

FROM: Gary A Brown, Director
Great Lakes Water Authority

DATE: April 17, 2020

RE: Financial Relief for Wholesale Customers for Fiscal Year 2020-2021

On March 11, 2020, the Great Lakes Water Authority Board approved rate water charges increase of 2.4% and sewage charges increase of 3.2% for our wholesale customers, our member communities. In numerous meetings leading up to this vote, board members debated the percentage of, and the need for, rate increases given the very healthy financial condition and cash reserves GLWA enjoys. As we all know, there has been a dramatic turn of events since our vote—the coronavirus pandemic. GLWA’s wholesale customers are seeing a substantial downturn in collections as their retail customers face job losses and business closures—some temporary, some permanently. GLWA’s wholesale customers must now take a hard look at their budgets, expenditures, employee wages, staffing, vendor contracts and capital programs to accommodate current losses incurred and to make plans for future budget stressors.

For these reasons, I believe the GLWA board has a duty to all of its wholesale customers and the public as a whole to similarly explore areas for cutting costs and other budget relief measures for fiscal year 2020-2021 that will, in turn, help our wholesale customers recover from this historical pandemic and its effects on their respective budgets.

GB/DNP