



Audit Committee Meeting
Friday, August 25, 2023 at 8:00 a.m.
www.glwater.org

[Join Zoom Meeting](#)

Meeting ID: **880 9764 2041** Passcode: **999565**

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

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. June 26, 2023 (Page 1)
5. PUBLIC PARTICIPATION
6. OLD BUSINESS
7. NEW BUSINESS
 - A. None
8. REPORTS
 - A. CFO Report (Page 8)
 - i. GLWA Receives Certificate of Achievement for Excellence in Financial Reporting for the FY 2022
 - ii. GLWA Receives the National Institute for Public Procurement (NIGP) Agency Advancement Award – Honorable Mention
 - iii. FY 2023 Preliminary Financial Audit Fieldwork Starting Soon
 - iv. FY 2024 Q1 Budget Amendments
 - v. FY 2025+ Budget, Charges, Forecast, and Capital Planning Underway
 - vi. Charges Outreach & Modeling Succession Plan
 - vii. Workday ERP Implementation
 - viii. Capital Asset Database Review
 - B. Monthly Financial Report for April 2023 (Page 26)
 - C. Monthly Financial Report for May 2023 (Page 27)
 - D. Business Inclusion and Diversity Update (Page 28)
 - E. Charges Outreach & Modeling Update (Page 32)
 - F. Quarterly Investment Report (unaudited) (Page 33)
 - G. Gifts, Grants & Other Resources Report (Page 60)
 - H. Affordability & Assistance Update (Page 68)
 - I. DWSD State Revolving Fund (SRF) Loans 7656-01 and 7657-01 (Page 71)
Grant Funded

9. COMMUNICATIONS

A. The Procurement Pipeline for July 2023 (Page 72)

B. The Procurement Pipeline for August 2023 (Page 74)

10. LOOK AHEAD

A. Next Audit Committee Meeting: September 22, 2023, 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, June 26, 2023

8:00 AM

Zoom Telephonic Meeting

Zoom Telephonic Special Meeting

Join Zoom Meeting:

<https://glwater.zoom.us/j/84077312854?pwd=cjJZUFJ6YnZ0VW9iaCtiS2tCeFVJQT09>

Join By Telephone

US Toll-Free:

877 853 5247; or 888 788 0099

Meeting ID: 840 7731 2854

Passcode: 953576

1. Call To Order

Chairperson Baker called the meeting to order at 8:01 a.m.

2. Quorum Call

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

3. Approval of Agenda

Nicolette Bateson, Chief Financial Officer/Treasurer, requested to move item 8.I.
(Update: Economic Outlook Task Force) to item 7.A.

Chairperson Baker requested a Motion to Approve the Agenda as Amended.

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Approved as Amended

The motion carried by a unanimous vote.

4. Approval of Minutes

A. [2023-231](#) Minutes of May 26, 2023

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [4A May 26, 2023 Audit Committee Meeting Minutes](#)

Chairperson Baker requested a Motion to Approve the Minutes of the May 26, 2023 Audit Committee Meeting.

Motion By: Jaye Quadrozzi

Support By: Gary Brown

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. (8.I.) [2023-249](#) Update: Economic Outlook Task Force

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8I1 Audit Committee Memo - Economic Outlook Task Force 3.24.2023](#)
[8I2 EOTF Quarterly Update_Audit Committee_6.23.23](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

B. [2023-232](#) **Resolution to Approve the FY 2023 Fourth Quarter Budget Amendments**

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [7A0 FY 2023 4th Quarter Budget Amendment Report](#)
[7A2 FY 2023 Fourth Quarter Budget Amendment Report](#)
[7A3 Addendum 1 FY 2023 Fourth Quarter Budget Amendment Report cover](#)
[7A4 Addendum 1 FY 2023 Fourth Quarter Budget Amendment Report](#)
[7A5 Addendum 2 FY 2023 Fourth Quarter Budget Amendment Report cover](#)
[7A6 Addendum 2 FY 2023 Fourth Quarter Budget Amendment Report](#)
[7A7 FY 2023 Fourth Quarter Budget Amendment Resolution](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Recommended for Approval to the Board of Directors

Agenda of June 28, 2023

The motion carried by a unanimous vote.

C. [2023-233](#) **Proposed GLWA Procurement Policy Amendment**

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [7B1 AC Memo - Proposed Procurement Policy Amendment](#)
[7B3 GLWA Procurement Policy WORKING Draft 6.23.23](#)
[8C Business Inclusion and Diversity Program Update](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Recommended for Approval to the Board of Directors

Agenda of June 28, 2023

The motion carried by a unanimous vote.

D. [2023-234](#) Resolution Regarding Approval of the Highland Park Bad Debt Recovery Credits Methodology and Approval of Schedule of Member Partner Bad Debt Recovery Credits #2023-1 Totaling \$1,000,000

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [7C1 AC Memo Highland Park Bad Debt Expense Recovery Methodology](#)
[7C3 2023-234 Resolution.Legistar-Highland Park Bad Debt Expense Recovery Credits](#)
[7C3.1 Sewer Shares of Bad Debt Recovery](#)
[7C3.2 Water Shares of Bad Debt Recovery](#)
[7C4 TFG Memo Highland Park Recovery Credit 062023 FINAL](#)
[7C51 Bad Debt Recovery Credits #2023-1 by Member Partner](#)
[7C52 Sewer Bad Debt Recovery Credits by Member Partner 2023-1](#)
[7C53 Water Bad Debt Recovery Credits by Member Partner 2023-1](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Recommended for Approval to the Board of Directors

Agenda of June 28, 2023

The motion carried by a unanimous vote.

8. Reports

A. CFO Report - Verbal

Nicolette Bateson, Chief Financial Officer/Treasurer, stated that the Financial Services Area is working to keep things balanced, as reported in today's meeting.

CFO Bateson gave a brief report on an opportunity she had to speak at the American Water Works Association's Annual Conference, which was attended by 10,000 people from all over the world, and the focus was discussion of climate risks, disclosures, and official statements/financial statements.

CFO Bateson also provided an update on Workday implementation.

B. [2023-243](#) Monthly Financial Report for March 2023

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8B March 2023 Financial Report](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

C. [2023-244](#) Business Inclusion and Diversity Program Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8C Business Inclusion and Diversity Program Update](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

D. [2023-245](#) Charges Outreach & Modeling Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8D Charges Outreach and Modeling Update - 06.23.23](#)

Motion By: Jaye Quadrozzi

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

E. [2023-242](#) Affordability & Assistance Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8E1 Affordability and Assistance Update](#)

[8E2 WRAP Quarterly Report FY23 Q3](#)

Motion By: Gary Brown

Support By: Jaye Quadrozzi

Action: Received and Filed

The motion carried by a unanimous vote.

Note: Chairperson Quadrozzi was excused from the remainder of the meeting at 9:45 a.m.

F. [2023-246](#) Quarterly Construction Work in Progress Report through March 31, 2023

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8F Quarterly CWIP Report FY 2023 Q3](#)

Motion By: Brian Baker

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

G. [2023-247](#) Semi-Annual Debt Report through March 31, 2023

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8G Semiannual Debt Report as of 3.31.2023](#)

Motion By: Gary Brown

Support By: Brian Baker

Action: Received and Filed

The motion carried by a unanimous vote.

H. [2023-248](#) Annual Pension Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [8H0 GRS Component II Annual Pension Report](#)

[8H1 GRS Audit Communication Letter](#)

[8H2 GRS Audited Financial Report](#)

[8H3 GRS GASB 67-68 Report](#)

[8H4 DRAFT GRS Actuarial Valuation Report](#)

Motion By: Gary Brown

Support By: Brian Baker

Action: Received and Filed

The motion carried by a unanimous vote.

9. Communications

A. [2023-250](#) The Procurement Pipeline for June 2023

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [9A The Procurement Pipeline for June 2023](#)

No Action Taken

10. Look Ahead

The next Audit Committee Meeting is scheduled for Friday, July 28, 2023 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: Brian Baker

Action: Approved

The motion carried by a unanimous vote.

There being no further business, the meeting was adjourned at 9:57 a.m.



Financial Services Audit Committee Communication

Date: August 25, 2023

To: Great Lakes Water Authority Audit Committee

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

Re: CFO Update

GLWA Receives Certificate of Achievement for Excellence in Financial Reporting for the FY 2022

This is the fourth year in a row that the GLWA has been awarded the Certificate of Achievement for Excellence in Financial Reporting by Government Finance Officers Association of the United States and Canada (GFOA) (attached). The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

There are many areas, groups, and teams that contribute to success. Accountability for our organization achieving these standards is led by the following Financial Reporting & Accounting team. Specifically, I would like to note the following team members who ensure GLWA's timeliness, quality and technical review: Jill Kusters, Steve Hoover, Scott Juryn, Cindy Cezat, and Kathy Smith-Roy.

It should be noted that a Certificate of Achievement is valid for a period of one year only. The team remains committed to this high standard and intends to submit the FY 2023 to GFOA to determine its eligibility for meeting the certificate criteria.

GLWA Receives the National Institute for Public Procurement (NIGP) Agency Advancement Award – Honorable Mention

The Agency Advancement Award was established in 2020 to recognize procurement agencies who have excelled at implementing a procurement-related program or process improvement within their organization. GLWA received this award based on improvements and team member realignment to better serve our internal customers which also translates to improved vendor relationships. Below is an excerpt of the application with emphasis added.

SUMMARY of PROCESS IMPROVEMENT

In June 2022, the GLWA Procurement Team overhauled and realigned our existing procurement structure and the traditional roles and responsibilities of individuals within that structure. Prior to this process improvement at GLWA, the sourcing of goods and services, the administrative tasks associated with procurement, contract administration, and inventory purchases were all managed by the same individual (our buyers). **Our goal with this process improvement was to maximize the amount of time our buyers had to strategically source goods and services by centralizing key procurement functions. Our solution was to expand the capability and responsibilities of our procurement department to four key teams overseeing four distinct, or separate, functions: Administration, Contract Administration, Logistics & Materials, and Strategic Sourcing. Overall, the expansion and centralization of key administrative functions enabled each area of the Procurement Team to take full ownership of their unique area of responsibility.** This benefited the work of GLWA by allowing our Procurement team to serve our internal customers more effectively by affording them more time to focus on strategically sourcing the best possible goods and services for GLWA.

The enterprise-wide coordination, plant and processing intensive, as well as complex capital infrastructure nature of GLWA's procurement responsibilities require a high level of organization and role definition. The positive outcomes of this effort required engagement of the entire procurement team for an organization that continues to evolve and implement new technology. The leadership and camaraderie are evident in the procurement team member engagement activities. Thank you to the leadership and training efforts of Sonya Collins, Daniel Edwards, Joan Salwasser, Michael Lasley as well as to Megan Savage who prepared the program submittal.

FY 2023 Preliminary Financial Audit Fieldwork Starting Soon

The Financial Services Area continues to work on year-end adjustments in preparation for the annual financial audit. Prior to initiating fieldwork, the external audit firm, Baker Tilly, will be performing preliminary fieldwork which consists of reviewing internal controls and processes as well as interviewing GLWA team members. Preliminary fieldwork is scheduled for August 28, 2023 through August 31, 2023.

FY 2024 Q1 Budget Amendments

As we enter the first quarter of FY 2024, we continue to see increased, material budget forecast demands in the current year for utilities (\$3.7 million for water system and \$4.5 million for sewer system) and chemicals (\$1.0 million for water system and \$1.7 million sewer system). A cross-functional GLWA team is meeting weekly to evaluate utility costs and to develop a strategy to address this essential service in the future. More to come on this effort in future months.

In addition, we have a budget request to move \$3.4 million for the Linear System Integrity Program (LSIP) condition assessment program forward from the FY 2025 operating budget to this current year to accelerate the condition assessment for the 120-in pipeline. There is a possibility that these costs will support other capital projects in the approved capital improvement plan and may be eligible for capital vs. operating budget dollars. That review will be completed soon. The condition assessment will begin immediately and occur within a three month timeline.

The Financial Planning & Analysis team is working through these and other adjustments to present the Audit Committee with a first quarter budget amendment in September 2023.

FY 2025+ Budget, Charges, Forecast, and Capital Planning Underway

The framework for the upcoming budget, charges, and capital improvement plan will be presented to the Board at the Board Workshop meeting on September 13, 2023. Given the new baseline of costs given the economic challenges over the past few years, combined with the aging of our infrastructure, there is a new level of budgetary pressures. As we contemplate the timing of the next bond transaction for new capital money, seeking alignment among the Board and administration at this time is essential to provide direction to the organization for the financial, operating, and capital plans. You may recall we held a similar session last November when we also presented the [Phase I Economic Outlook Task Force \(EOTF\) report](#). In preparation for this discussion, we have attached the quarterly EOTF update prepare by Public Sector Consultants dated August 25, 2023.

As we plan for the upcoming charges rollout season, a draft of the annual Financial Plan Calendar is attached which includes dates for the Charges Rollout meetings.

Charges Outreach & Modeling Succession Plan

As you are aware, our contract with The Foster Group winds down on June 30, 2024 for charges and financial consulting with the retirement of the key principal of that firm. In succession planning, last year we filled the role of the Charges Outreach & Modeling Manager. In September 2023, a very talented team member from the Financial Planning & Analysis team, Guy Belew, will be joining Matt Lane. Guy's focus will be on many of the cost pools and cost of service study model as we seek to in-source the annual, defined work product related to charges. That being said, there will continue to be a need for an external charges consultant to support GLWA and its member partners as we continue to explore cost of service models the combine technical analytical, engineering, and financial inputs. We anticipate issuing an RFP in early September for those services.

Workday ERP Implementation

Financial System FINS – July 2024- The Financial Services team is supported by Slalom Consulting who ensures that the commitments and competing priorities within the Financial Services Area align with our partners in Information Technology, Organizational

Development, and Enterprise Asset Management / NexGen implementation. Overall the project is going very well – but not without areas of pressure. Most recently that has manifested through the design of end-to-end testing for the financial system (referred to as “FINS”). This entails the various teams coming together from their individual module of expertise to evaluate how their parts fit into the business process as a whole as well as impact on end users and vendors. An example would be the procure to payment business cycle. I have been amazed by the level of dedication, commitment, effort, and many extra hours that our team has invested to achieve a best possible outcome. The teams recently submitted their individual spreadsheets for end-to-end testing scripts (E2E) which are now being consolidated for the next phase of the project. The Slalom team is serving as the E2E consolidation team. This will largely occur over the next ten days.

Human Capital Management (HCM) – January 2024 – As you may recall the first paydate in January 2024 will be on the new system which is based on the pay period beginning on December 25, 2023. Organizational Development, Information Technology, and Financial services are working through closing open E2E and focusing on change management, training, and communication as this system will affect all GLWA team members directly.

FSA Team Member Spotlight - Slalom reports that all teams have gone above and beyond and dug into their processes and wrote these E2E test scripts on top of their normal day to day work. In particular over the past few weeks Slalom has provided me with the following team member shout outs.

- ❖ Huge shout out to Scott Schultz for going above and beyond in all meetings to help with E2E script writing for projects
- ❖ Kendra Taylor and Theresa Turner teamwork on the work they continually deliver
- ❖ Karen Gerow and Mike Gould have done a great job with the fixed assets.
- ❖ Scott Juryn has done a lot to move the end-to-end test scripts forward in his area

Capital Asset Database Review

Review of the Capital Asset database as part of the charges initiatives workplan has been underway over the past year. The scope was to support the last two topics above: Charges Outreach & Modeling Succession Planning and the ERP Implementation. The first part entailed the charges consultant working in a very large Excel file that could populate a field in the new ERP with a cost allocation code consistent with the annual cost of service study. The second part is focusing on review and data cleanup that is a typical precursor to implementing a new system. Although this sounds like a simple effort, it is further complicated by the volume of assets as well as the transition from DWSD on December 31, 2015 to operational effective date for GLWA on January 1, 2016. As you may recall, accounting rules required an asset valuation to establish a new book value and depreciable life on the GLWA books at January 1, 2016. An inventory based on the DWSD asset database and physical inspection to perform the valuation was conducted by Duff & Phelps. This effort was handled very well during an era of dynamic change, but looking back seven years later, and with different team members in place, there are a few items that we would like to

validate. Unfortunately, pre-December 31, 2015 records are not readily available so this becomes more time consuming. In addition to the evolution of the database, there are also some areas where legal agreements impact asset coding that need to be more clearly documented with the impacted assets. Finally, for charges purposes, the calculation worksheets have some adjustments long-term historical records (pre January 1, 2016). This means some further effort to document and institutionalize the professional judgement reflected in the cost of service study. Suffice it to say, we envision that we have identified some clean-up items that we would like to make to the database pending further analysis. Given that the Financial Services Area team is stretched very thin with year-end audit, upcoming budget, and ERP launch dates of January 2024 and July 2024, as well as the close out of an era with our charges consultant, we are seeking the services of a firm to document our findings and changes, provide their own level of analysis, and produce a report which encompasses member partner questions or concerns. The report would also provide sufficient information to support GLWA teams members and charges work groups who seek additional knowledge and understanding on an ongoing for charge setting now and in the future. Further, better understanding of past decisions may provide context for evaluating cost allocation of future capital investments. Lastly, a published report would serve to document and close any questions so that our retiring charges consultant is not tapped for historical context in the future. Given the fixed deadlines, this is a top priority.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Great Lakes Water Authority
Michigan**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

Rick L. Grimm,
NIGP-CPP, CPPO, CPPB, FCIPS
Chief Executive Officer

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Jon Walton, NIGP-CPP, CPPO, CPPB, JD,
CPM
Contracts Officer
Oregon Business Development
Salem, OR

July 1, 2023

Sonya Collins
Chief Procurement Officer
Great Lakes Water Authority
735 Randolph Street
Detroit, MI 48226

Dear Sonya,

Thank you for submitting for NIGP's Agency Advancement Award, created in 2020 to recognize procurement agencies who have excelled at implementing a procurement-related program or process improvement within their organization.

As is usually the case, the NIGP Awards Task Force received several submissions for the 2023 award and this year's evaluation process was strenuous. The Task Force, comprised of several Member Council Representatives, was very impressed with the cumulative contributions of so many leaders – like you – who have demonstrated their commitment to the mission of NIGP and our public procurement profession.

We are pleased to announce that your agency received an honorable mention for your submittal. Enclosed is a certificate you can display for your accomplishment. It has been an unprecedented year and your dedication to public service has never been more important. All of us at NIGP appreciate and applaud all that you have accomplished!

The NIGP Member Council would like to thank you for continuing to develop, support and promote your agency's advancement in public procurement. We encourage you to consider submitting an application next year. Your talents and passion make a significant difference!

Sincerely,

Amy C. Flack

Amy Flack, NIGP-CPP, CPPO, CPPB
NIGP Member Council



Agency Advancement Award

2023 Honorable Mention Certificate is awarded to

Great Lakes Water Authority

For excelling at implementing a procurement-related program/process improvement within your entity.

A handwritten signature in black ink, appearing to read "Rick Grimm", is positioned above a horizontal line.

Rick Grimm NIGP-CPP
NIGP Chief Executive Officer

Economic Outlook Task Force Update

GLWA Board of Directors: Audit Committee

August 25, 2023

Public Sector Consultants



PUBLICSECTORCONSULTANTS.COM

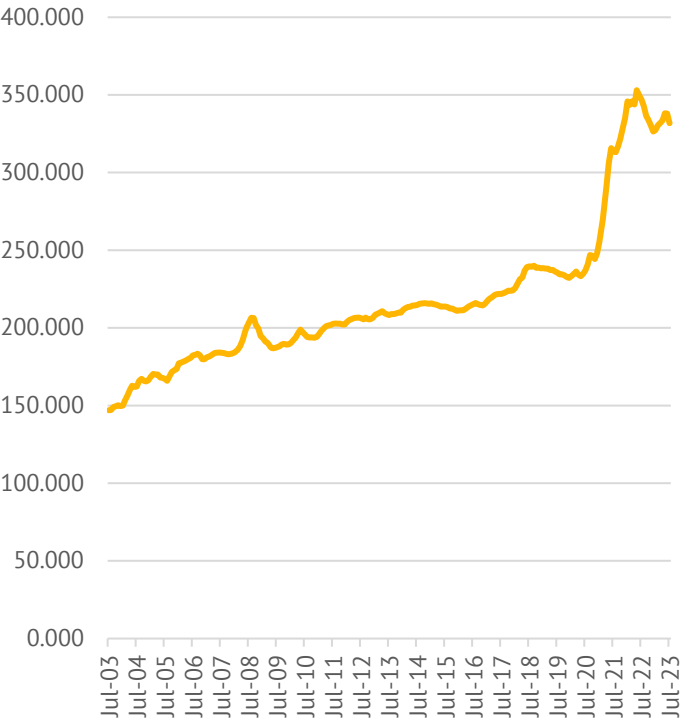
Executive Summary

- As expected, overall inflation and cost pressures are more stable this year than in 2022
 - Inflation rose from 2% pre-pandemic, to nearly 7% last year, and is currently running around 4%.
 - The decline from 7% to 4% was mostly driven by reverses in food, oil, and supply bottlenecks.
 - Moving from the 4% inflation to the Federal Reserve target of 2% will be much harder
- Inflation forecast suggests slightly lower annual inflation rate than last report
 - **Jun. 2023:** Forecast projects 2023 12-month inflation at 4.2%
 - **Current (August 2023):** Forecast projects 2023 12-month inflation at 3.6% with updated data
 - Bank failures have created some uncertainty in markets and in the broader economy
 - Nationally, risk for a recession remains elevated
 - Low unemployment, combined with inflation, are continuing to put pressure on construction industries
 - Construction bids in SE MI are high and likely to remain high in 2023
 - These prices typically escalate quickly can be slow to come down
- Material prices are up from last spring, but not at the rate seen during the spike in 2020-2021
 - Price increases for core GLWA materials appear to have slowed but rising faster than overall inflation and remain high

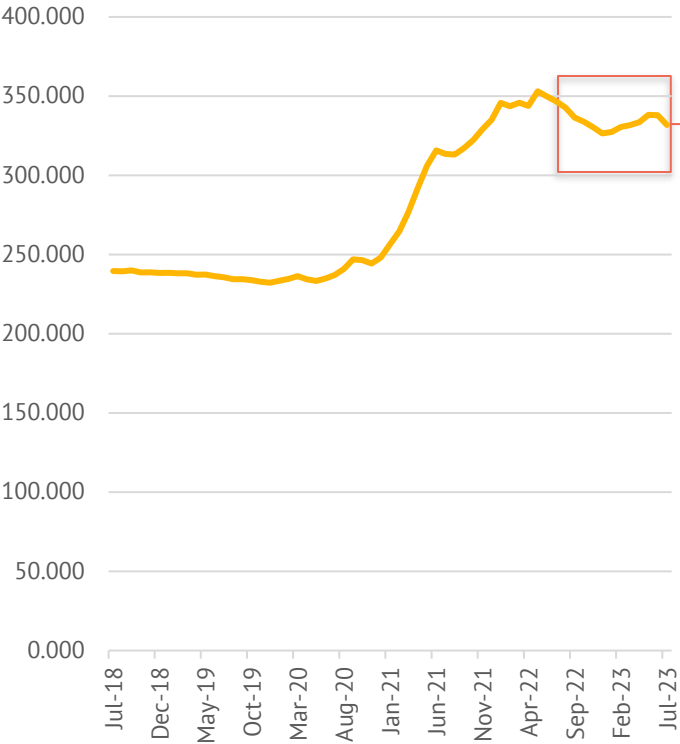


Construction Materials: Producer Price Index

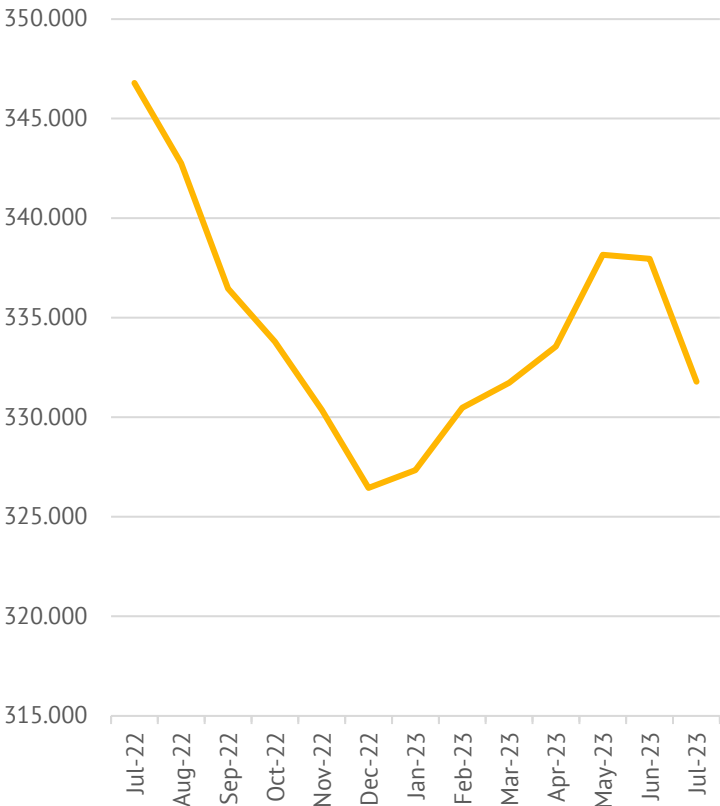
20 YR



5 YR



1 YR*

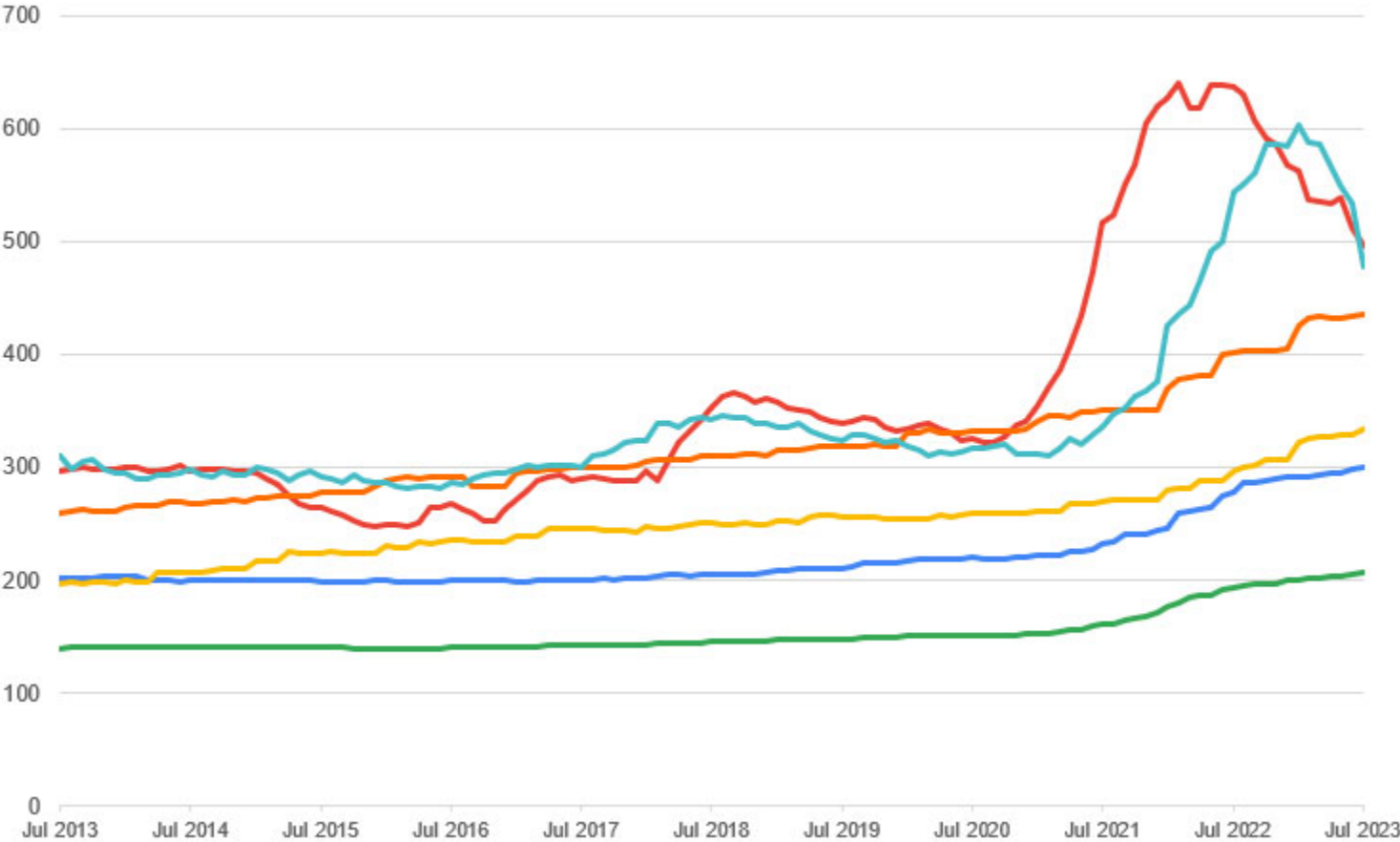


Source: Bureau of Labor Statistics, Producer Price Index
*Note the different vertical axis for 1YR



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Priority Materials: Producer Prices

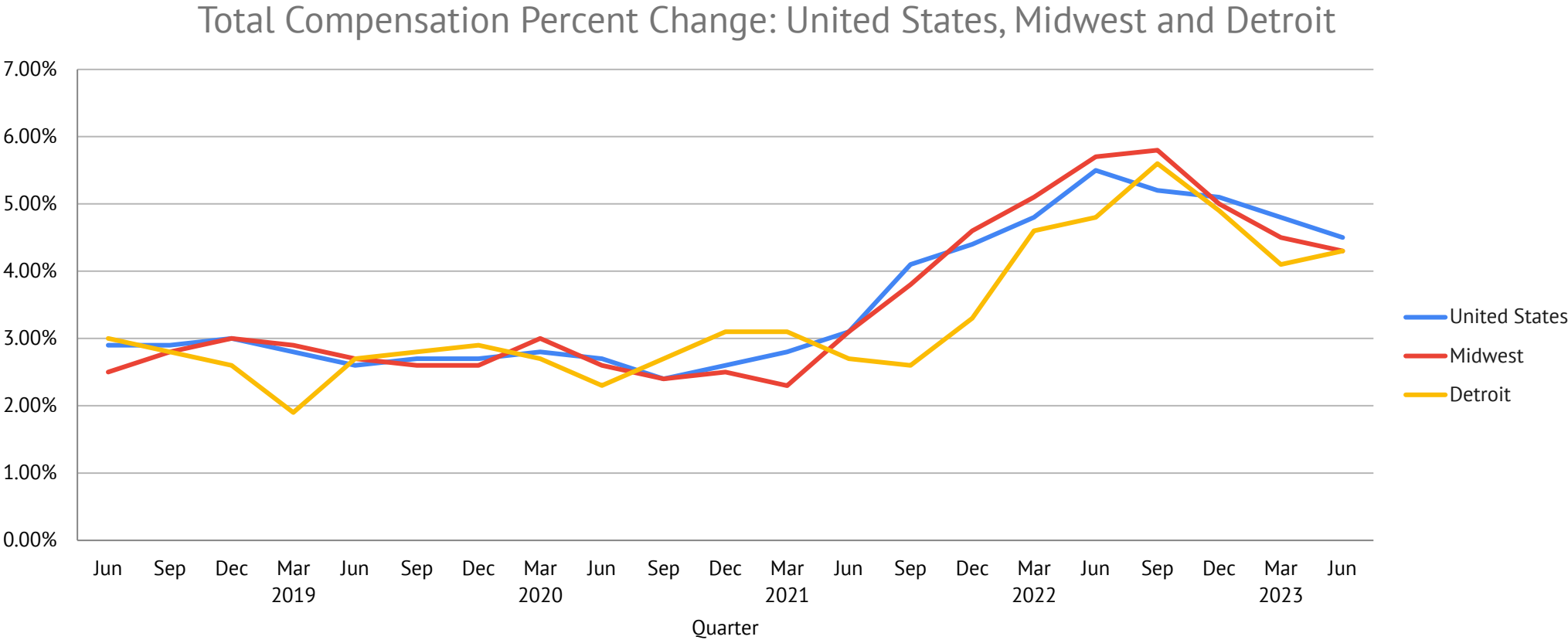


Percent Change	10YR	5YR	1YR
Iron and Steel Pipes and Tubes	67%	41%	-22%
Chlorine	54%	39%	-12%
Aggregates	68%	40%	8%
Cement	69%	34%	13%
Electrical Switch Gear/Board	49%	46%	8%
Elect Equipment	47%	42%	7%



Source: Bureau of Labor Statistics, Producer Price Index

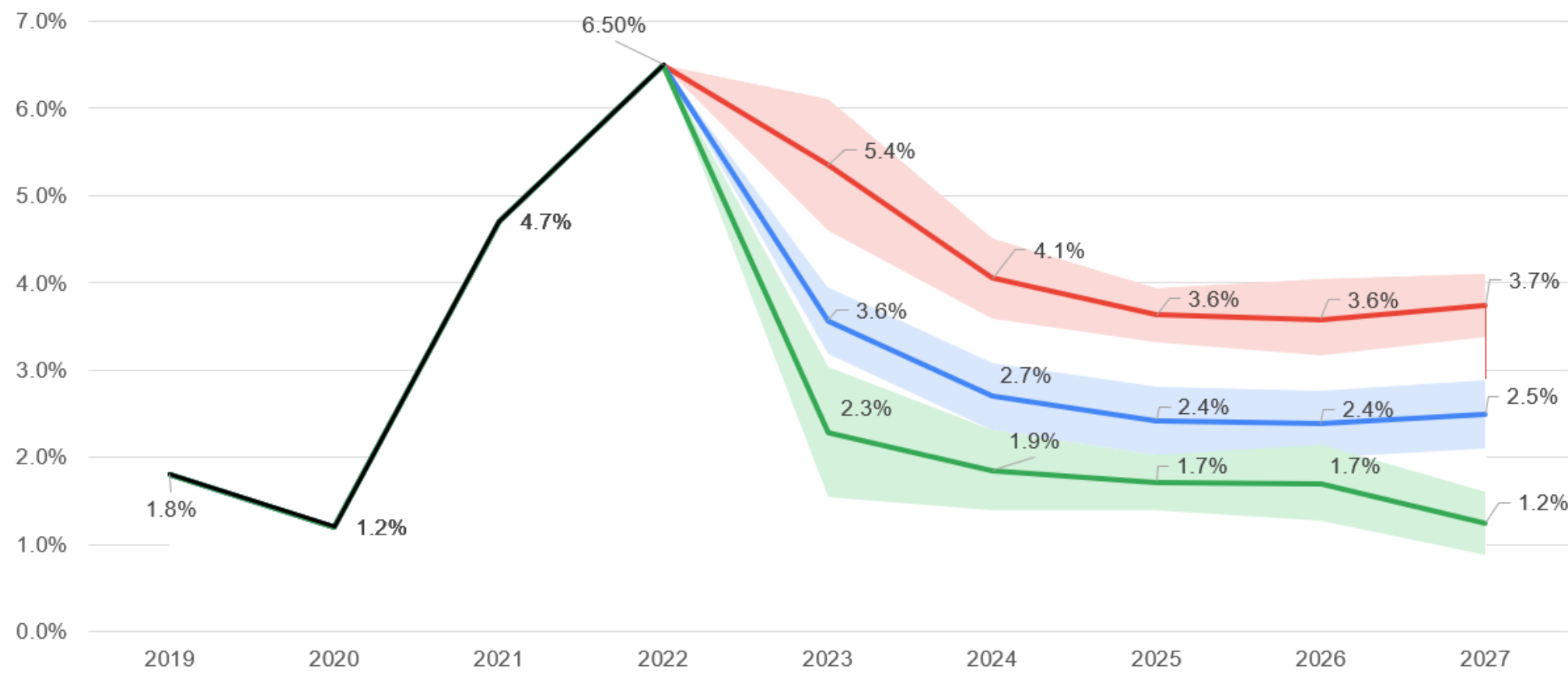
Wages: Total Compensation



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



Southeast Michigan Inflation Forecast (Update)



Financial Plan Calendar

FY 2025 and FY 2026 Biennial Budget & Five-Year Financial Planning Cycle As of August 25, 2023

The Great Lakes Water Authority (GLWA) Financial Planning Cycle includes:

1. FY 2025 and FY 2026 Biennial Budget
2. FY 2025 through FY 2029 Five-Year Financial Plan
3. FY 2025 through FY 2029 Five-Year Capital Improvement Plan
4. FY 2025 Schedule of Revenues and Charges

The schedule below reflects planning for the comprehensive GLWA Financial Plan.

Date	Activity
Friday, September 08, 2023	Internal – Deadline for Cost Center Budget Request
Tuesday, October 17, 2023	Capital Planning Committee – Review of CIP Version 1.0
Wednesday, October 18, 2023	Release CIP Version 1.0 to Member Partners for Review
Thursday, October 19, 2023	<i>Charges Rollout Meeting #1 – Water & Sewer Capital Improvement Plan Version 1.0</i>
Tuesday, October 31, 2023	Analytical Work Group – Note: process is that GLWA sends notice of exceedances to communities by October 1st, meets by November 1 st and closes open items by AWG by December 1 st .
Wednesday, November 1, 2023	DWSD – Proposed CIP to be provided (Water and Sewer Services Agreement 5.3d(i))
November 2023 TBD	<i>Charges Rollout Meeting #2 – Units of Service Update</i>
Friday, December 1, 2023	GLWA and DWSD (City) - Exchange shared services to be provided and related costs (Shared Services Agreement 5.4)
Tuesday, December 12, 2023	Capital Planning Committee – Review of CIP Version 2.0
Friday, December 15, 2023	GLWA Audit Committee Meeting – Proposed Revenue Requirement & Charges
Monday, January 1, 2024	DWSD – Preliminary two-year budget forecast Including key assumptions and impact statement due to GLWA (Water and Sewer Services Agreement 5.3a)

Date	Activity
Wednesday, January 10, 2024 (Tentative Date)	GLWA Regular Board Workshop - Review Proposed FY 2025 and 2026 Biennial Budget (Revenue Requirement) and Five-Year Financial Plan & Proposed FY 2025 Charges
<i>Thursday, January 11, 2024</i>	<i>Charges Rollout Meeting #3 – Proposed FY 2025 Revenue Requirement and Charges</i>
<i>Friday, January 12, 2024, through Wednesday, January 17, 2024</i>	<i>Member Partner one-on-one meetings</i>
<i>Thursday, January 18, 2024</i>	<i>Charges Rollout Meeting #4 – Feedback on Service Charges and Review of Proposed FY 2025 Revenue Requirements</i>
Wednesday, January 24, 2024 (Tentative Date)	GLWA Regular Board Meeting – Presentation: Proposed FY 2025 and 2026 Biennial Budget (Revenue Requirement) and Five-Year Financial Plan & Proposed FY 2025 Charges
Friday, January 26, 2024 <i>(Note: 30 days before is Monday, January 29, 2024)</i>	Mail Notice to Member Partners of Public Hearing to be held on February 28, 2024 (minimum 30 days prior to Act 279 Public Hearing) (D)
Friday, January 26, 2024 (Tentative Date)	GLWA Audit Committee Meeting – Regular Meeting
Thursday, February 1, 2024	DWSD – Current capital improvement plan due to GLWA (Water and Sewer Services Agreement 5.3d(i))
Friday, February 2, 2024	Publish notice of the hearing by publication in a newspaper of general circulation (B)
Wednesday, February 28, 2024 (Tentative Date-meets 120 day requirement)	GLWA Board Meeting – Public Hearing FY 2025 & FY 2026 Biennial Budget (A, D) and Possible Adoption of FY 2025 & FY 2026 Biennial Budget
Wednesday, February 28, 2024 (Tentative Date)	GLWA Board Meeting – Public Hearing FY 2025 Schedule of Revenues and Charges (Act 279, minimum 120 days before effective date) (C) and Possible Adoption of FY 2025 Schedule of Revenues and Charges
Wednesday, February 28, 2024 (Tentative Date)	GLWA Board Meeting – Proposed Approval of the FY 2025 & FY 2026 Biennial Budget (A)
Wednesday, February 28, 2024 (Tentative Date)	GLWA Board Meeting – Proposed Approval of FY 2025–2029 Capital Improvement Plan

Date	Activity
Wednesday, February 28, 2024 (Tentative Date)	GLWA Board Meeting – Public Hearing & Proposed Approval of FY 2025 Schedule of Revenues and Charges (Act 279, minimum 120 days before effective date) (C)
Wednesday, March 6, 2024 (Tentative)	Mail Notice to Member Partners of Approved Charges
Saturday, March 23, 2024	DWSD – Local system adopted biennial budget due to GLWA (Water and Sewer Services Agreement 5.3b)
Wednesday, May 1, 2024	DWSD – Local system provides direction to GLWA on how to apply lease payment (Water and Sewer Services Agreement 4.3)
Monday, July 1, 2024	GLWA – Effective date of FY 2025 and FY 2026 Biennial Budget, FY 2025 Schedule of Charges, and FY 2025-2029 Capital Improvement Plan

(A) thru (D) - The above schedule is designed to meet applicable statutory and contractual requirements with excerpts shown below.

- A. **Uniform Budgeting and Accounting Act, Act 2 of 1968, Section 141.434**, “Before final passage of a general appropriations act by the legislative body, a public hearing shall be held as required by 1963 (2nd Ex Sess) PA 43, MCL 141.411 to 141.415, and the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.” (For purposes of Public Act 2, the GLWA Board is the legislative body.)
- B. **Budget Hearings of Local Governments, Act 43 of 1963 (2nd Ex. Sess.), Section 141.412**, “The local unit shall give notice of the hearing by publication in a newspaper of general circulation within the local unit at least 6 days before the hearing.” (For purposes of Public Act 2, the GLWA Board is a local unit.)
- C. **Home Rule City Act, Act 279 of 1909, Section 117.5e**, “Municipal water or sewage system; annual audit; public hearing before proposed rate increase. A municipal water or sewage system established by a city incorporated under this act which serves more than 40% of the population of the state shall: (b) Hold at least 1 public hearing at least 120 days before a proposed rate increase is scheduled to take effect. Each hearing shall be conducted in compliance with Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Notice of the time, date, and place of each hearing shall be given in the manner required by Act No. 267 of the Public Acts of 1976, shall be prominently printed in a daily newspaper of general circulation within the area, and shall be mailed to each city, village, or township served by the system not less than 30 days before each hearing. A final vote by the governing body of the city to implement a proposed rate increase shall not be taken until the hearings provided for in this subdivision are concluded and the results of those hearings are considered by the city's governing

body.” It should be noted that the Home Rule City Act does not apply to GLWA. However, it is relevant to GLWA’s planning cycle as it is referenced in the *Wholesale Customer Model Water and Sewer Contracts* as noted below.

- D. **GLWA Wholesale Customer Model Water Contract Section 7.02** provides:
- “Notification of Rates. As soon as possible in the ratemaking process, the Board shall provide information on proposed rates and the draft data and information used in the calculation of proposed rates in a format that will enable Customer to assist in the ratemaking process. Not less than thirty calendar days prior to the hearing required by Act 279, the Board shall provide Customer with written notice of a proposed rate and the underlying data used to calculate the rate. The Board shall meet with Customer to review the rate and the data.” (Act 279 is the Home Rule City Act noted above.) As a result of the model contract language, the Public Hearing should be scheduled no later than March 3rd of each year.

GLWA

Great Lakes Water Authority



Monthly Financial Report Binder

April 2023

**Presented to the
Great Lakes Water Authority
Audit Committee on July 28, 2023**

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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)

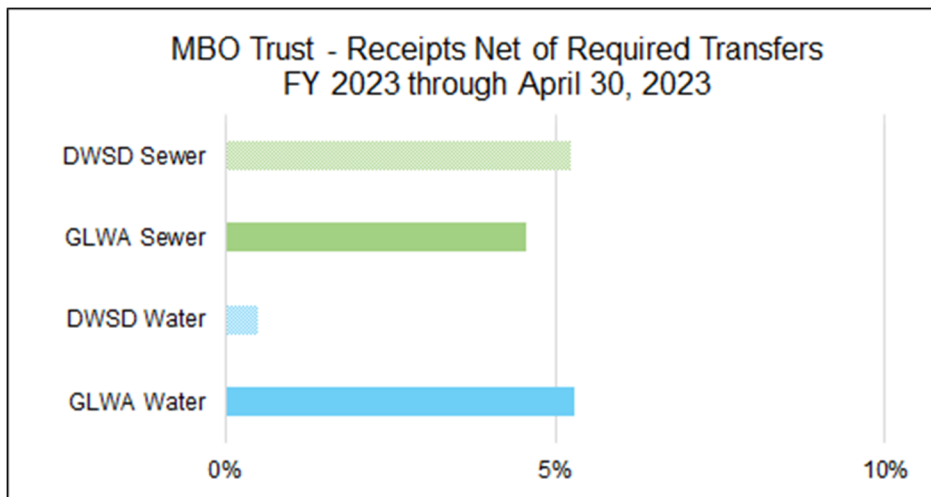
Each variance is monitored by the Great Lakes Water Authority (GLWA) management and, where appropriate, operating and/or budget priorities are re-evaluated. Staff reviews the need for budget amendments quarterly and requests necessary amendments when required based on the most current information available. This report reflects fourth quarter budget amendments approved by the GLWA Board of Directors on June 28, 2023.

For the current period, investment income and sewer capital spend reflect variances to budget outside the normal range. Investment income earned continues to increase monthly and is anticipated to achieve budget expectations by yearend. Sewer capital spend is also expected to show additional improvement prior to yearend.

As of April 30, 2023					
Metric	FY 2023 Budget	FY 2023 Amended Budget	FY 2023 Actual	Variance from Financial Plan	Report Page Reference
Wholesale Water Billed Revenue (\$M)	\$278.8	\$278.8	\$280.6	1%	49
Wholesale Water Billed Usage (mcf)	10,957,000	10,957,000	11,072,000	1%	51
Wholesale Sewer Billed Revenue (\$M)	\$228.9	\$228.9	\$228.3	0%	
Wholesale Water Operations & Maintenance (\$M)	\$120.7	\$130.6	\$124.9	-4%	5
Wholesale Sewer Operations & Maintenance (\$M)	\$153.4	\$170.1	\$166.0	-2%	
Investment Income (\$M)	\$1.9	\$27.1	\$26.1	-4%	38
Water Prorated Capital Spend w/SRA* (\$M)	\$129.6	\$173.3	\$170.5	-2%	29
Sewer Prorated Capital Spend w/SRA* (\$M)	\$104.9	\$90.4	\$80.0	-12%	30

*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 54)



Net cash flow receipts remain positive for GLWA Water and 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). DWSD Water reports a surplus of \$500 thousand and DWSD Sewer reports a surplus of \$13.0 million of net receipts over disbursements through April 2023.

Budget to Actual Analysis (page 3)

- FY 2023 information includes the fourth quarter budget amendments which were approved by the GLWA Board of Directors on June 28, 2023.
- The total Revenue Requirements are on target through April 2023.
- The total overall Operations & Maintenance expenses are at 80.6% of budget through April 2023 which is below the pro-rata benchmark of 83.3%. This positive variance equates to a dollar amount of \$9.8 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 April 2023 is \$66.1 million for the Water fund (22.0% of total revenues) and \$95.7 million for the Sewer fund (23.8 % of total revenues).
- Water Net Position increased by \$ 10.4 million, and Sewage Disposal Net Position increased by \$ 22.7 million for the year to date through April 2023.

Capital Improvement Plan Financial Summary (page 28)

- Water system costs incurred to date are slightly below the amended 107% Capital Spend Ratio assumption.
- Sewer system costs incurred to date are also below the amended 86.2% Capital Spend Ratio assumption.

Master Bond Ordinance Transfers (page 31)

- For April, transfers of \$15.1 million and \$21.8 million were completed for the GLWA Water and Sewer funds, respectively.
- Also, for April, transfers of \$6.0 million and \$6.0 million were completed for the DWSD Water and Sewer funds, respectively.

Cash Balances & Investment Income (page 38)

- Total cash & investments are \$572 million for Water and \$710 million in the Sewer fund.
- Total, combined, cumulative, FY 2023 investment income through April is \$26.1 million.

DWSD Retail Revenues, Receivables & Collections (page 42)

- Water usage through April 30, 2023 is 109.41% and revenues are 106.36% of budget.
- Sewer usage through April 30, 2023 is 103.74% and revenues are 100.40% of budget.
- Combined accounts receivable balances for the water and sewer funds report an increase of \$42.4 million over the prior year.
- Past dues over 180 days make up of 69.8% the total accounts receivable balance. The current bad debt allowance covers 99.4% of past dues over 60 days.

GLWA Wholesale Billing, Receivables & Collections (page 48)

- GLWA accounts receivable past due balance net of Highland Park is 14.78% of the total accounts receivable balance, with the majority of that balance related to one water account dispute currently under discussion.
- The Highland Park past due balance is \$54.9 million. It includes \$41.0 million for wastewater treatment services, \$1.9 million for industrial waste control services, and \$12.0 million for water supply services. Highland Park made a catch-up payment of \$1.7 million on June 3, 2022 and has continued to make additional, monthly payments since that time totaling \$4.1 million as of April 30, 2023.

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

The FY 2023 information presented in these sections includes the fourth quarter FY 2023 budget amendments approved by the GLWA Board of Directors on June 28, 2023.

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 April 2023, the pro-rata benchmark is 83.3% (10 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 2023 are slightly below the pro-rata benchmark; the *water* system is at 82.2% while the *sewer* system is at 83.0%. Detailed schedules related to revenues are provided in the *Wholesale Billings, Collections, and Receivables* section of this financial report binder.

Water revenues presented in Table 1A differ from those presented in *Table 2 – Statement of Revenues, Expenses and Changes in Net Position* found in the *Basic Financial Statement* section of this report. Water Revenues presented in Table 1A for revenue requirement purposes are reduced by the monthly payment to the City of Flint for a license to raw water rights under the Flint Raw Water Contract as documented in Appendix A-2 of the [Flint Water Agreement](#). Through April 30, 2023, these payments total \$5.4 million for FY 2023.

2. **Investment Earnings:** For both systems, investment earnings are below the pro-rata benchmark for FY 2023; the *water* system is at 67.4% while the *sewer* system is at 66.4%. 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 *both* systems are below the pro-rata benchmark for FY 2023; the *water* system is at 79.7% while the *sewer* system O&M expenses is at 81.3%.
5. **Debt Service:** For FY 2023, both systems are above the pro-rata benchmark for debt service; the *water* system is at 85.2% while the *sewer* system is at 84.3%. 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. Adequate funding is in place to meet this requirement; therefore, it is expected that additional transfers to this reserve will not be required in FY 2023.
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 2022, DWSD management successfully implemented a formal plan to end the year with positive net cash flows for both the DWSD *water* system and the DWSD *sewer* system. For FY 2023, neither the DWSD *water* system nor the DWSD *sewer* system have a budgetary shortfall through April 30, 2023. GLWA and DWSD staff meet regularly to discuss steps to mitigate shortfalls, when they occur, as outlined in the 2018 MOU.
8. **Improvement & Extension (I&E) Fund Transfer Pending:** The contribution to the I&E Fund is for improvements, enlargements, extensions, or betterment of the *water* and *sewer* systems.
9. **Other Revenue Requirements:** The remaining revenue requirements for *both* systems are funded on a 1/12th basis each month in accordance with the Master Bond Ordinance.
10. **Overall:** Total revenue requirements for *both* systems are in line with the benchmark.

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

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

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee July 28, 2023

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

	FY 2022 AMENDED BUDGET	FY 2022 ACTIVITY THRU 4/30/2022	Percent Year-to- Date	FY 2023 BOARD ADOPTED BUDGET	FY 2023 AMENDED BUDGET	FY 2023 ACTIVITY THRU 4/30/2023	Percent Year-to- Date
Water System							
Revenues							
Suburban Wholesale Customer Charges	\$ 315,011	\$ 262,374	83.3%	\$ 331,962	\$ 333,856	\$ 275,404	82.5%
Retail Service Charges	21,697	18,081	83.3%	22,986	22,834	19,037	83.4%
Investment Earnings	1,924	1,630	84.7%	949	9,670	6,513	67.4%
Other Revenues	684	720	105.2%	175	995	980	98.5%
Total Revenues	\$ 339,316	\$ 282,805	83.3%	\$ 356,072	\$ 367,356	\$ 301,934	82.2%
Revenue Requirements							
Operations & Maintenance Expense	\$ 143,934	\$ 105,541	73.3%	\$ 144,848	\$ 156,748	\$ 124,924	79.7%
General Retirement System Legacy Pension	6,048	5,040	83.3%	6,048	6,048	5,040	83.3%
Debt Service	135,121	112,804	83.5%	150,337	150,055	127,878	85.2%
General Retirement System Accelerated Pension	6,268	5,224	83.3%	6,268	6,268	5,224	83.3%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	200	-	0.0%
Water Residential Assistance Program Contribution	1,706	1,421	83.3%	1,771	1,771	1,475	83.3%
Regional System Lease	22,500	18,750	83.3%	22,500	22,500	18,750	83.3%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending Improvement & Extension Fund Transfer Pending	-	-	0.0%	-	-	-	0.0%
	23,740	22,550	95.0%	24,300	23,766	23,714	99.8%
Total Revenue Requirements	\$ 339,316	\$ 271,330	80.0%	\$ 356,072	\$ 367,356	\$ 307,005	83.6%
Net Difference		\$ 11,475				\$ (5,071)	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ 42				\$ (4,196)	
Revenue Requirement Variance		11,434				(875)	
Overall Variance		\$ 11,475				\$ (5,071)	

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

	FY 2022 AMENDED BUDGET	FY 2022 ACTIVITY THRU 4/30/2022	Percent Year-to- Date	FY 2023 BOARD ADOPTED BUDGET	FY 2023 AMENDED BUDGET	FY 2023 ACTIVITY THRU 4/30/2023	Percent Year-to- Date
Sewer System							
Revenues							
Suburban Wholesale Customer Charges	\$ 268,130	\$ 226,968	84.6%	\$ 275,404	\$ 274,907	\$ 229,697	83.6%
Retail Service Charges	188,662	157,219	83.3%	191,042	191,042	159,202	83.3%
Industrial Waste Control Charges	8,325	6,915	83.1%	8,420	8,420	6,988	83.0%
Pollutant Surcharges	5,089	4,121	81.0%	4,951	4,951	3,980	80.4%
Investment Earnings	1,876	1,361	72.6%	1,156	13,532	8,981	66.4%
Other Revenues	538	398	74.0%	400	2,355	2,195	93.2%
Total Revenues	\$ 472,620	\$ 396,982	84.0%	\$ 481,372	\$ 495,207	\$ 411,042	83.0%
Revenue Requirements							
Operations & Maintenance Expense	\$ 191,909	\$ 155,864	81.2%	\$ 184,053	\$ 204,123	\$ 165,960	81.3%
General Retirement System Legacy Pension	10,824	9,020	83.3%	10,824	10,824	9,020	83.3%
Debt Service	204,985	171,271	83.6%	205,638	212,509	179,238	84.3%
General Retirement System Accelerated Pension	11,621	9,684	83.3%	11,621	11,621	9,684	83.3%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	2,358	1,965	83.3%	2,394	2,394	1,995	83.3%
Regional System Lease	27,500	22,917	83.3%	27,500	27,500	22,917	83.3%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending Improvement & Extension Fund Transfer Pending	-	-	0.0%	-	-	-	0.0%
	23,424	28,197	120.4%	39,343	26,237	22,084	84.2%
Total Revenue Requirements	\$ 472,620	\$ 398,918	84.4%	\$ 481,372	\$ 495,207	\$ 410,897	83.0%
Net Difference		\$ (1,935)				\$ 145	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ 3,132				\$ (1,631)	
Revenue Requirement Variance		(5,067)				1,776	
Overall Variance		\$ (1,935)				\$ 145	

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee July 28, 2023

Operations & Maintenance Budget – Major Budget Categories

The year-over-year benchmark ratio as of April 30, 2023, is 83.3% (ten months). When comparing FY 2023 to FY 2022 in **Table 2 – Operations & Maintenance Budget – Major Budget Categories**, the overall spending is higher in FY 2023.

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

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

Major Budget Categories	FY 2022 AMENDED BUDGET	FY 2022 ACTIVITY THRU 4/30/2023	Percent Year-to- Date	FY 2023 BOARD ADOPTED BUDGET	FY 2023 AMENDED BUDGET	FY 2023 ACTIVITY THRU 4/30/2023	Percent Year-to- Date
Water	\$ 76,422	\$ 61,545	80.5%	\$ 76,518	\$ 85,337	\$ 69,518	81.5%
Sewer	120,971	98,348	81.3%	113,198	136,348	113,705	83.4%
Centralized	103,846	75,344	72.6%	104,503	104,502	81,249	77.7%
Administrative	34,603	26,168	75.6%	34,682	34,682	26,412	76.2%
Employee Benefits	-	-	0.0%	-	-	-	0.0%
Total O&M Budget	\$ 335,843	\$ 261,406	77.8%	\$ 328,900	\$ 360,870	\$ 290,884	80.6%

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 80.6% which is below the pro-rata benchmark of 83.3%. This positive variance equates to a dollar amount of \$9.8 million. The expense category commentary is provided below for items highlighted on Table 3.

Personnel Costs: The overall category is slightly under the pro-rata benchmark; coming in at 81.3% through April 2023.

Utilities: The overall category is slightly below the pro-rata benchmark; coming in at 82.1% through April 2023. Variances within this category, when they occur, are not unexpected as usage varies throughout the year.

- **Electric** is below the pro-rata benchmark, coming in at 81.6%. The FY 2023 budget was adjusted for the increase to the charge for kWh. 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 83.9% which is slightly higher than the benchmark of 83.3%. Variances within this category are not unexpected as usage varies throughout the year. The FY 2023 budget was adjusted for the increase in both usage as well as for the cost of natural gas MMBTU.
- **Sewage service** is higher than the benchmark, coming in at 86.2%. Increased usage has been reported at the WRRF (in part due to bills being received for actual meter readings when in the past the bills had been estimated), the Biosolids Dryer Facility (BDF), and the Southwest Water Plant. The FY 2023 budget was adjusted for the increased usage and this category continues to be closely monitored.
- **Water service** is lower than the benchmark, coming in at 81.4%. As meters have been repaired or replaced at the WRRF, the billings that previously reported estimated readings have been replaced with actual readings. The actual readings have been coming in higher than the estimated billings. In addition, a new water billing structure was implemented in early FY 2023 which has resulted in an increase in the water billing rate. The FY 2023 budget was adjusted for the increased meter readings and billing rate.

Chemicals: This category is on target; coming in at 83.3% through April 2023. The FY 2023 budget has been amended for both systems to adjust for the rising chemical costs and this category continues to be closely monitored.

Supplies & Other: This category is slightly lower than the pro-rata benchmark; coming in at 81.8% through April 2023. Given that the nature of the items in this category are subject to one-time expenses that do not occur evenly throughout the year, variances are not unexpected.

Contractual Services: The overall category is lower than the pro-rata benchmark; coming in at 78.6% through April 2023. 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 on target; coming in at 83.2% through April 2023. 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. The FY 2023 budget was amended.

Shared Services: This category is lower than the benchmark; coming in at 60.8% through April 2023. 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 2023. 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 2022 AMENDED BUDGET	FY 2022 ACTIVITY THRU 4/30/2022	Percent Year-to- Date at 4/30/2022	FY 2022 ACTIVITY THRU 6/30/2022	Percent Year-to- Date at 6/30/2022	FY 2023 AMENDED BUDGET	FY 2023 PRORATED AMENDED BUDGET (10 MONTHS)	FY 2023 ACTIVITY THRU 4/30/2023	Percent Year-to- Date 4/30/2023	FY 2023 PRORATED BUDGET LESS FY 2023 ACTIVITY
Entity-wide										
Salaries & Wages	\$ 66,113	\$ 53,745	81.3%	\$ 63,901	84.1%	\$ 71,395	\$ 59,496	\$ 58,650	82.1%	\$ 846
Workforce Development	869	665	76.6%	844	78.8%	1,326	1,105	1,101	83.0%	4
Overtime	8,126	6,678	82.2%	8,113	82.3%	8,411	7,009	7,004	83.3%	5
Employee Benefits	25,956	20,745	79.9%	24,206	85.7%	25,582	21,318	20,430	79.9%	889
Transition Services	10,805	8,480	78.5%	9,990	84.9%	9,432	7,860	7,228	76.6%	632
Employee Benefits Fund	-	-	0.0%	-	0.0%	-	-	-	0.0%	-
Personnel Costs	111,869	90,315	80.7%	107,053	84.4%	116,145	96,788	94,413	81.3%	2,374
Electric	43,950	36,504	83.1%	43,755	83.4%	47,963	39,969	39,116	81.6%	853
Gas	7,081	5,833	82.4%	8,665	67.3%	12,042	10,035	10,098	83.9%	(63)
Sewage Service	2,510	2,034	81.0%	2,568	79.2%	3,028	2,523	2,609	86.2%	(85)
Water Service	5,841	4,109	70.3%	4,669	88.0%	11,589	9,657	9,435	81.4%	223
Utilities	59,383	48,480	81.6%	59,656	81.3%	74,622	62,185	61,258	82.1%	927
Chemicals	19,842	15,993	80.6%	20,382	78.5%	29,525	24,604	24,597	83.3%	7
Supplies & Other	35,034	25,354	72.4%	29,711	85.3%	36,163	30,135	29,568	81.8%	567
Contractual Services	111,198	85,567	76.9%	107,527	79.6%	106,625	88,854	83,779	78.6%	5,075
Capital Program Allocation	(2,684)	(2,135)	79.5%	(2,632)	81.1%	(2,135)	(1,779)	(1,776)	83.2%	(3)
Shared Services	(3,202)	(2,169)	67.7%	(2,398)	90.4%	(1,571)	(1,309)	(955)	60.8%	(354)
Unallocated Reserve	4,402	-	0.0%	-	0.0%	1,497	1,247	-	0.0%	1,247
Total Expenses	\$ 335,843	\$ 261,406	77.8%	\$ 319,300	81.9%	\$ 360,870	\$ 300,725	\$ 290,884	80.6%	\$ 9,841
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 2022 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 April 30, 2023
(\$000)

	Water	Sewage Disposal	Total Business-type Activities	Comparative June 30, 2022
Assets				
Cash - unrestricted (a)	\$ 178,682	\$ 286,667	\$ 465,349	\$ 347,655
Cash - restricted (a)	115,795	73,541	189,336	113,378
Investments - unrestricted (a)	65,293	65,768	131,062	185,209
Investments - restricted (a)	193,032	295,144	488,176	144,445
Accounts Receivable	81,906	56,553	138,459	175,133
Due from (to) Other Funds (b)	6,589	(6,589)	-	-
Other Assets (c)	675,777	409,833	1,085,610	1,077,698
Cash held FBO DWSD Advance	-	-	-	-
Capital Assets, net of Depreciation	1,207,295	2,003,266	3,210,561	3,432,437
Land	293,617	126,816	420,433	420,750
Construction Work in Process (e)	429,911	273,103	703,015	467,190
Total assets	3,247,897	3,584,102	6,832,000	6,363,896
Deferred Outflows (f)	46,060	114,764	160,824	182,497
Liabilities				
Liabilities - Liabilities-ST	156,347	178,342	334,689	354,055
Due to (from) Other Funds (b)	-	-	-	-
Other Liabilities (h)	2,069	5,480	7,549	7,500
Cash Held FBO DWSD (d)	17,196	27,106	44,302	20,470
Liabilities - Long-Term (i)	3,172,256	3,537,614	6,709,869	6,263,510
Total liabilities	3,347,868	3,748,542	7,096,410	6,645,535
Deferred Inflows (f)	44,912	37,667	82,580	120,157
Total net position (j)	\$ (98,823)	\$ (87,343)	\$ (186,166)	\$ (219,299)

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, 2022 are also reported at market value. The April 30, 2023 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 April 2023 Financial Report Binder. Prior year ending balances are provided in the June 30, 2022 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 Ten Months ended April 30, 2023
(\$000)

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business- Type Activities	Comparative June 30, 2022
Revenue						
Wholesale customer charges	\$ 280,778	93.5%	\$ 229,697	57.2%	\$ 510,475	\$ 591,840
Local system charges	19,037	6.3%	159,202	39.7%	178,239	210,360
Industrial waste charges		0.0%	6,988	1.7%	6,988	8,300
Pollutant surcharges		0.0%	3,980	1.0%	3,980	5,182
Other revenues	375	0.1%	1,531	0.4%	1,906	664
Total Revenues	300,190	100.0%	401,398	100.0%	701,588	816,345
Operating expenses						
Operations and Maintenance	125,517	41.8%	168,748	42.0%	294,264	324,735
Depreciation	105,593	35.2%	136,572	34.0%	242,165	281,210
Amortization of intangible assets	2,972	1.0%	366	0.1%	3,339	4,006
Total operating expenses	234,082	78.0%	305,686	76.2%	539,768	609,951
Operating Income	66,108	22.0%	95,712	23.8%	161,820	206,394
Total Nonoperating (revenue) expense	55,665	18.5%	73,022	18.2%	128,687	215,561
Increase/(Decrease) in Net Position	10,443	3.5%	22,690	5.7%	33,133	(9,167)
Net Position (deficit), beginning of year	(109,266)		(110,033)		(219,299)	(210,132)
Net position (deficit), end of year	\$ (98,823)		\$ (87,343)		\$ (186,166)	\$ (219,299)
<i>Totals may be off due to rounding</i>						

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee July 28, 2023

Water Fund

- ✓ The increase in Water Fund Net Position is \$10.4 million.
- ✓ Wholesale water customer charges of \$280.8 million account for 93.5% of Water System revenues.
- ✓ Operating expenses of \$234.1 million represent 78.0% of total operating revenue. Depreciation is the largest operating expense at \$105.6 million or 45.1% of operating expense.
- ✓ Amortization of intangible assets represents activity for raw water rights.
- ✓ Operating income after operating expenses (including depreciation) equals \$66.1 million or 22.0% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$70.1 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 \$22.7 million.
- ✓ Wholesale customer charges of \$229.7 million account for 57.2% 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 \$159.2 million account for 39.7% of total operating revenues. These are also billed at one-twelfth of the annual revenue requirement.
- ✓ Operating expenses of \$305.7 million represent 76.2% of total operating revenue. Depreciation is the largest operating expense at \$136.6 million or 44.7% of total operating expense.
- ✓ Amortization of intangible assets represents activity for a warehouse lease.
- ✓ Operating income after operating expenses (including depreciation) equals \$95.7 million or 23.8% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$82.0 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 April 2023 Financial Report Binder. Explanatory notes follow this schedule.

**Table 3 – Supplemental Schedule of Operations & Maintenance Expenses
– All Funds Combined
For the Ten Months ended April 30, 2023
(\$000)**

	Water	Percent of Total	Sewage Disposal	Percent of Total	Total Business- Type Activities	Percent of Total
Operating Expenses						
Personnel						
Salaries & Wages	21,564	17.2%	45,416	26.9%	66,980	22.8%
Overtime	4,378	3.5%	2,627	1.6%	7,005	2.4%
Benefits	14,328	11.4%	6,101	3.6%	20,430	6.9%
Total Personnel	\$ 40,270	32.1%	\$ 54,144	32.1%	\$ 94,414	32.1%
Utilities						
Electric	25,052	20.0%	14,064	8.3%	39,116	13.3%
Gas	1,534	1.2%	8,564	5.1%	10,098	3.4%
Sewage	670	0.5%	1,939	1.1%	2,609	0.9%
Water	5	0.0%	9,430	5.6%	9,435	3.2%
Total Utilities	\$ 27,262	21.7%	\$ 33,996	20.1%	\$ 61,258	20.8%
Chemicals	10,239	8.2%	14,358	8.5%	24,597	8.4%
Supplies and other	9,609	7.7%	18,881	11.2%	28,489	9.7%
Contractual services	39,942	31.8%	48,419	28.7%	88,360	30.0%
Capital Adjustment	-	0.0%	-	0.0%	-	0.0%
Capital program allocation	(990)	-0.8%	(787)	-0.5%	(1,777)	-0.6%
Intergovernmental Agreement	-	0.0%	(123)	-0.1%	(123)	0.0%
Shared services allocation	(815)	-0.6%	(141)	-0.1%	(956)	-0.3%
Operations and Maintenance Expenses	\$ 125,517	100.0%	\$ 168,748	100.0%	\$ 294,264	100.0%

Totals may be off due to rounding

- ✓ Core expenses for water and sewage disposal systems are utilities (20.8% of total O&M expenses) and chemicals (8.4% of total O&M expenses).
- ✓ Personnel costs (32.1% 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 (30.0%) includes:
 - Water System costs of sludge removal and disposal services at the Northeast, Southwest and Springwells Water Treatment Plants (approximately \$2.9 million);
 - Sewage Disposal System costs for the operation and maintenance of the biosolids dryer facility (approximately \$14.0 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 Ten Months ended April 30, 2023
(\$000)

	Water	Sewage Disposal	Total Business- type Activities	Comparative June 30, 2022
Nonoperating (Revenue)/Expense				
Interest income contractual obligation	\$ (20,541)	\$ (13,662)	\$ (34,203)	\$ (42,120)
Interest income DWSD Shortfall	-	-	-	(145)
Investment earnings	(11,701)	(14,836)	(26,537)	(3,735)
Net (incr) decr in fair value of invstmt	(2,534)	(3,667)	(6,201)	9,119
Other nonoperating revenue	(605)	(664)	(1,269)	(476)
Interest Expense				
Bonded debt	90,673	95,709	186,382	212,284
Lease obligation	14,011	17,125	31,136	37,836
Other obligations	3,571	1,362	4,933	6,077
Total interest expense	108,255	114,195	222,450	256,197
Other non-capital expense	-	-	-	-
Memorandum of Understanding	-	-	-	-
Capital Contribution	-	(2,176)	(2,176)	(6,991)
Amortization, issuance costs, debt	(11,879)	2,589	(9,290)	(13,318)
(Gain) loss on disposal of capital assets	277	1,842	2,119	322
Loss on impairment of capital assets	-	-	-	-
Water Residential Assistance Program	1,837	2,722	4,559	2,793
Legacy pension expense	(7,444)	(13,322)	(20,765)	13,915
Total Nonoperating (Revenue)/Expense	\$ 55,665	\$ 73,022	\$ 128,687	\$ 215,561

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.

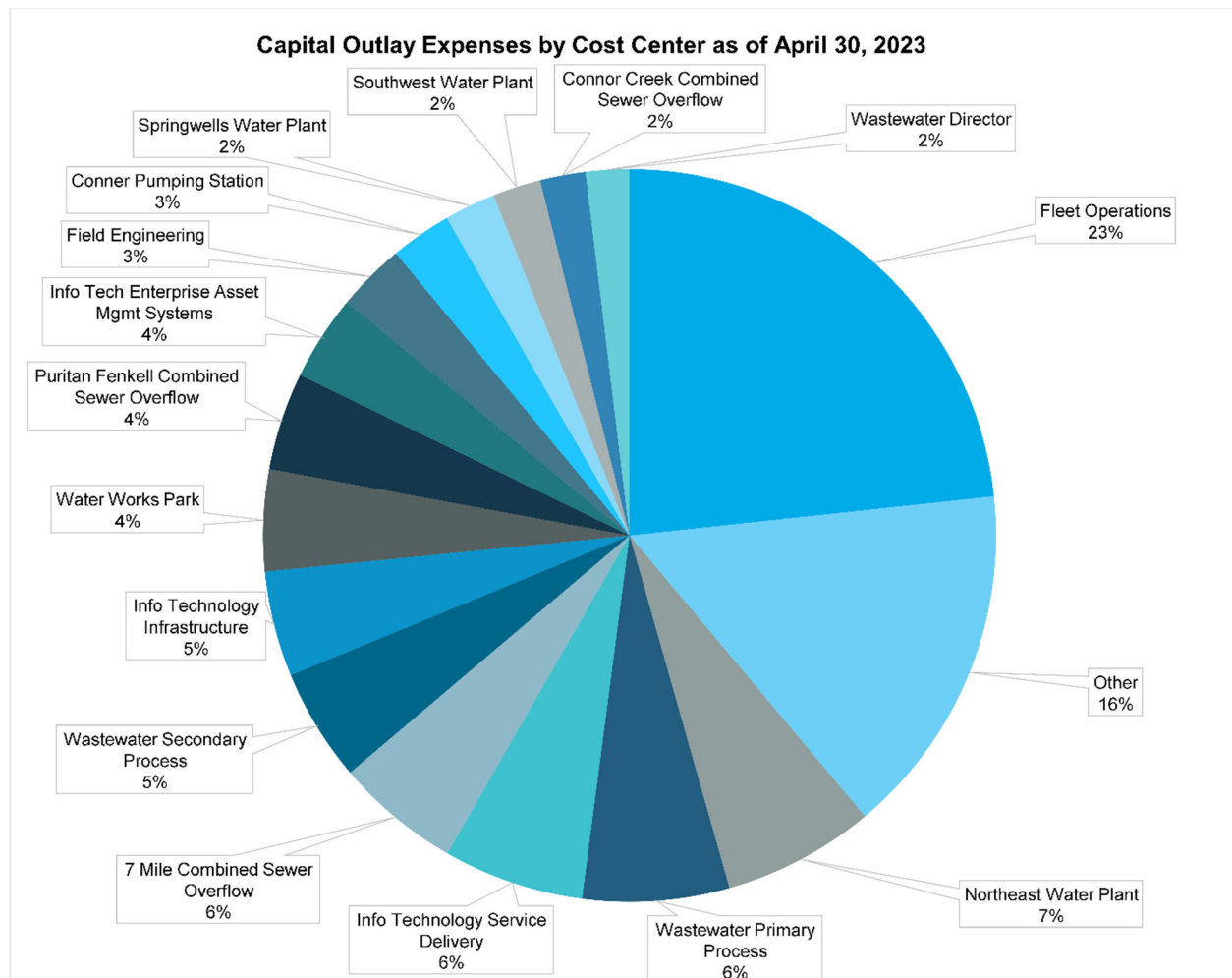
- ✓ Net (increase) decrease in fair value of investments consists of market value of investments and realized gain/loss on sale of investments. FY 2021 market value adjustments for Water and Sewer total \$1.5 million and \$1.0 million, respectively. FY 2022 market value adjustments for Water and Sewer 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 Activity Charts

Chart 1 – Capital Outlay – Water and Sewer System Combined

Capital Outlay represents purchases of equipment, software, and small facility improvement projects. It *excludes* any capital investment which is included in the monthly construction work-in-progress report related to the Capital Improvement Program. Some items span several months so the entire cost may not have been incurred yet. In addition, items are capitalized only if they meet GLWA's capitalization policy.

Through April 30, 2023, total capital outlay spend is \$9.5 million. Following this chart is a sample list of projects and purchases from the total spend of \$9.5 million:



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

Water Operations: Northeast Water treatment plant loss of flow and head measurement (\$521k); Overhead door repair (\$160k); EDS Dashboard (\$86k); furniture

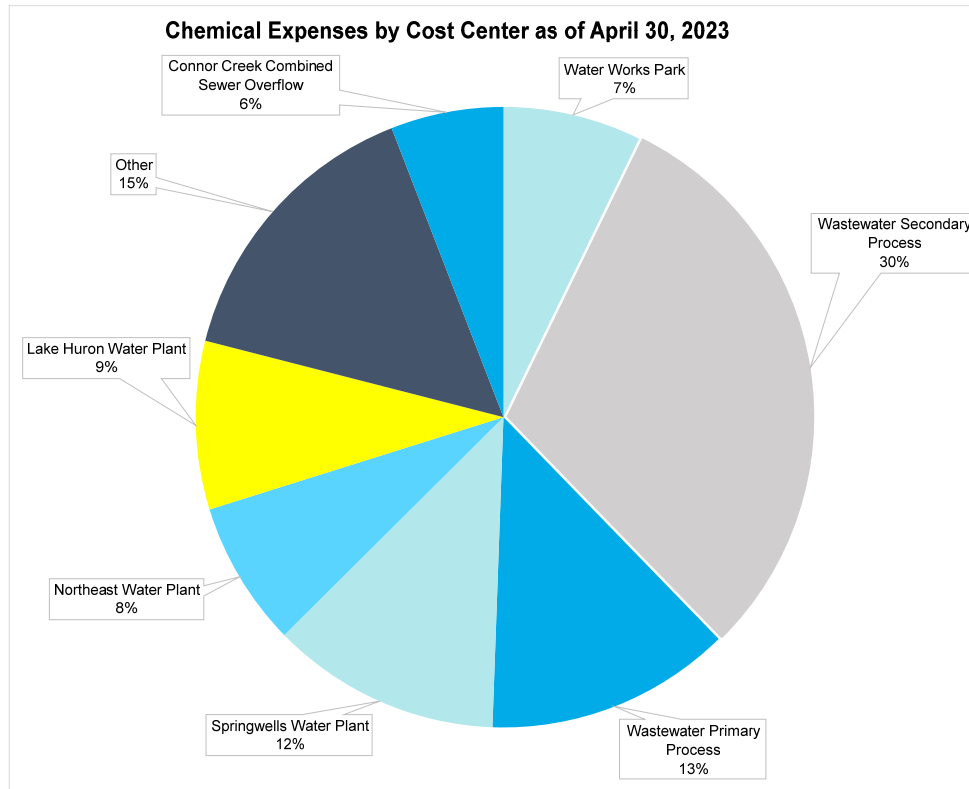
for multiple sites (\$77k); pump (\$63k); metering pump repairs (\$57k); composite cylinders (\$45k); tank pressure transmitter (\$42k); CAAS Cube ELISA System (\$37k) and megohmmeter (\$31k).

Wastewater Operations: CSO actuator replacement (\$815k); Water intake improvements (\$372k); Rotork replacements (\$188k); WRRF Electrical Buildings project (\$163k); Instrumentation and Controls (\$155k); Scum hopper (\$153k); WRRF Actuator (\$132k); Pulsafeeders (\$121k); Gas detection unit (\$120k); Complex A pump replacement (\$110k); Water Champ (\$97k); Terrain litter vacuum (\$95k); Puritan-Fenkell courtyard accessibility improvements (\$84k); Meters (\$84k); Flygt Mixer (\$73k); CSO PQM meters (\$73k); Wastewater pumps (\$71k); Connor Creek replacement actuators (\$54k); Gate valve actuators (\$50k); Electric actuator (\$50k); Rotork units (\$42k) and rotork actuators (\$35k).

Centralized & Administrative Facilities: Trucks and vehicles (\$2.0m); Computer hardware (\$545k); Software (\$474k); Cloud Backup Project (\$322k); charging stations (\$177k); Pressure transmitter (\$87k); transmitter (\$46k); flow meter replacement (\$45k); maintenance renewal (\$37k); radios (\$36k) and CSF furniture (\$30k).

Chart 2 – Chemical Expenses – Water and Sewer System Combined

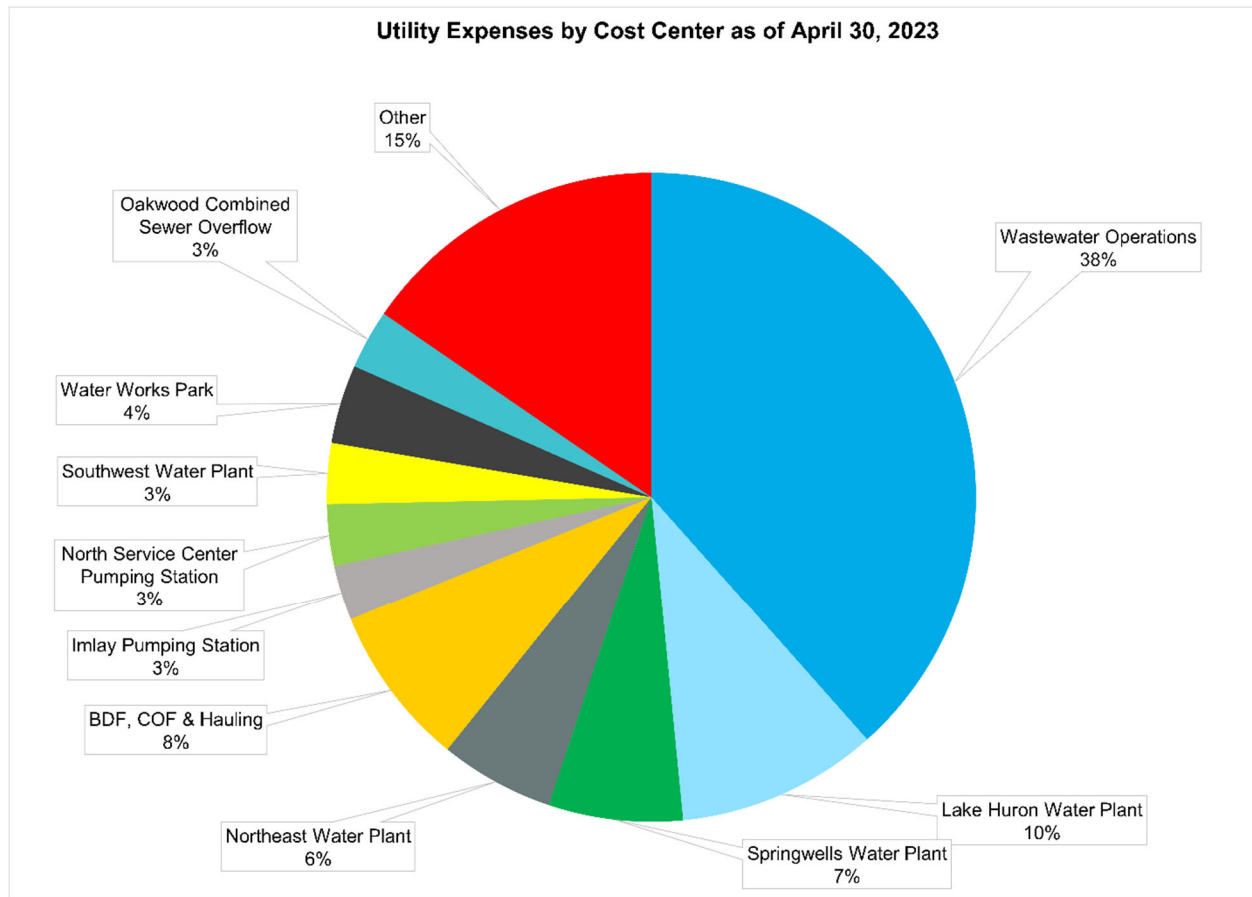
Chemical expenses are \$24.6 million through April 30, 2023. The allocation is shown in the chart below and remains consistent with prior periods.



Note: “Other” includes Combined Sewer Overflow (CSO), portions of the Wastewater process and two departments from Water. Due to rounding totals may not equal 100%.

Chart 3 – Utility Expenses – Water and Sewer System Combined

Utility expenses are \$61.3 million through April 30, 2023. The allocation is shown in the chart below and consistent with prior periods.



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



Financial Operations KPI

This key performance indicator shown in **Chart 1 – Bank Reconciliation Completion Status** below provides a measure of the progress made in the month-end close process which includes bank reconciliations with a completed status at month end. Through April 30, 2023 all reconciliations are up-to-date and complete.

There was one account added in the general ledger accounts since March 2023.

Chart 1 – Bank Reconciliation Completion Status

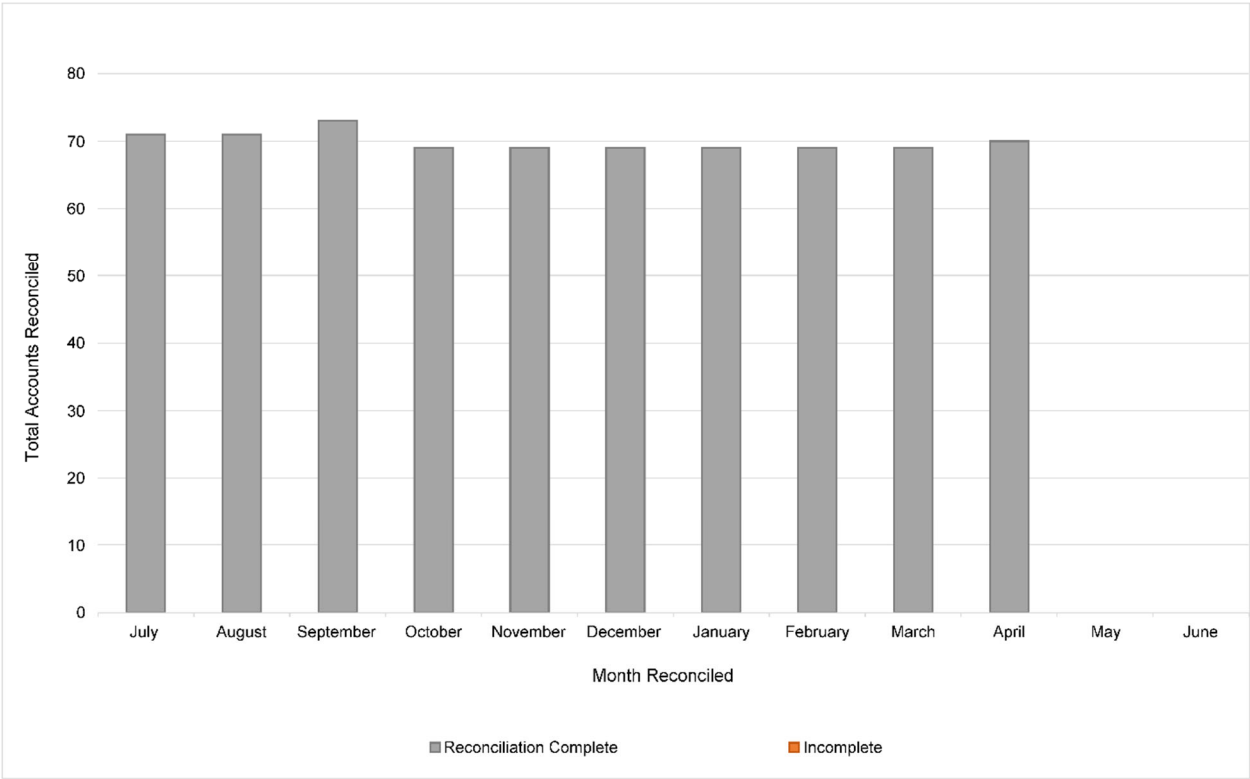


Table 1 – Fiscal Year 2023 GL Cash Account Rollforward

Total GL Cash accounts as of July 1, 2022	71
New GL Cash accounts	4
Inactivated GL Cash accounts	(5)
Total GL Cash accounts as of April 30, 2023	70

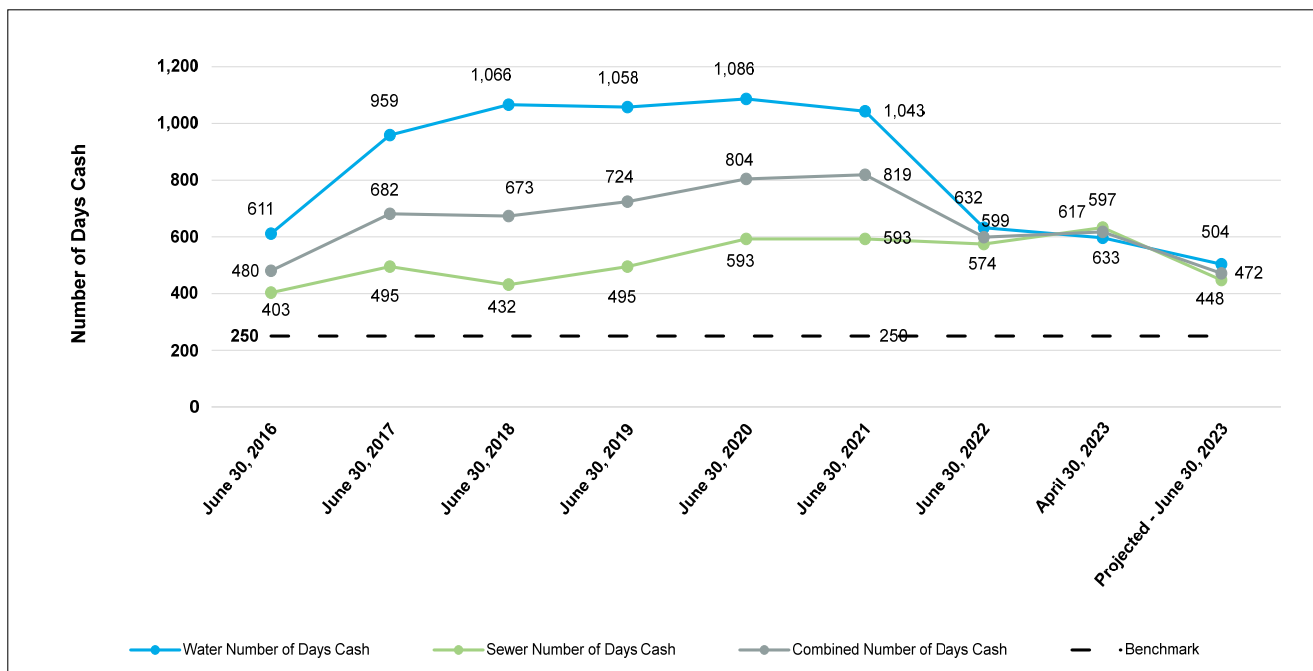


Financial Operations KPI - Liquidity

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 633 and Sewer at 597 days cash on hand as of April 30, 2023. 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 September 2022 revenue bond transaction has replenished the construction bond fund and reduced the emphasis on I&E funding. The FY 2023 projection is calculated based on values from the GLWA FY 2023 – 2027 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

	<u>June 30, 2022</u>	<u>April 30, 2023</u>	<u>Projected June 30, 2023</u>
Water Fund			
Cash and Investments - Unrestricted	\$ 238,691,000	\$ 243,976,000	\$ 205,800,000
Operating Expense			
Operating Expense (a)	\$ 264,579,000	\$ 240,012,000	\$ 288,014,000
Less: Depreciation (a)	(123,196,000)	(112,750,000)	(135,300,000)
Less: Amortization of Intangible Asset (a)	(3,567,000)	(2,972,000)	(3,567,000)
Net Operating Expense	\$ 137,816,000	\$ 124,290,000	\$ 149,148,000
Operating Expense per Day	\$ 378,000	\$ 409,000	\$ 409,000
Days Cash			
Number of Days Cash	632	597	504
Sewage Disposal Fund			
Cash and Investments - Unrestricted	\$ 294,174,000	\$ 352,435,000	\$ 249,400,000
Operating Expense			
Operating Expense (a)	\$ 345,372,000	\$ 304,185,000	\$ 365,023,000
Less: Depreciation (a)	(158,014,000)	(134,833,000)	(161,800,000)
Less: Amortization of Intangible Asset (a)	(440,000)	-	-
Net Operating Expense	\$ 186,919,000	\$ 169,352,000	\$ 203,223,000
Operating Expense per Day	\$ 512,000	\$ 557,000	\$ 557,000
Days Cash			
Number of Days Cash	574	633	448
Combined			
Cash and Investments - Unrestricted	\$ 532,865,000	\$ 596,410,000	\$ 455,200,000
Operating Expense			
Operating Expense (a)	\$ 609,951,000	\$ 544,197,000	\$ 653,037,000
Less: Depreciation (a)	(281,210,000)	(247,583,000)	(297,100,000)
Less: Amortization of Intangible Asset (a)	(4,006,000)	(2,972,000)	(3,567,000)
Net Operating Expense	\$ 324,735,000	\$ 293,642,000	\$ 352,370,000
Operating Expense per Day	\$ 890,000	\$ 966,000	\$ 965,000
Days Cash			
Number of Days Cash	599	617	472
<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 Budget to Financial Statements Crosswalk includes the following.

1. Crosswalk Budget Basis to Financial Reporting Basis
2. Explanatory Notes for Crosswalk

Purpose for Crosswalk: The Great Lakes Water Authority establishes a “Revenue Requirements” budget for the purposes of establishing charges for services. The financial report is prepared in accordance with Generally Accepted Accounting Policies for enterprise funds of a local government. Because the budget and the financial statements are prepared using different basis of accounting, the crosswalk reconciles the “Net Difference” to the “Increase/(Decrease) in Net Position” in Table 2 of the Basic Financial Statements in the monthly Financial Report.

The Authority has a Water Master Bond Ordinance and a Sewer Master Bond Ordinance (MBO). The Ordinances provide additional security for payment of the bonds. All revenues of the system are deposited into Revenue Receipts Funds which are held in trust by a trustee. The cash is moved to multiple bank accounts monthly based on 1/12th of the budget as defined in the MBO (“the flow of funds”) for all revenue requirements except for the Debt Service monthly transfer. The Debt Service monthly requirement is computed by the trustee, U.S. Bank. The cash transfer for debt is net of investment earnings that remain in the debt service accounts to be used for debt service.

The budget is prepared on a modified cash basis. The revenue requirements are determined based upon the cash needed to meet the financial commitments as required by the Master Bond Ordinance.

- Operation & Maintenance (O&M) expenses based on an accrual basis
- O&M Legacy Pension Allocation (includes administrative fee) and Accelerated Legacy Pension Allocation (includes B&C notes obligation) based on a cash basis
- Debt Service Allocation based on a cash set aside basis to provide the cash for the debt payments on the due dates
- Lease payments based on a cash basis
- Water Residential Assistance Program based on a percentage of budgeted revenue
- Regional System Improvement & Extension Fund Allocation on a cash basis

Budget: In Table 1A and Table 1B of the Budget to Actual Analysis the ‘Revenues’ section is the accrual basis revenues that are available to meet the ‘Revenue Requirements’. The ‘Revenue Requirements’ section budget column indicates the annual cash transfers to be made.

Financial Reporting: The Authority's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Authority maintains its records on the accrual basis of accounting to conform to GAAP. Revenues from operations, investments and other sources are recorded when earned. Expenses (including depreciation) are recorded when incurred.

Table 1 – Crosswalk Budget Basis to Financial Reporting Basis provides a reconciliation of the “Net Difference” in Table 1A and Table 1B in the Budget to Actual Analysis report to the “Increase/(Decrease) in Net Position” in Table 2 of the Basic Financial Statements in this monthly Financial Report. Explanatory notes follow the Crosswalk shown in Table 1 below.

Table 1 – Crosswalk Budget Basis to Financial Reporting Basis (\$000)
For the Nine Months Ended April 30, 2023

	Water	Sewer	Total
Net Revenue Requirement Budget Variance (a)	\$ (5,071)	\$ 145	\$ (4,926)
Budgetary categories adjustments to financial reporting basis			
Pension delayed accounting election adjustments			
Current year pension transfers/payments recorded as deferral (c)	9,534	17,063	26,597
Prior year pension contribution accounted for in current year (d)	7,444	13,322	20,766
Administrative prepaid adjustment (e)	-	-	-
Debt service (f)	57,746	97,191	154,937
Accelerated pension B&C notes obligation portion (g)	170	382	552
Regional System lease (h)	4,739	5,792	10,531
GASB 87 & GASB 96 adjustments (h)	336	640	976
WRAP (i)	(362)	(727)	(1,089)
DWSD short term allocation (j)	-	-	-
Improvement & Extension Fund transfers (j)	23,714	22,084	45,798
Nonbudgeted financial reporting categories adjustments			
Depreciation and amortization (k)	(108,565)	(136,938)	(245,503)
Amortization - debt related (k)	11,879	(2,589)	9,290
Other nonoperating income (k)	-	-	-
Other nonoperating expense (k)	-	-	-
Gain(loss) on disposal of capital assets (k)	(277)	(1,842)	(2,119)
Raw water rights obligation (l)	2,363	-	2,363
Investment earnings for construction fund (m)	4,877	5,661	10,537
Interest on DWSD note receivable (n)	-	-	-
Investment earnings unrealized gain/loss (o)	2,844	3,860	6,704
Improvement & extension fund operating expenses (p)	(929)	(3,530)	(4,458)
Net Position Increase/(Decrease) per Financial Statements (b)	\$ 10,443	\$ 22,690	\$ 33,132

Table 2 - Explanatory Notes for Crosswalk

- (a) Source: Budget to Actual Table 1A and Table 1B in Monthly Financial Report
- (b) Source: Basic Financial Statements Table 2 in Monthly Financial Report
- (c) Current year pension payments are an expense for budget purposes but not for financial reporting purposes.

- (d) Prior year pension payments are accounted for in the current year financial statements.
- (e) The administrative fee is part of the O&M Legacy Pension shown as an expense for budget purposes. For financial reporting purposes part of the administrative fee is considered prepaid based on the prior year General Retirement System audit information and therefore not an expense for the current year financial reporting. The prepaid portion is adjusted in June each year.
- (f) Debt service (principal and interest payments) are shown as an expense for budget purposes. Most of the adjustment relates to principal payments which are not an expense for financial reporting purposes. A portion of the adjustment relates to interest expense variances on state revolving fund debt due to the timing of payment draws. The cash set aside basis for interest expense generally is the same as the accrual basis for financial reporting.
- (g) The accelerated pension payment includes the obligation payable for the B&C notes. The pension portion is included in item (c) above. This adjustment relates to the B&C note obligation payments. The principal and interest cash basis payments are treated as an expense for budget purposes. The principal portion is not an expense for financial reporting purposes. For financial reporting purposes interest is expensed on an accrual basis which is different from the cash basis.
- (h) Payments for the warehouse lease and subscription-based information technology arrangements (SBITA) are expensed for budget purposes. For financial reporting purposes, the warehouse lease is recorded under GASB 87 and payments are treated as a reduction in the lease liability and interest expense (which is a nonoperating expense). The SBITA payments are recorded under GASB 96 and are treated as a prepaid subscription asset as the software is currently in the implemented phase.
- (i) WRAP is shown as an expense for budget purposes. For financial reporting purposes the expense is not recognized until the funds have been transferred to the WRAP administrator. The adjustment shown is the amount of current year transfers that have not been transferred to the WRAP administrator. Note that there are funds from the prior year that have not been transferred to the WRAP administrator.
- (j) The DWSD short term allocation and Improvement & Extension Fund transfers are shown as an expense for budget purposes but not for financial reporting purposes.
- (k) Certain nonoperating income and expenses are reported in financial statements only.

- (l) The water service contract with Flint includes a license for raw water rights which has been recorded as an asset and liability by the Authority. The contract provides for a credit to Flint as Flint satisfies its monthly bond payment obligation to KWA. This KWA credit is treated as a noncash payment of principal and interest on the liability recorded for the raw water rights. For budget, wholesale customer charges are net of the anticipated KWA credits to Flint as that is the cash that will be received and available to meet the budgeted revenue requirements. For financial reporting purposes the Flint wholesale charges are recorded as the total amount billed. When the KWA credit is issued, the receivable from Flint is reduced and the principal and interest payments on the liability for the raw water rights are recorded as a noncash transaction. Most of the adjustment shown relates to the principal reduction made for the credits applied which are not an expense for financial reporting basis.
- (m) Investment earnings from the construction fund are not shown as revenue in the budget and are shown as revenue in the financial statements. Construction fund investment earnings are excluded from the definition of revenue for budget purposes as they are used for construction costs and are not used to meet the revenue requirements in the budget.
- (n) Interest on a DWSD note receivable is budgeted as part of the Sewer improvement and extension fund and is transferred directly to that fund as payments are made. DWSD does not currently have a note receivable due to GLWA.
- (o) Unrealized gains and losses are recorded annually as required for financial reporting purposes but do not reflect actual investment earnings and are not included in cash basis reporting.
- (p) The Water Improvement and Extension fund and the Sewer Improvement and Extension fund reflect certain expenses relating to repairs paid for through the Water and Sewer Improvement and Extension funds, respectively. These are consolidated expenses for financial reporting purposes but are not reflected in the current Operations and Maintenance budget expenses.



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 2023 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.

GLWA completed a bond transaction of \$450 million in September 2022 to support water system and sewage disposal system improvements. These funds along with I&E and SRF low-interest loans will fund the capital program going forward.

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. Fourth quarter FY 2023 budget amendments were approved by the Board on June 28, 2023. The capital spend rate adjustment is 107% of the Board approved CIP planned spend for the water fund and 86.2% of the Board approved CIP planned spend for the sewer fund.

As of December 31, 2022, 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 April 2023, the water system incurred over \$170 million of construction costs to date. This spend represents 105% of the original, Board-approved CIP, and 98% 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

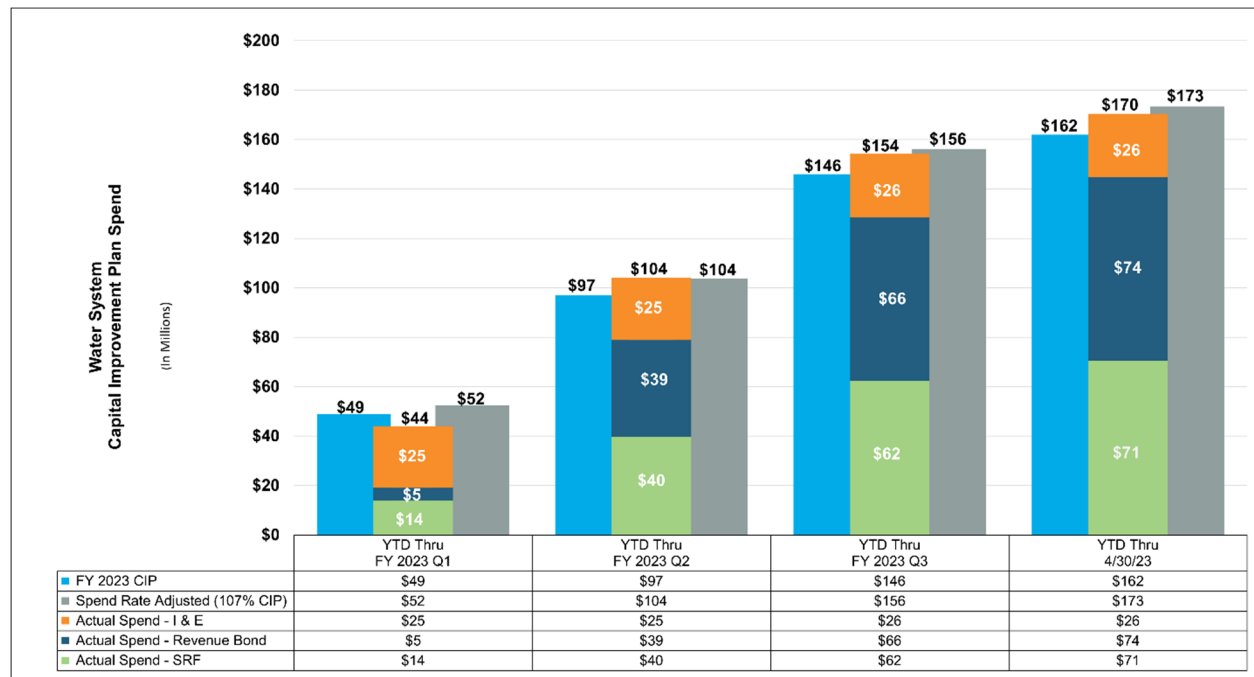
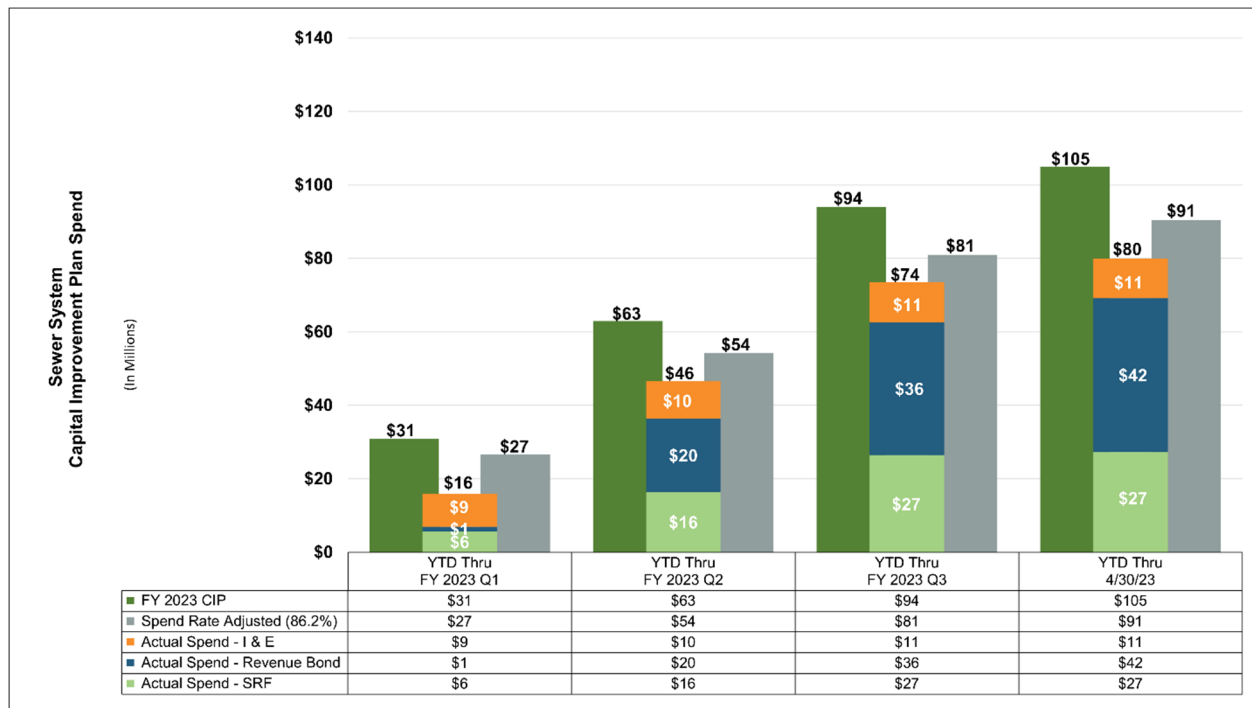


Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date

As of April 2023, the Sewer system incurred over \$80 million of construction costs to date. This spend represents 76% of the original, Board-approved CIP, and 88% 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 2023 Water MBO Transfers reflects the required transfers for FY 2023 completed through April 2023. MBO transfers for water totaling \$140.3 million have been transferred to GLWA accounts.

Table 2 – GLWA FY 2023 Sewer MBO Transfers reflects the required transfers for FY 2023 completed through April 2023. MBO transfers for sewer totaling \$188.9 million have been transferred to GLWA accounts.

Table 3 – GLWA MBO Transfer History reflects historical transfers for FY 2016 through FY 2023 to date.

Table 1 – GLWA FY 2023 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 2023							
July 2022	\$ 12,070,642	\$504,000	\$891,308	\$200,975	-	2,000,000	\$15,666,925
August 2022	\$ 12,070,642	\$504,000	\$891,308	\$200,975	-	-	13,666,925
September 2022	\$ 12,070,642	\$504,000	\$891,308	\$200,975	-	-	13,666,925
October 2022	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
November 2022	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
December 2022	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
January 2023	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
February 2023	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
March 2023	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
April 2023	\$ 13,503,974	\$504,000	\$891,308	\$223,209	-	-	15,122,491
Total FY 2023	\$ 122,139,752	\$ 5,040,000	\$ 8,913,080	\$ 2,165,388	\$ -	\$ 2,000,000	\$140,258,220

Table 2 – GLWA FY 2023 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 2023							
July 2022	\$ 15,337,717	\$902,000	\$1,223,950	\$321,925	-	-	\$17,785,592
August 2022	\$ 15,337,717	\$902,000	\$1,223,950	\$321,925	-	-	17,785,592
September 2022	\$ 15,337,717	\$902,000	\$1,223,950	\$321,925	-	-	17,785,592
October 2022	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
November 2022	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
December 2022	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
January 2023	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
February 2023	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
March 2023	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
April 2023	\$ 19,334,372	\$902,000	\$1,223,950	\$300,892	-	-	21,761,214
Total FY 2023	\$ 164,553,755	\$9,020,000	\$12,239,500	\$3,072,019	\$ -	\$ -	\$188,885,274

All amounts are unaudited unless otherwise noted.

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Table 3 – GLWA MBO Transfer History

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 (month to date)	122,139,752	5,040,000	8,913,080	2,165,388	-	2,000,000	140,258,220
Life to Date	\$953,097,864	\$47,354,300	\$82,985,955	\$17,127,892	\$2,686,900	\$2,606,000	\$1,105,858,911

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 (month to date)	164,553,755	9,020,000	12,239,500	3,072,019	-	-	188,885,274
Life to Date	\$1,379,567,347	\$84,816,800	\$113,729,509	\$24,401,915	\$8,246,100	\$779,600	\$1,611,541,271

All amounts are unaudited unless otherwise noted.

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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 & 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 2023 Water MBO Transfers reflects the required transfers for FY 2023 completed through April 2023. MBO transfers for Water totaling \$54.4 million have been transferred to accounts held by DWSD. For FY 2023, DWSD has requested that \$2,922,100 of the lease payment be utilized to offset a portion of debt service.

Table 5 – DWSD FY 2023 Sewer MBO Transfers reflects the required transfers for FY 2023 completed through April 2023. MBO transfers for Sewer totaling \$65.4 million have been transferred to accounts held by DWSD. For FY 2023, DWSD has requested that \$4,388,300 of the lease payment be utilized to offset a portion of debt service.

Table 6 – DWSD Water MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2023 to date.

Table 7 – DWSD Sewer MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2023 to date.

Table 4 – DWSD FY 2023 Water MBO Transfers

WATER				
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Water</u>
FY 2023				
July 2022	\$2,540,833	\$356,000	\$1,150,750	\$4,047,583
August 2022	2,540,833	356,000	1,150,750	4,047,583
September 2022	2,540,833	356,000	1,150,750	4,047,583
October 2022	3,884,345	356,000	1,791,739	6,032,084
November 2022	3,884,345	356,000	1,791,739	6,032,084
December 2022	3,884,345	356,000	1,791,739	6,032,084
January 2023	3,884,345	356,000	1,791,739	6,032,084
February 2023	3,884,345	356,000	1,791,739	6,032,084
March 2023	3,884,345	356,000	1,791,739	6,032,084
April 2023	3,884,345	356,000	1,791,739	6,032,084
Total FY 2023	\$34,812,914	\$3,560,000	\$15,994,423	\$54,367,337

Table 5 – DWSD FY 2023 Sewer MBO Transfers

SEWER				
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Sewer</u>
FY 2023				
July 2022	\$5,282,500	\$238,000	\$2,291,667	\$7,812,167
August 2022	5,282,500	238,000	2,291,667	7,812,167
September 2022	5,282,500	238,000	2,291,667	7,812,167
October 2022	3,949,878	238,000	1,804,078	5,991,956
November 2022	3,949,878	238,000	1,804,078	5,991,956
December 2022	3,949,878	238,000	1,804,078	5,991,956
January 2023	3,949,878	238,000	1,804,078	5,991,956
February 2023	3,949,878	238,000	1,804,078	5,991,956
March 2023	3,949,878	238,000	1,804,078	5,991,956
April 2023	3,949,878	238,000	1,804,078	5,991,956
Total FY 2023	\$43,496,646	\$2,380,000	\$19,503,547	\$65,380,193

Table 6 – DWSD Water MBO and Lease Payment Transfer History

Transfers to DWSD				
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)
Net 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	-	-	-	-
Net 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)
Net 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)
Net 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)
Net 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)
Net 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)
Net MBO Transfer	29,989,000	4,272,000	13,574,600	47,835,600
FY 2023 (month to date)				
MBO/Lease Requirement	34,812,914	3,560,000	16,875,000	55,247,914
Offset to Debt Service	-	-	(880,577)	(880,577)
Net MBO Transfer	34,812,914	3,560,000	15,994,423	54,367,337
Life-to-Date				
MBO/Lease Requirement	265,624,218	33,445,100	174,375,000	473,444,318
Offsets	-	-	(29,806,377)	(29,806,377)
Total Water	265,624,218	33,445,100	144,568,623	443,637,941

All amounts are unaudited unless otherwise noted.

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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 (month to date)				
MBO/Lease Requirement	43,496,646	2,380,000	20,625,000	66,501,646
Offset to Debt Service	-	-	(1,121,453)	(1,121,453)
Total MBO Transfer	43,496,646	2,380,000	19,503,547	65,380,193
Life-to-Date				
MBO/Lease Requirement	415,652,658	22,383,800	213,125,000	650,239,911
Offsets	(7,100,000)	-	(48,513,814)	(54,692,267)
Total Sewer	408,552,658	22,383,800	164,611,186	595,547,644

* 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

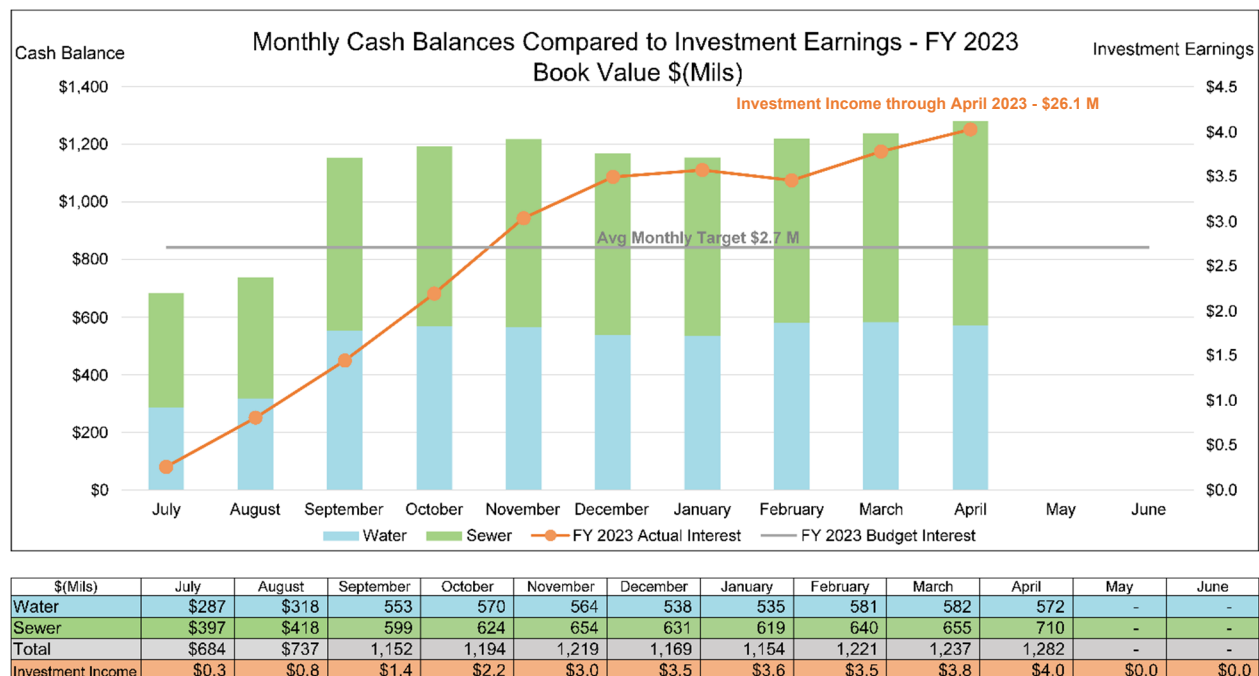
Monthly Cash Balances Compared to Investment Income

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 April 2023, GLWA earned investment income of \$4.0 million and cumulative FY 2023 earnings through April 2023 of \$26.1 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 April 2023



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:

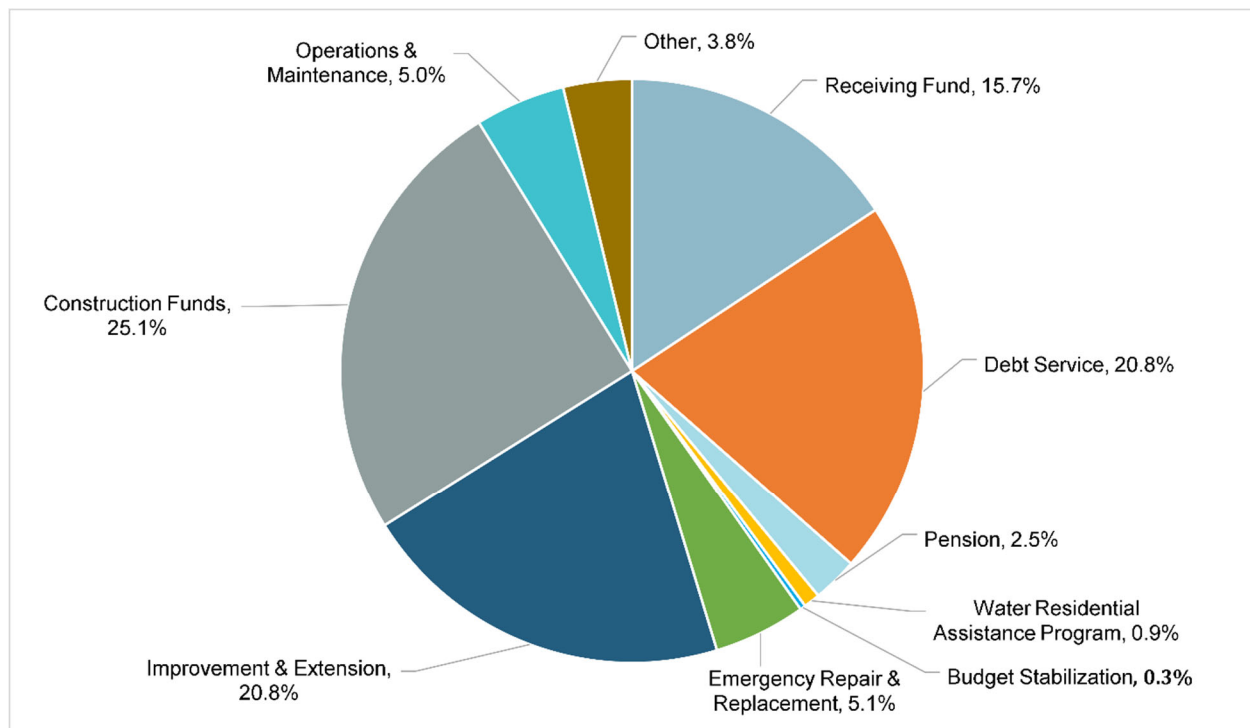
- Bond Proceeds – funds raised from debt issuance used for costs of repairs, construction, and improvements of the regional system
- Operations & Maintenance (O&M) – funds used to meet the operational and maintenance requirements of the regional system
- Other – retainage funds held on behalf of contractors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

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 April 2023 - Shows the allocation of the balance among the different categories defined in the section above. The total cash balance for Water Funds as of April 30, 2023 is \$572 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 \$225 million in September 2022 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 April 2023

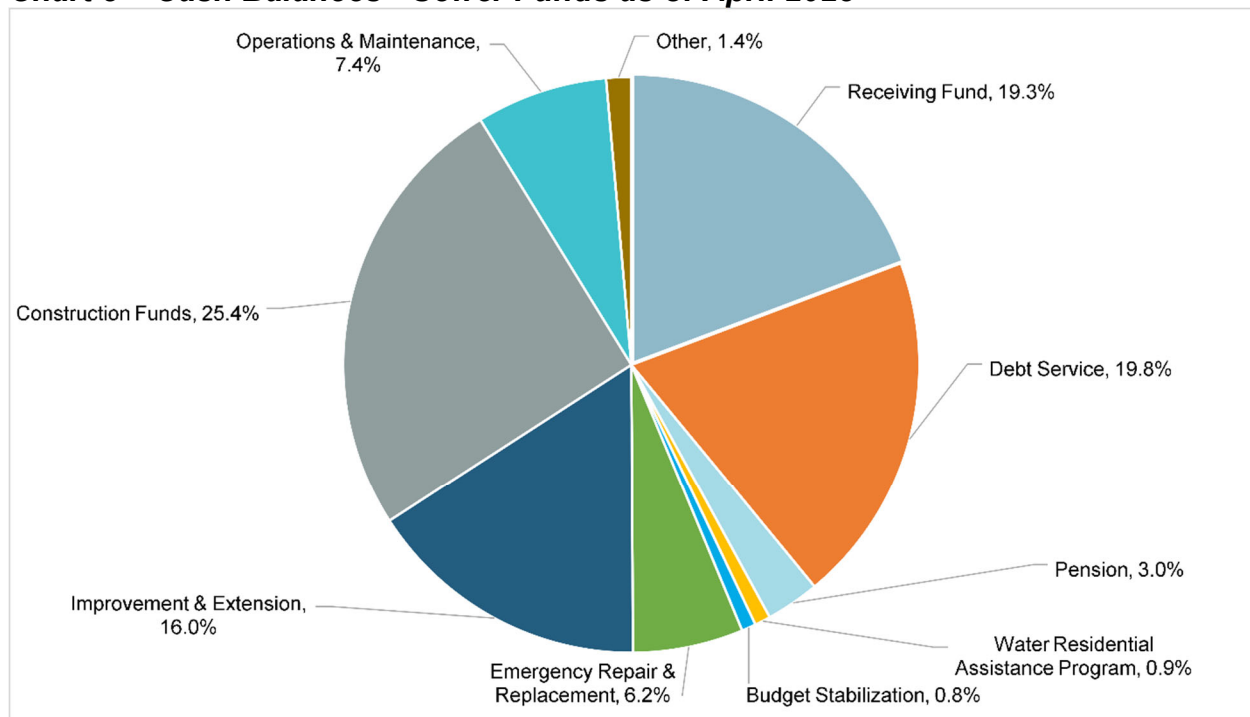


Note: Due to rounding totals may not equal 100%.

Chart 3 – Cash Balances - Sewer Funds as of April 2023 - Shows the allocation of the balance among the different funds defined in the section above. The total cash balance for Sewer Funds as of April 30, 2023 is \$710 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 \$225 million in September 2022 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 April 2023



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 & 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 2023 water usage and billed revenue which are provided by DWSD staff. As of April 30, 2023, the DWSD usage was at 109.41% of the budget and billed revenue was at 106.36% 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 2023 - Original Budget		FY 2023 - Actual		FY 2023 - Variance		FY 2022 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	257,000	11,956,000	244,749	9,490,589	(12,251)	(2,465,411)	266,704	10,064,683
August	248,900	11,711,000	277,313	13,301,941	28,413	1,590,941	264,644	9,994,589
September	218,600	10,776,000	234,806	11,591,601	16,206	815,601	232,348	9,169,300
October	198,900	10,184,900	239,062	11,730,809	40,162	1,545,909	204,290	8,422,092
November	194,500	9,954,500	212,663	10,706,519	18,163	752,019	209,830	8,544,611
December	193,700	9,902,000	222,502	11,073,513	28,802	1,171,513	204,072	8,442,152
January	198,600	10,050,700	227,748	11,257,742	29,148	1,207,042	221,369	8,819,430
February	190,400	9,842,000	208,568	10,569,468	18,168	727,468	204,489	8,438,300
March	204,900	10,276,600	229,264	11,383,630	24,364	1,107,030	233,190	9,221,716
April	192,400	9,922,800	198,665	10,121,640	6,265	198,840	192,495	8,305,331
May	214,500	10,567,000					245,471	9,530,928
June	245,700	11,523,800					272,811	10,281,954
Total	2,558,100	126,667,300	2,295,340	111,227,452	197,440	6,650,952	2,751,713	109,235,086
<i>Subtotals ytd</i>	2,097,900	104,576,500	2,295,340	111,227,452	197,440	6,650,952		
<i>Achievement of Budget</i>			109.41%	106.36%				

(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
May	7,660,852	7,365,204	295,648	4.01%
June	9,123,179	8,917,831	205,348	2.30%
July	8,518,373	8,387,705	130,668	1.56%
August	9,636,219	8,588,507	1,047,712	12.20%
September	5,082,383	8,041,683	(2,959,300)	-36.80%
October	13,082,745	8,512,614	4,570,131	53.69%
November	10,270,582	7,926,331	2,344,251	29.58%
December	11,630,994	8,121,586	3,509,408	43.21%
January	8,857,268	6,919,040	1,938,228	28.01%
February	8,244,713	10,156,126	(1,911,413)	-18.82%
March	10,417,832	11,093,125	(675,293)	-6.09%
April	9,417,449	7,431,900	1,985,549	26.72%
Rolling, 12-Month Total	111,942,589	101,461,652		
Rolling, 12-Month Average	9,328,549	8,455,138		

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee July 28, 2023

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 2023 sewer billed revenue which are provided by DWSD staff. As of April 30, 2023, the DWSD usage was at 103.74% of the budget and billed revenue was at 100.40% 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 2023 - Original Budget		FY 2023 - Actual		FY 2023 - Variance		FY 2022 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	211,900	27,858,000	223,661	29,297,748	11,761	1,439,748	219,791	29,462,804
August	217,600	28,027,300	231,809	29,640,202	14,209	1,612,902	249,522	31,231,624
September	188,400	27,285,000	197,455	27,523,933	9,055	238,933	215,748	29,401,234
October	182,400	27,102,800	194,154	27,375,180	11,754	272,380	190,483	27,936,280
November	167,500	26,696,800	172,579	26,525,064	5,079	(171,736)	194,135	28,032,939
December	166,500	26,780,100	174,896	26,676,360	8,396	(103,740)	189,283	27,836,982
January	169,200	26,797,900	175,562	26,403,544	6,362	(394,356)	203,526	28,493,782
February	166,100	26,702,400	160,804	25,814,735	(5,296)	(887,665)	189,525	27,837,984
March	176,100	26,994,800	181,217	26,720,229	5,117	(274,571)	212,176	29,032,277
April	166,400	26,761,800	167,727	26,120,878	1,327	(640,922)	179,291	27,196,557
May	182,100	27,166,400					220,082	29,382,758
June	210,600	27,861,300					242,746	30,704,517
Total	2,204,800	326,034,600	1,879,864	272,097,874	67,764	1,090,974	2,506,308	346,549,738
Subtotals ytd	1,812,100	271,006,900	1,879,864	272,097,874		1,090,974		
Achievement of Budget/Goal			103.74%	100.40%				

(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 4 – DWSD Retail Sewer Collections

Sewer				
Month	Current Year	Prior Year	Variance	Ratio
May	20,952,592	21,888,687	(936,095)	-4.28%
June	25,922,279	32,508,249	(6,585,970)	-20.26%
July	30,935,343	24,185,252	6,750,091	27.91%
August	26,064,896	25,036,198	1,028,698	4.11%
September	15,261,467	22,635,796	(7,374,329)	-32.58%
October	28,182,933	25,119,240	3,063,693	12.20%
November	21,994,899	23,505,249	(1,510,350)	-6.43%
December	23,756,153	24,880,743	(1,124,590)	-4.52%
January	23,760,629	23,020,491	740,138	3.22%
February	23,867,073	24,495,922	(628,849)	-2.57%
March	30,697,464	29,410,086	1,287,378	4.38%
April	21,542,671	22,115,076	(572,405)	-2.59%
Rolling 12-Month Total	292,938,400	298,800,989		
Rolling, 12-Month Average	24,411,533	24,900,082		

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 April 30, 2023 with comparative totals from June 30, 2022, June 30, 2021 and June 30, 2020. 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 April 30, 2023 with comparative totals from April 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 Total Balance and Total Bad Debt Allowance as of April 30, 2023 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, 2020	\$ 33,061,000	\$ 213,846,000	\$ (142,882,000)	\$ 70,964,000	64	
June 30, 2021	\$ 36,335,000	\$ 248,055,000	\$ (200,146,000)	\$ 47,909,000	40	
June 30, 2022	\$ 39,022,000	\$ 300,346,000	\$ (253,924,000)	\$ 46,422,000	36	
April 30, 2023	\$ 38,210,000	\$ 329,122,000	\$ (273,224,000)	\$ 55,897,000	44	
Totals may be off due to rounding						

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

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

Sales Class	# of Accounts	Avg. Balance	Current	> 30 Days	> 60 Days	> 180 Days	A/R Balance
Residential	214,025	\$ 890.23	\$ 18,034,000 9.5%	\$ 10,334,000 5.4%	\$ 30,656,000 16.1%	\$ 131,508,000 69.0%	\$ 190,532,000 100.0%
Commercial	21,075	1,367.46	7,281,000 25.3%	2,226,000 7.7%	5,084,000 17.6%	14,228,000 49.4%	28,819,000 100.0%
Industrial	4,343	3,354.42	5,232,000 35.9%	1,037,000 7.1%	2,443,000 16.8%	5,856,000 40.2%	14,568,000 100.0%
Tax Exempt	3,812	816.03	554,000 17.8%	205,000 6.6%	482,000 15.5%	1,870,000 60.1%	3,111,000 100.0%
Government	48,485	405.27	4,280,000 21.8%	1,131,000 5.8%	1,551,000 7.9%	12,688,000 64.6%	19,650,000 100.0%
Drainage	45,419	647.56	2,383,000 8.1%	1,391,000 4.7%	4,637,000 15.8%	21,001,000 71.4%	29,412,000 100.0%
Subtotal - Active Accounts	337,159	\$ 848.54	\$ 37,763,000 13.2%	\$ 16,325,000 5.7%	\$ 44,851,000 15.7%	\$ 187,152,000 65.4%	\$ 286,091,000 100.0%
Inactive Accounts	330,663	130.13	2,000 0.0%	79,000 0.2%	411,000 1.0%	42,537,000 98.9%	43,030,000 100.0%
Total	667,822	\$ 492.83	\$ 37,766,000 11.5%	\$ 16,404,000 5.0%	\$ 45,262,000 13.8%	\$ 229,689,000 69.8%	\$ 329,122,000 100.0%
% of Total A/R							
Water Fund	250,857	280.31	\$ 11,101,000	\$ 4,312,000	\$ 10,214,000	\$ 44,691,000	\$ 70,318,000
Sewer Fund	287,399	900.50	\$ 26,665,000	\$ 12,092,000	\$ 35,049,000	\$ 184,998,000	\$ 258,803,000
Total April 30, 2023 (a)	667,822	\$ 492.83	\$ 37,766,000	\$ 16,404,000	\$ 45,262,000	\$ 229,689,000	\$ 329,122,000
Water Fund- Allowance							\$ (53,403,000)
Sewer Fund- Allowance							\$ (219,821,000)
Total Bad Debt Allowance							\$ (273,224,000)
Comparative - April 2022 (b)	646,743	\$ 443.34	\$ 33,126,000	\$ 14,864,000	\$ 41,715,000	\$ 197,025,000	\$ 286,730,000
Difference (a) - (b)	21,079		\$ 4,640,000	\$ 1,541,000	\$ 3,548,000	\$ 32,664,000	\$ 42,392,000

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee July 28, 2023



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

1. Wholesale Water Billings and Collections
2. Wholesale Sewer Billings and Collections
3. City of Highland Park Billings and Collections
4. Wholesale Water & Sewer Accounts Receivable Aging Report

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	84
Emergency	1
Older Contracts	2
Total	<u>87</u>

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

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

Table 1 - Wholesale Water Billings shows the FY 2023 water billed usage and revenues. As of April 30, 2023, the billed usage was at 101.06% of the original plan and billed revenue at 100.65% of the original plan. Billings and usage from the City of Flint are included as they were assumed in the FY 2023 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 above the prior year for the twelve-month period ending April 30, 2023.

Table 1 – FY 2023 Wholesale Water Billings Report

WHOLESALE WATER CHARGES								
Month (1)	FY 2023 Charges (3)		FY 2023 - Actual		FY 2023 - Variance		FY 2022 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	1,565,900	33,114,500	1,664,936	34,349,872	99,036	1,235,372	1,342,686	29,642,785
August	1,513,500	32,632,400	1,418,347	31,555,444	(95,153)	(1,076,956)	1,417,142	30,604,230
September	1,271,200	29,674,600	1,308,481	30,306,713	37,281	632,113	1,298,750	29,065,588
October	1,033,200	27,094,600	1,055,245	27,391,089	22,045	296,489	1,006,217	26,123,483
November	901,100	25,815,700	906,669	25,911,801	5,569	96,101	905,525	25,117,181
December	966,900	26,357,900	990,177	26,652,607	23,277	294,707	958,879	25,542,432
January	954,300	26,296,700	979,573	26,536,118	25,273	239,418	979,803	25,791,405
February	877,900	25,580,400	869,843	25,535,320	(8,057)	(45,080)	875,553	24,800,493
March	965,300	26,359,200	961,541	26,356,490	(3,759)	(2,710)	963,825	25,592,186
April	907,300	25,855,100	917,599	25,997,955	10,299	142,855	912,124	25,139,078
May	1,086,000	27,886,200					1,094,002	27,116,529
June	1,470,200	32,090,900					1,385,287	30,301,351
Total	13,512,800	338,758,200	11,072,411	280,593,408	115,811	1,812,308	13,139,793	324,836,740
Subtotals ytd	10,956,600	278,781,100	11,072,411	280,593,408	115,811	1,812,308		
Achievement of Original Plan			101.06%	100.65%				
Billing Adjustments (4)			14,677	(125,530)				
			11,087,088	280,467,878				
			101.19%	100.61%				

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

(2) 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

(3) Charges are based on the approved FY 2023 water supply system charge schedule.

(4) Reflects prior period adjustments made in the current year for DTE Greenwood and Madison Heights.

Table 2 - Wholesale Water Collections

Water				
Month	Current Year	Prior Year	Variance	Ratio
May	27,717,969	24,878,479	(24,878,479)	-100.00%
June	26,379,503	25,403,968	975,535	3.84%
July	14,435,092	23,709,847	(9,274,755)	-39.12%
August	41,154,992	31,668,492	9,486,500	29.96%
September	21,887,632	23,849,618	(1,961,986)	-8.23%
October	38,029,648	29,212,277	8,817,371	30.18%
November	30,903,329	25,265,770	5,637,559	22.31%
December	34,298,469	25,302,369	8,996,100	35.55%
January	19,182,054	31,280,599	(12,098,545)	-38.68%
February	26,553,529	24,919,847	1,633,682	6.56%
March	26,074,213	22,123,572	3,950,641	17.86%
April	20,940,451	21,726,941	(786,490)	-3.62%
Rolling 12-Month Total	327,556,881	309,341,779		
Rolling, 12-Month Average	27,296,407	25,778,482		

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee July 28, 2023

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	11
Emergency	0
Older Contracts	7
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 2023 sewer billed revenue. As of April 30, 2023 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 slightly below the twelve-month period ending April 30, 2023.

Table 3 – FY 2023 Wholesale Sewer Billings Report

WHOLESALE SEWER CHARGES								
Month (1)	FY 2023 Charges		FY 2023 - Actual		FY 2023 - Variance		FY 2022 - Actuals	
	Volume (2)	Revenue	Volume (2)	Revenue	Volume (2)	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
August	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
September	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
October	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
November	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
December	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
January	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
February	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
March	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
April	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
May	N/A	22,888,100	N/A		N/A		N/A	22,615,000
June	N/A	22,888,100	N/A		N/A		N/A	22,615,000
Total		274,657,200		228,881,000		-		271,380,000
Subtotals ytd		228,881,000		228,881,000		-		
Achievement of Budget				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
May	10,226,700	28,128,933	(17,902,233)	-63.64%
June	29,659,245	15,972,800	13,686,445	85.69%
July	28,223,515	28,523,650	(300,135)	-1.05%
August	21,036,661	21,842,125	(805,464)	-3.69%
September	22,244,437	22,191,725	52,712	0.24%
October	24,707,249	26,706,558	(1,999,309)	-7.49%
November	19,882,939	16,534,758	3,348,181	20.25%
December	18,314,222	21,765,958	(3,451,736)	-15.86%
January	17,636,972	26,436,258	(8,799,286)	-33.28%
February	33,102,769	23,937,258	9,165,511	38.29%
March	23,746,469	24,713,158	(966,689)	-3.91%
April	17,769,710	19,937,558	(2,167,848)	-10.87%
Rolling 12-Month Total	266,550,888	276,690,739		
Rolling, 12-Month Average	22,212,574	23,057,562		

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee July 28, 2023

City of Highland Park Billings and Collections

The City of Highland Park is provided water service pursuant to an emergency service basis. Sewer service is provided pursuant to a 1982 amended contract which indicates that the parties are guided in their legal relationship by a Michigan Supreme Court decision from 1949.

As of April 30, 2023, Highland Park had a delinquent balance of \$54.9 million, including \$41.0 million for wastewater treatment services, \$1.9 million for industrial waste control services, and \$12.0 million for water supply services.

Table 5 - City of Highland Park Billings and Collections provides a life-to-date balance summary of the billing and collection history for Highland Park with detail provided for fiscal year 2023 through April 30, 2023. Please note the numbers below reflect the month the billing was sent and not the month the service was provided. A life-to-date summary is provided as an appendix to this monthly financial report.

Table 5 - City of Highland Park Billings and Collections

Service Month		Water	Sewer	IWC	Total
May 31, 2022 Balance		10,840,630	41,973,475	1,814,083	54,628,188
June 2022 Billing	May 2022	100,820	446,400	4,002	551,222
June 2022 Payments			(1,788,828)		(1,788,828)
June 30, 2022 Balance		10,941,450	40,631,047	1,818,085	53,390,582
July 2022 Billing	June 2022	104,262	446,400	4,002	554,664
July 2022 Payments		-	(126,056)	-	(126,056)
July 31, 2022 Balance		11,045,712	40,951,391	1,822,087	53,819,190
August 2022 Billing	July 2022	112,017	451,700	4,082	567,799
August 2022 Payments		-	(117,079)	-	(117,079)
August 31, 2022 Balance		11,157,729	41,286,012	1,826,169	54,269,910
September 2022 Billing	August 2022	113,427	451,700	4,025	569,152
September 2022 Payments		-	(144,837)	-	(144,837)
September 30, 2022 Balance		11,271,156	41,592,875	1,830,194	54,694,225
October 2022 Billing	September 2022	106,220	451,700	4,026	561,946
October 2022 Payments		-	(133,899)	-	(133,899)
October 31, 2022 Balance		11,377,376	41,910,676	1,834,220	55,122,272
November 2022 Billing	October 2022	106,221	451,700	4,026	561,947
November 2022 Payments		-	(492,789)	-	(492,789)
November 30, 2022 Balance		11,483,597	41,869,587	1,838,246	55,191,430
December 2022 Billing	November 2022	103,645	451,700	4,025	559,370
December 2022 Payments		-	(641,773)	-	(641,773)
December 31, 2022 Balance		11,587,242	41,679,514	1,842,271	55,109,027
January 2023 Billing	December 2022	99,260	451,700	3,997	554,957
January 2023 Payments		-	(1,341,522)	-	(1,341,522)
January 31, 2023 Balance		11,686,502	40,789,692	1,846,268	54,322,462
February 2023 Billing	January 2023	106,448	451,700	3,998	562,146
February 2023 Payments		-	(434,682)	-	(434,682)
February 28, 2023 Balance		11,792,950	40,806,710	1,850,266	54,449,926
March 2023 Billing	February 2023	99,164	451,700	3,889	554,753
March 2023 Payments		-	(347,442)	-	(347,442)
March 31, 2023 Balance		11,892,114	40,910,969	1,854,155	54,657,238
April 2023 Billing	March 2023	101,068	451,700	3,897	556,665
April 2023 Payments		-	(358,010)	-	(358,010)
April 30, 2023 Balance		11,993,182	41,004,659	1,858,052	54,855,893

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee July 28, 2023

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 6 - Wholesale Accounts Receivable Aging Report Summary is a summary of the total, current and non-current receivables by category as of April 30, 2023.

Table 7 - Wholesale Accounts Receivable Aging Report, Net of Highland Park is the same summary *without* the past due balances for the City of Highland Park.

Table 8 - Wholesale Accounts Receivable Aging Report, Net of Highland Park and Dearborn is the same summary *without* the past due balances for the City of Highland Park and Dearborn. Five water accounts comprise the past due balances over 46 days. One account past due of \$278 thousand was paid in full in early May. The remaining four relate to ongoing disputes regarding the Highland Park portion of charges.

The two past due Sewer accounts totaling \$4.7 million dollars were both paid in full in June. Three past due pollutant surcharge account totaling \$51 thousand in May were paid in full, the remaining past due balance consists of smaller account holders that GLWA staff continue to communicate with.

Table 6 - Wholesale Accounts Receivable Aging Report Summary

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 60,275,425.73	\$ 42,517,570.32	\$ 1,335,243.13	\$ 1,068,919.77	\$ 15,353,692.51
Sewer	\$ 63,978,829.77	\$ 18,760,570.79	\$ 5,117,000.00	\$ 451,700.00	\$ 39,649,558.98
IWC	\$ 2,292,733.00	\$ 442,466.96	\$ 3,997.56	\$ 3,997.07	\$ 1,842,271.41
Pollutant Surcharge	\$ 593,258.30	\$ 540,900.62	\$ 42,453.61	\$ 8,788.65	\$ 1,115.42
Total	\$ 127,140,246.80	\$ 62,261,508.69	\$ 6,498,694.30	\$ 1,533,405.49	\$ 56,846,638.32
	100.00%	48.97%	5.11%	1.21%	44.71%

Table 7 - Wholesale Accounts Receivable Aging Report, Net of Highland Park

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 48,282,243.47	\$ 42,317,338.49	\$ 1,122,573.80	\$ 969,660.65	\$ 3,872,670.53
Sewer	\$ 22,974,170.79	\$ 18,308,870.79	\$ 4,665,300.00	\$ -	\$ -
IWC	\$ 434,680.95	\$ 434,680.46	\$ 0.49	\$ -	\$ -
Pollutant Surcharge	\$ 593,258.30	\$ 540,900.62	\$ 42,453.61	\$ 8,788.65	\$ 1,115.42
Total	\$ 72,284,353.51	\$ 61,601,790.36	\$ 5,830,327.90	\$ 978,449.30	\$ 3,873,785.95
	100.00%	85.22%	8.07%	1.35%	5.36%

Table 8 - Wholesale Accounts Receivable Aging Report, Net of Highland Park and Dearborn

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 40,878,193.34	\$ 40,633,525.92	\$ 244,667.42	\$ -	\$ -
Sewer	\$ 22,974,170.79	\$ 18,308,870.79	\$ 4,665,300.00	\$ -	\$ -
IWC	\$ 434,680.95	\$ 434,680.46	\$ 0.49	\$ -	\$ -
Pollutant Surcharge	\$ 593,258.30	\$ 540,900.62	\$ 42,453.61	\$ 8,788.65	\$ 1,115.42
Total	\$ 64,880,303.38	\$ 59,917,977.79	\$ 4,952,421.52	\$ 8,788.65	\$ 1,115.42
	100.00%	92.35%	7.63%	0.01%	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, Receipts & Loan Receivable
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 2023 reflects ten months of activity to date.

Water fund receipts exceeded required disbursements by 6% through April 30, 2023 compared to the four-year historical average ratio of required receipts exceeding disbursements by 11% since July 1, 2018.

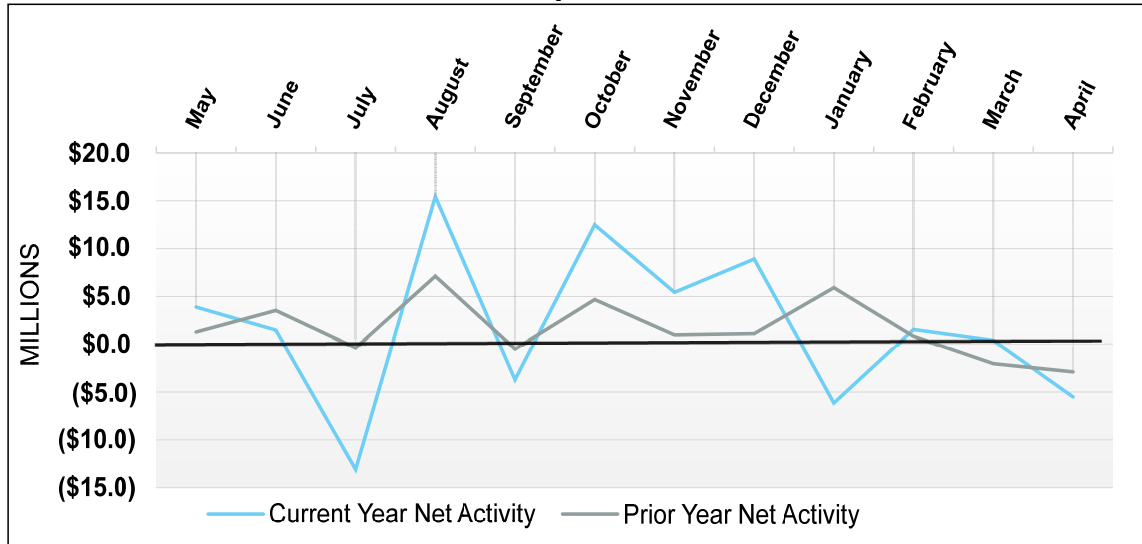
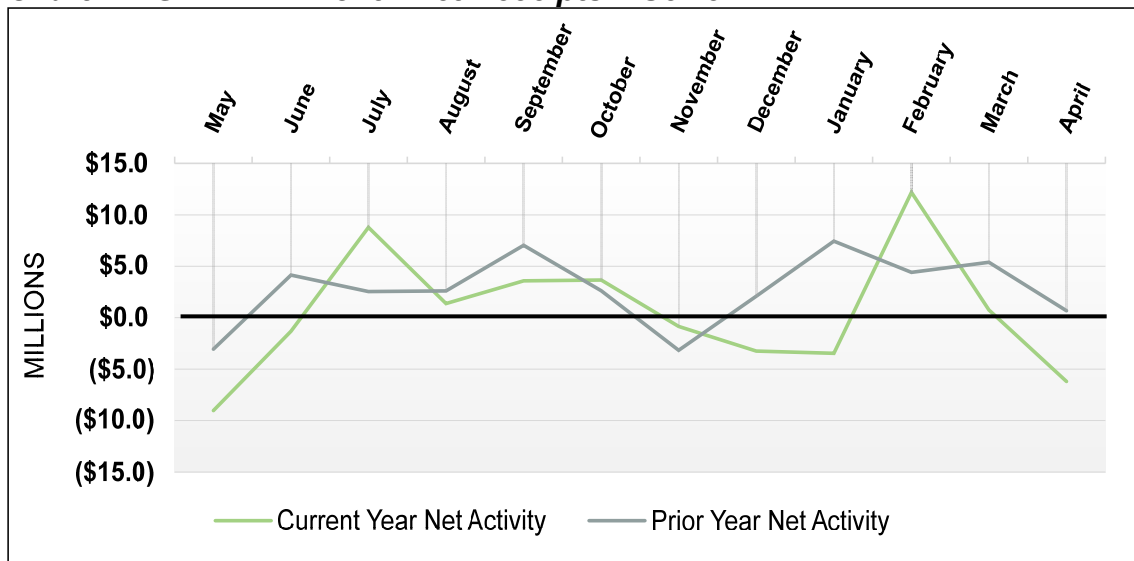
Sewer fund receipts exceeded required disbursements by 5% through April 30, 2023 in line with the four-year historical average ratio of required receipts exceeding disbursements by 7% since July 1, 2018.

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 year. 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 year. The black line at the zero highlights the minimum goal for net receipts.

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

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Thru Apr 30
Water					
1 Receipts	\$ 336,594,234	\$ 332,606,196	\$ 336,642,021	\$ 338,117,694	\$ 298,275,062
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	336,594,234	332,606,196	336,642,021	338,117,694	298,275,062
4 Disbursements	(289,230,481)	(296,190,425)	(308,713,407)	(316,495,360)	(282,506,535)
5 Receipts Net of Required Transfers	47,363,753	36,415,771	27,928,614	21,622,334	15,768,527
6 I&E Transfer	(47,695,000)	(25,719,751)	(31,991,687)	(26,622,862)	(8,702,217)
7 Net Receipts	\$ (331,247)	\$ 10,696,020	\$ (4,063,073)	\$ (5,000,528)	\$ 7,066,310
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	116%	112%	109%	107%	106%
Sewer					
9 Receipts	\$ 467,743,744	\$ 490,461,356	\$ 472,871,853	\$ 471,979,297	\$ 405,872,084
10 MOU Adjustments	-	-	-	-	-
11 Adjusted Receipts	467,743,744	490,461,356	472,871,853	471,979,297	405,872,084
12 Disbursements	(453,406,636)	(445,604,952)	(436,600,883)	(450,701,751)	(387,407,096)
13 Receipts Net of Required Transfers	14,337,108	44,856,404	36,270,970	21,277,546	18,464,988
14 I&E Transfer	(22,547,700)	(19,096,200)	(40,504,727)	(37,651,788)	(13,517,601)
15 DWSD Shortfall Advance	-	-	-	-	-
16 Shortfall Repayment (principal)	9,367,355	17,542,669	18,206,431	8,296,578	-
17 Net Receipts	\$ 1,156,763	\$ 43,302,873	\$ 13,972,674	\$ (8,077,664)	\$ 4,947,387
18 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	103%	110%	108%	105%	105%
Combined					
19 Receipts	\$ 804,337,978	\$ 823,067,552	\$ 809,513,874	\$ 810,096,991	\$ 704,147,146
20 MOU Adjustments	-	-	-	-	-
21 Adjusted Receipts	804,337,978	823,067,552	809,513,874	810,096,991	704,147,146
22 Disbursements	(742,637,117)	(741,795,377)	(745,314,290)	(767,197,111)	(669,913,631)
23 Receipts Net of Required Transfers	61,700,861	81,272,175	64,199,584	42,899,880	34,233,515
24 I&E Transfer	(70,242,700)	(44,815,951)	(72,496,414)	(64,274,650)	(22,219,818)
25 Shortfall Advance	-	-	-	-	-
26 Shortfall Repayment	9,367,355	17,542,669	18,206,431	8,296,578	-
27 Net Receipts	\$ 825,516	\$ 53,998,893	\$ 9,909,601	\$ (13,078,192)	\$ 12,013,697
28 <i>Ratio of Receipts to Required Disbursements (Line 21/Line 22)</i>	108%	111%	109%	106%	105%

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 2023 reflects ten months of activity to date.

Water fund receipts exceeded required disbursements by 1% through April 30, 2023 compared to the four-year historical average ratio of required receipts exceeding disbursements by 3% since July 1, 2018.

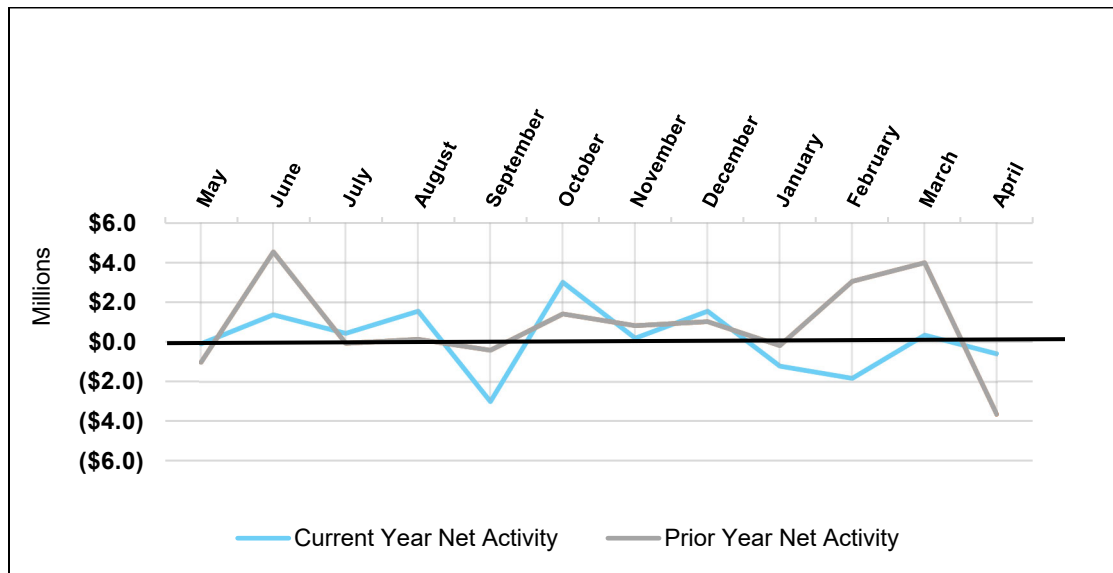
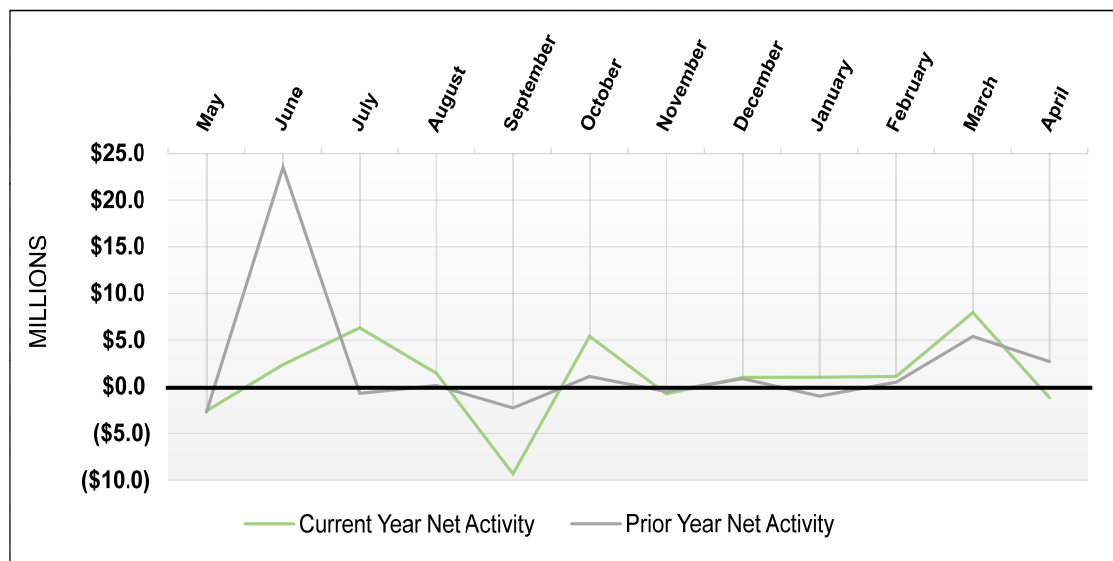
Sewer fund receipts exceeded required disbursements by 6% through April 30, 2023 compared to the four-year historical average of required receipts exceeding disbursements by 1% since July 1, 2018.

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

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Thru Apr 30
Water					
1 Receipts	\$ 99,868,219	\$ 96,885,723	\$ 102,067,423	\$ 101,964,963	\$ 97,951,790
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	99,868,219	96,885,723	102,067,423	101,964,963	97,951,790
4 Disbursements	(97,694,600)	(97,823,097)	(100,707,200)	(94,495,601)	(97,458,803)
5 Receipts Net of Required Transfers	2,173,619	(937,374)	1,360,223	7,469,362	492,987
6 I&E Transfer	(8,407,080)	-	-	-	-
7 Net Receipts	\$ (6,233,461)	\$ (937,374)	\$ 1,360,223	\$ 7,469,362	\$ 492,987
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	102%	99%	101%	108%	101%
Sewer					
9 Receipts	\$ 265,339,797	\$ 264,689,559	\$ 308,210,767	\$ 291,280,896	\$ 249,682,374
10 MOU Adjustments	6,527,200	-	-	-	-
11 Adjusted Receipts	271,866,997	264,689,559	308,210,767	291,280,896	249,682,374
12 Disbursements	(271,018,306)	(275,507,374)	(295,100,771)	(285,256,000)	(236,637,593)
13 Receipts Net of Required Transfers	848,691	(10,817,815)	13,109,996	6,024,896	13,044,781
14 I&E Transfer	-	-	-	-	-
15 Shortfall Advance from GLWA	-	-	-	-	-
16 Net Receipts	\$ 848,691	\$ (10,817,815)	\$ 13,109,996	\$ 6,024,896	\$ 13,044,781
17 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	100%	96%	104%	102%	106%
Combined					
18 Receipts	\$ 365,208,016	\$ 361,575,282	\$ 410,278,190	\$ 393,245,859	\$ 347,634,164
19 MOU Adjustments	6,527,200	-	-	-	-
20 Adjusted Receipts	371,735,216	361,575,282	410,278,190	393,245,859	347,634,164
21 Disbursements	(368,712,906)	(373,330,471)	(395,807,971)	(379,751,601)	(334,096,396)
22 Receipts Net of Required Transfers	3,022,310	(11,755,189)	14,470,219	13,494,258	13,537,768
23 I&E Transfer	(8,407,080)	-	-	-	-
24 Shortfall Advance from GLWA	-	-	-	-	-
25 Net Receipts	\$ (5,384,770)	\$ (11,755,189)	\$ 14,470,219	\$ 13,494,258	\$ 13,537,768
26 <i>Ratio of Receipts to Required Disbursements (Line 20/Line 21)</i>	101%	97%	104%	104%	104%

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 2023 reflects ten months of activity to date.

Water fund net receipts exceeded required disbursements by 4% through April 30, 2023 compared to the four-year historical average ratio of required receipts exceeding disbursements by 9% since July 1, 2018.

Sewer fund receipts exceeded required disbursements by 5% through April 30, 2023 compared to the four-year historical average ratio of required receipts exceeding disbursements by 4% since July 1, 2018.

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

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Thru Apr 30
Water					
1 Receipts	\$ 436,462,453	\$ 429,491,919	\$ 438,709,444	\$ 440,082,657	\$ 396,226,852
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	436,462,453	429,491,919	438,709,444	440,082,657	396,226,852
4 Disbursements	(386,925,081)	(394,013,522)	(409,420,607)	(410,990,961)	(379,965,338)
5 Receipts Net of Required Transfers	49,537,372	35,478,397	29,288,837	29,091,696	16,261,514
6 I&E Transfer	(56,102,080)	(25,719,751)	(31,991,687)	(26,622,862)	(8,702,217)
7 Net Receipts	\$ (6,564,708)	\$ 9,758,646	\$ (2,702,850)	\$ 2,468,834	\$ 7,559,297
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	113%	109%	107%	107%	104%
Sewer					
9 Receipts	\$ 733,083,541	\$ 755,150,915	\$ 781,082,620	\$ 763,260,193	\$ 655,554,458
10 MOU Adjustments	6,527,200	-	-	-	-
11 Adjusted Receipts	739,610,741	755,150,915	781,082,620	763,260,193	655,554,458
12 Disbursements	(724,424,942)	(721,112,326)	(731,701,654)	(735,957,751)	(624,044,689)
13 Receipts Net of Required Transfers	15,185,799	34,038,589	49,380,966	27,302,442	31,509,769
14 I&E Transfer	(22,547,700)	(19,096,200)	(40,504,727)	(37,651,788)	(13,517,601)
15 Shortfall Advance	-	-	-	-	-
16 Shortfall Repayment (principal)	9,367,355	17,542,669	18,206,431	8,296,578	-
17 Net Receipts	\$ (7,361,901)	\$ 32,485,058	\$ 27,082,670	\$ (2,052,768)	\$ 17,992,168
18 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	102%	105%	107%	104%	105%
Combined					
19 Receipts	\$ 1,169,545,994	\$ 1,184,642,834	\$ 1,219,792,064	\$ 1,203,342,850	\$ 1,051,781,310
20 MOU Adjustments	6,527,200	-	-	-	-
21 Adjusted Receipts	1,176,073,194	1,184,642,834	1,219,792,064	1,203,342,850	1,051,781,310
22 Disbursements	(1,111,350,023)	(1,115,125,848)	(1,141,122,261)	(1,146,948,712)	(1,004,010,027)
23 Receipts Net of Required Transfers	64,723,171	69,516,986	78,669,803	56,394,138	47,771,283
24 I&E Transfer	(78,649,780)	(44,815,951)	(72,496,414)	(64,274,650)	(22,219,818)
25 Shortfall Advance	-	-	-	-	-
26 Shortfall Repayment	9,367,355	17,542,669	18,206,431	8,296,578	-
27 Net Receipts	\$ (4,559,254)	\$ 42,243,704	\$ 24,379,820	\$ 416,066	\$ 25,551,465
28 <i>Ratio of Receipts to Required Disbursements (Line 21/Line 22)</i>	106%	106%	107%	105%	105%

APPENDIX

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$397,709.92	\$397,709.92	\$0.00	\$0.00	\$0.00
ALMONT VILLAGE	\$20,304.10	\$20,304.10	\$0.00	\$0.00	\$0.00
ASH TOWNSHIP	\$69,576.62	\$69,576.62	\$0.00	\$0.00	\$0.00
BELLEVILLE	\$27,463.37	\$27,463.37	\$0.00	\$0.00	\$0.00
BERLIN TOWNSHIP	\$122,803.12	\$122,803.12	\$0.00	\$0.00	\$0.00
BROWNSTOWN TOWNSHIP	\$606,383.01	\$606,383.01	\$0.00	\$0.00	\$0.00
BRUCE TOWNSHIP	\$19,856.98	\$19,856.98	\$0.00	\$0.00	\$0.00
BURTCHVILLE TOWNSHIP	\$27,706.99	\$27,706.99	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$931,264.67	\$931,264.67	\$0.00	\$0.00	\$0.00
CENTER LINE	\$82,363.29	\$82,363.29	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$367,796.63	\$367,796.63	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$635,982.15	\$635,982.15	\$0.00	\$0.00	\$0.00
COMMERCE TOWNSHIP	\$568,936.40	\$568,936.40	\$0.00	\$0.00	\$0.00
DEARBORN	\$7,404,050.13	\$1,683,812.57	\$877,906.38	\$969,660.65	\$3,872,670.53
DEARBORN HEIGHTS	\$633,725.32	\$633,725.32	\$0.00	\$0.00	\$0.00
EASTPOINTE	\$278,329.66	\$278,329.66	\$0.00	\$0.00	\$0.00
ECORSE	\$112,682.72	\$112,682.72	\$0.00	\$0.00	\$0.00
FARMINGTON	\$85,365.90	\$85,365.90	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$1,446,038.10	\$1,446,038.10	\$0.00	\$0.00	\$0.00
FERNDAL	\$168,489.10	\$168,489.10	\$0.00	\$0.00	\$0.00
FLAT ROCK	\$226,199.23	\$226,199.23	\$0.00	\$0.00	\$0.00
FLINT	\$383,682.84	\$383,682.84	\$0.00	\$0.00	\$0.00
FRASER	\$105,636.52	\$105,636.52	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
GARDEN CITY	\$139,714.67	\$139,714.67	\$0.00	\$0.00	\$0.00
GENESEE COUNTY DRAIN COMM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GIBRALTAR	\$57,350.23	\$57,350.23	\$0.00	\$0.00	\$0.00
GREATER LAPEER CUA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GREENWOOD TWP. (DTE)	\$85,572.05	\$85,572.05	\$0.00	\$0.00	\$0.00
GROSSE ILE TOWNSHIP	\$209,053.23	\$209,053.23	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$105,278.26	\$105,278.26	\$0.00	\$0.00	\$0.00
GROSSE POINTE SHORES	\$47,369.16	\$47,369.16	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$102,755.21	\$102,755.21	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$ (72,199.04)	\$0.00	\$ (72,199.04)	\$0.00	\$0.00
HARPER WOODS	\$144,428.99	\$144,428.99	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$139,717.11	\$139,717.11	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$64,508.36	\$64,508.36	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$11,993,182.26	\$200,231.83	\$212,669.33	\$99,259.12	\$11,481,021.98
HURON TOWNSHIP	\$336,221.51	\$331,118.23	\$5,103.28	\$0.00	\$0.00
IMLAY CITY	\$121,644.18	\$121,644.18	\$0.00	\$0.00	\$0.00
IMLAY TOWNSHIP (CHAMPION BUS	\$800.00	\$800.00	\$0.00	\$0.00	\$0.00
INKSTER	\$232,389.47	\$232,389.47	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$49,865.58	\$49,865.58	\$0.00	\$0.00	\$0.00
LAPEER	\$137,449.23	\$137,449.23	\$0.00	\$0.00	\$0.00
LENOX TOWNSHIP	\$52,922.09	\$52,922.09	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
LINCOLN PARK	\$422,342.79	\$418,967.79	\$3,375.00	\$0.00	\$0.00
LIVONIA	\$934,035.41	\$934,035.41	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$2,050,791.39	\$2,050,791.39	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$182,895.77	\$182,895.77	\$0.00	\$0.00	\$0.00
MAYFIELD TOWNSHIP (KAMAX)	\$7,173.07	\$7,173.07	\$0.00	\$0.00	\$0.00
MELVINDALE	\$62,975.08	\$62,975.08	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$33,482.52	\$33,482.52	\$0.00	\$0.00	\$0.00
NOCWA	\$3,594,517.21	\$3,594,517.21	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$63,608.73	\$63,608.73	\$0.00	\$0.00	\$0.00
NORTHVILLE TOWNSHIP	\$881,588.19	\$881,588.19	\$0.00	\$0.00	\$0.00
NOVI	\$710,350.43	\$710,350.43	\$0.00	\$0.00	\$0.00
OAK PARK	\$120,860.93	\$120,860.93	\$0.00	\$0.00	\$0.00
OAKLAND CO DR COM	\$14,396.92	\$14,396.92	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$88,913.45	\$88,913.45	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$717,766.03	\$702,266.03	\$15,500.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$821,748.23	\$543,797.05	\$277,951.18	\$0.00	\$0.00
RIVER ROUGE	\$121,628.87	\$121,628.87	\$0.00	\$0.00	\$0.00
RIVERVIEW	\$149,081.98	\$149,081.98	\$0.00	\$0.00	\$0.00
ROCKWOOD	\$23,753.94	\$23,753.94	\$0.00	\$0.00	\$0.00
ROMEO	\$18,002.71	\$18,002.71	\$0.00	\$0.00	\$0.00
ROMULUS	\$709,713.25	\$709,713.25	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$459,694.05	\$459,694.05	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$35,294.57	\$35,294.57	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
SHELBY TOWNSHIP	\$2,257,400.37	\$2,257,400.37	\$0.00	\$0.00	\$0.00
SOCWA	\$3,804,943.24	\$3,804,943.24	\$0.00	\$0.00	\$0.00
SOUTH ROCKWOOD	\$19,883.84	\$19,883.84	\$0.00	\$0.00	\$0.00
SOUTHGATE	\$192,550.29	\$192,550.29	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$285,548.52	\$285,548.52	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$2,518,763.60	\$2,518,763.60	\$0.00	\$0.00	\$0.00
SUMPTER TOWNSHIP	\$118,989.37	\$118,989.37	\$0.00	\$0.00	\$0.00
SYLVAN LAKE	\$19,454.44	\$19,454.44	\$0.00	\$0.00	\$0.00
TAYLOR	\$825,873.68	\$810,936.68	\$14,937.00	\$0.00	\$0.00
TRENTON	\$160,165.03	\$160,165.03	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$1,084,019.78	\$1,084,019.78	\$0.00	\$0.00	\$0.00
UTICA	\$48,840.44	\$48,840.44	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$572,112.97	\$572,112.97	\$0.00	\$0.00	\$0.00
WALLED LAKE	\$132,426.27	\$132,426.27	\$0.00	\$0.00	\$0.00
WARREN	\$1,770,186.42	\$1,770,186.42	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$368,321.80	\$368,321.80	\$0.00	\$0.00	\$0.00
WAYNE	\$293,364.97	\$293,364.97	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (C-O)	\$1,772,233.71	\$1,772,233.71	\$0.00	\$0.00	\$0.00
WESTLAND	\$1,042,369.30	\$1,042,369.30	\$0.00	\$0.00	\$0.00
WIXOM	\$192,229.53	\$192,229.53	\$0.00	\$0.00	\$0.00
WOODHAVEN	\$136,843.94	\$136,843.94	\$0.00	\$0.00	\$0.00
YCUA	\$1,763,919.38	\$1,763,919.38	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
TOTAL WATER ACCOUNTS	\$60,275,425.73	\$42,517,570.32	\$1,335,243.13	\$1,068,919.77	\$15,353,692.51

GLWA Aged Accounts Receivable- SEWER ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$70,700.00	\$70,700.00	\$0.00	\$0.00	\$0.00
CENTER LINE	\$86,899.50	\$86,899.50	\$0.00	\$0.00	\$0.00
DEARBORN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EVERGREEN-FARMINGTON	\$3,016,300.00	\$3,016,300.00	\$0.00	\$0.00	\$0.00
FARMINGTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$336,800.00	\$336,800.00	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$41,004,658.98	\$451,700.00	\$451,700.00	\$451,700.00	\$39,649,558.98
MELVINDALE	\$131,200.00	\$131,200.00	\$0.00	\$0.00	\$0.00
OAKLAND COUNTY GWK DD	\$3,864,800.00	\$3,864,800.00	\$0.00	\$0.00	\$0.00
OMID	\$6,114,271.29	\$6,114,271.29	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$22,600.00	\$22,600.00	\$0.00	\$0.00	\$0.00
ROUGE VALLEY	\$9,321,800.00	\$4,660,900.00	\$4,660,900.00	\$0.00	\$0.00
SOUTH MACOMB SANITATION DIST	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WAYNE COUNTY-AREA #3	\$8,800.00	\$4,400.00	\$4,400.00	\$0.00	\$0.00
TOTAL SEWER ACCOUNTS	\$63,978,829.77	\$18,760,570.79	\$5,117,000.00	\$451,700.00	\$39,649,558.98

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$1,623.53	\$1,623.53	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O)	\$11,566.98	\$11,566.98	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O) ADMIN	\$1,959.24	\$1,959.24	\$0.00	\$0.00	\$0.00
AUBURN HILLS (E-F)	\$397.38	\$397.38	\$0.00	\$0.00	\$0.00
BERKLEY	\$3,182.62	\$3,182.62	\$0.00	\$0.00	\$0.00
BEVERLY HILLS	\$1,005.98	\$1,005.98	\$0.00	\$0.00	\$0.00
BINGHAM FARMS	\$1,088.32	\$1,088.32	\$0.00	\$0.00	\$0.00
BIRMINGHAM (E-F)	\$2,446.93	\$2,446.93	\$0.00	\$0.00	\$0.00
BIRMINGHAM (SEOC)	\$5,733.37	\$5,733.37	\$0.00	\$0.00	\$0.00
BLOOMFIELD HILLS	\$1,757.78	\$1,757.78	\$0.00	\$0.00	\$0.00
BLOOMFIELD TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$85.92	\$85.92	\$0.00	\$0.00	\$0.00
CENTER LINE	\$5,223.71	\$5,223.22	\$0.49	\$0.00	\$0.00
CHARTER TOWNSHIP OF INDEPENI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$13,047.31	\$13,047.31	\$0.00	\$0.00	\$0.00
CITY OF FARMINGTON (E-F)	\$202.27	\$202.27	\$0.00	\$0.00	\$0.00
CITY OF FERNDAL	\$17,935.80	\$17,935.80	\$0.00	\$0.00	\$0.00
CITY OF ROCHESTER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLARKSTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLARKSTON (C-O) ADMIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLAWSON	\$6,297.22	\$6,297.22	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$27,458.60	\$27,458.60	\$0.00	\$0.00	\$0.00
DEARBORN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
DEARBORN HEIGHTS	\$9,846.79	\$9,846.79	\$0.00	\$0.00	\$0.00
DETROIT METRO WC AIRPORT	\$107.40	\$107.40	\$0.00	\$0.00	\$0.00
EASTPOINTE	\$6,499.49	\$6,499.49	\$0.00	\$0.00	\$0.00
FARMINGTON	\$4,065.09	\$4,065.09	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$25,074.32	\$25,074.32	\$0.00	\$0.00	\$0.00
FRASER	\$4,994.10	\$4,994.10	\$0.00	\$0.00	\$0.00
GARDEN CITY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$1,591.31	\$1,591.31	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$2,103.25	\$2,103.25	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$1,190.35	\$1,190.35	\$0.00	\$0.00	\$0.00
GROSSE POINTE SHORES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$1,811.48	\$1,811.48	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$3,254.22	\$3,254.22	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$3,370.57	\$3,370.57	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$1,858,052.05	\$7,786.50	\$3,997.07	\$3,997.07	\$1,842,271.41
HUNTINGTON WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDEPENDENCE (C-O) ADMIN	\$1,286.37	\$1,286.37	\$0.00	\$0.00	\$0.00
INKSTER	\$5,599.12	\$5,599.12	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$710.63	\$710.63	\$0.00	\$0.00	\$0.00
LATHRUP	\$1,415.89	\$1,415.89	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
LENOX TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LIVONIA	\$41,393.75	\$41,393.75	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$207.64	\$207.64	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MELVINDALE	\$3,540.62	\$3,540.62	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$619.34	\$619.34	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$2,357.43	\$2,357.43	\$0.00	\$0.00	\$0.00
NORTHVILLE TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NOVI	\$18,095.11	\$18,095.11	\$0.00	\$0.00	\$0.00
OAK PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
OAKLAND TOWNSHIP	\$458.24	\$458.24	\$0.00	\$0.00	\$0.00
ORCHARD LAKE VILLAGE	\$400.96	\$400.96	\$0.00	\$0.00	\$0.00
ORION TOWNSHIP (C-O)	\$4,356.86	\$4,356.86	\$0.00	\$0.00	\$0.00
ORION TOWNSHIP (C-O) ADMIN	\$499.80	\$499.80	\$0.00	\$0.00	\$0.00
OXFORD TOWNSHIP	\$1,050.73	\$1,050.73	\$0.00	\$0.00	\$0.00
OXFORD VILLAGE	\$1,267.32	\$1,267.32	\$0.00	\$0.00	\$0.00
PLEASANT RIDGE	\$551.32	\$551.32	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$137.83	\$137.83	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$12,581.91	\$12,581.91	\$0.00	\$0.00	\$0.00
ROCHESTER HILLS	\$18,984.74	\$18,984.74	\$0.00	\$0.00	\$0.00
ROMULUS	\$787.60	\$787.60	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$14,864.16	\$14,864.16	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ROYAL OAK	\$13,847.44	\$13,847.44	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$939.75	\$939.75	\$0.00	\$0.00	\$0.00
SHELBY TOWNSHIP	\$15,424.43	\$15,424.43	\$0.00	\$0.00	\$0.00
SOUTHFIELD (E-F)	\$28,926.40	\$28,926.40	\$0.00	\$0.00	\$0.00
SOUTHFIELD (SEOC)	\$3,361.62	\$3,361.62	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$32,293.39	\$32,293.39	\$0.00	\$0.00	\$0.00
TROY (E-F)	\$386.64	\$386.64	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UTICA	\$3,075.22	\$3,075.22	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
VILLAGE OF FRANKLIN	\$66.23	\$66.23	\$0.00	\$0.00	\$0.00
VILLAGE OF LAKE ORION	\$809.08	\$809.08	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$1,707.66	\$1,707.66	\$0.00	\$0.00	\$0.00
WATERFORD TOWNSHIP DPW	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WATERFORD TOWNSHIP DPW (ADMI	\$3,199.35	\$3,199.35	\$0.00	\$0.00	\$0.00
WAYNE	\$5,053.17	\$5,053.17	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (C-O)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (E-F)	\$6,226.08	\$6,226.08	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP. (C-O) A	\$234.91	\$234.91	\$0.00	\$0.00	\$0.00
WESTLAND	\$23,040.88	\$23,040.88	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
TOTAL IWC ACCOUNTS	\$2,292,733.00	\$442,466.96	\$3,997.56	\$3,997.07	\$1,842,271.41

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
3M COMPANY (MINNESOTA MINING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A & R PACKING CO., LLC	\$897.65	\$897.65	\$0.00	\$0.00	\$0.00
AACTRON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ACADEMY PACKING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ACME RUSTPROOF	\$21.38	\$21.38	\$0.00	\$0.00	\$0.00
ADORING PET FUNERAL HOME	\$178.43	\$178.43	\$0.00	\$0.00	\$0.00
ADVANCE ENGINEERING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AEVITAS SPECIALITY SERVICES	\$654.54	\$654.54	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALL CHEM CORP, LLC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALPHA STAMPING COMPANY	\$58.15	\$58.15	\$0.00	\$0.00	\$0.00
AMERICAN WASTE TECH INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AMERITI MFG. CO.	\$3,716.56	\$3,716.56	\$0.00	\$0.00	\$0.00
APPLIED TECHNOLOGY INDUSTRIE	\$1,256.56	\$1,256.56	\$0.00	\$0.00	\$0.00
ATWATER IN THE PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AUTOMOTIVE FINISH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AXLE BREWING COMPANY, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B. NEKTAR MEADERY	\$2.97	\$2.97	\$0.00	\$0.00	\$0.00
BAFFIN BREWING COMPANY	\$137.26	\$137.26	\$0.00	\$0.00	\$0.00
BARON INDUSTRIES	\$1,458.28	\$1,458.28	\$0.00	\$0.00	\$0.00
BARTZ BAKERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BASTONE BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
BATCH BREWING COMPANY	\$55.00	\$55.00	\$0.00	\$0.00	\$0.00
BAYS MICHIGAN CORPORATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BEIRUT BAKERY, INC.	\$37.00	\$0.00	\$0.00	\$0.00	\$37.00
BETTER MADE SNACK FOOD	\$29,715.54	\$29,715.54	\$0.00	\$0.00	\$0.00
BLACK LOTUS BREWING CO.	\$61.25	\$0.00	\$0.00	\$0.00	\$61.25
BOZEK'S MARKET	\$ (1,345.82)	\$0.00	\$0.00	\$ (1,345.82)	\$0.00
BREW DETROIT	\$7,216.57	\$7,216.57	\$0.00	\$0.00	\$0.00
BROADWAY MKT CORNED BEEF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BROOKS BREWING, LLC.	\$59.94	\$59.94	\$0.00	\$0.00	\$0.00
BROWN IRON BREWHOUSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CADILLAC STRAITS BREWING CO.	\$31.22	\$31.22	\$0.00	\$0.00	\$0.00
CANTON BREW WORKS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CAPITAL REPRODUCTIONS	\$3.74	\$3.74	\$0.00	\$0.00	\$0.00
CF BURGER CREAMERY	\$44,503.28	\$44,503.28	\$0.00	\$0.00	\$0.00
CHIEFTAN COATING, LLC.	\$3,227.53	\$3,227.53	\$0.00	\$0.00	\$0.00
CHILANGO'S BAKERY	\$133.28	\$27.60	\$13.80	\$12.65	\$79.23
CINTAS CORP. - MACOMB TWP.	\$33,864.50	\$33,864.50	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$9,946.91	\$9,946.91	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$4,986.63	\$4,986.63	\$0.00	\$0.00	\$0.00
CITY LAUNDRY, INC.	\$7.26	\$7.26	\$0.00	\$0.00	\$0.00
CLASSIC CONTAINER CORP.	\$110.33	\$110.33	\$0.00	\$0.00	\$0.00
CLEAN EARTH OF MICHIGAN, LLC	\$69.70	\$69.70	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
COCA-COLA REFRESHMENTS USA,	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COUNTRY FRESH DAIRY CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CROSS CHEMICAL COMPANY, INC.	\$ (234.45)	\$0.00	\$0.00	\$0.00	\$ (234.45)
DANA CONTAINER, INC.	\$1,420.48	\$1,420.48	\$0.00	\$0.00	\$0.00
DARLING INGREDIENTS, INC.	\$4,797.37	\$4,797.37	\$0.00	\$0.00	\$0.00
DAVE'S SAUSAGE FACTORY 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN BREWING	\$17.32	\$17.32	\$0.00	\$0.00	\$0.00
DEARBORN SAUSAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN SAUSAGE CO., INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT BEER CO.	\$127.51	\$55.86	\$0.00	\$71.65	\$0.00
DETROIT LINEN SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT METRO WC AIRPORT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT RIVERTOWN BREWERY CC	\$733.80	\$733.80	\$0.00	\$0.00	\$0.00
DETROIT SAUSAGES CO INC	\$22.37	\$15.66	\$6.71	\$0.00	\$0.00
DETRONIC INDUSTRIES, INC.	\$ (213.83)	\$0.00	\$ (213.83)	\$0.00	\$0.00
DIFCO LABORATORIES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DIVERSIFIED CHEM TECH. INC.	\$96.26	\$96.26	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$6,948.88	\$6,948.88	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$2,872.13	\$2,872.13	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
DOWNEY BREWING COMPANY	\$35.41	\$35.41	\$0.00	\$0.00	\$0.00
DUBOIS CHEMICALS, INC.	\$1,150.70	\$1,150.70	\$0.00	\$0.00	\$0.00
E & E MANUFACTURING CO, PLAN	\$136.11	\$91.92	\$44.19	\$0.00	\$0.00
E & E MANUFACTURING CO, PLAN	\$243.21	\$243.21	\$0.00	\$0.00	\$0.00
E.W. GROBBEL'S SONS, INC.	\$3,512.89	\$3,512.89	\$0.00	\$0.00	\$0.00
EASTERN MARKET BREWING COMP	\$9.99	\$9.99	\$0.00	\$0.00	\$0.00
ENVIROSOLIDS, L.L.C.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$694.95	\$498.69	\$196.26	\$0.00	\$0.00
EQ DETROIT, INC.	\$3,114.84	\$2,204.07	\$910.77	\$0.00	\$0.00
EQ DETROIT, INC.	\$ (0.59)	\$0.00	\$0.00	\$0.00	\$ (0.59)
EQ DETROIT, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ETON ST BREWERY- GRIFFIN CL	\$1,392.01	\$1,392.01	\$0.00	\$0.00	\$0.00
EXTRUDE HONE CORPORATION	\$71.84	\$71.84	\$0.00	\$0.00	\$0.00
EXTRUDEHODE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FARMINGTON BREWING COMPANY	\$16.28	\$16.28	\$0.00	\$0.00	\$0.00
FAYGO BEVERAGES, INC.	\$6,067.06	\$6,067.06	\$0.00	\$0.00	\$0.00
FITZGERALD FINISHING LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FIVES CINETIC CORP.	\$5,134.02	\$5,134.02	\$0.00	\$0.00	\$0.00
FORD MOTOR CO- STERLING PLAN	\$2,453.28	\$2,453.28	\$0.00	\$0.00	\$0.00
FORD NEW MODEL PROGRAM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FOUNDERS BREWING COMPANY	\$12.31	\$12.31	\$0.00	\$0.00	\$0.00
FRESH-PAK	\$593.82	\$593.82	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
FRESH-PAK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GENERAL LINEN SUPPLY CO.	\$4,075.87	\$4,075.87	\$0.00	\$0.00	\$0.00
GENERAL MOTORS, LLC ROMULUS	\$2,124.27	\$2,124.27	\$0.00	\$0.00	\$0.00
GLOBAL TITANIUM, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$40.26	\$40.26	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$29.54	\$29.54	\$0.00	\$0.00	\$0.00
GREAT BARABOO BREWING CO.	\$88.58	\$88.58	\$0.00	\$0.00	\$0.00
HACIENDA MEXICAN FOODS	\$971.04	\$970.65	\$0.39	\$0.00	\$0.00
HENKEL CORPORATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HENRY FORD MACOMB HOSPITAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HOME STYLE FOOD INC.	\$ (463.26)	\$0.00	\$ (463.26)	\$0.00	\$0.00
HOME GROWN BREWING COMPANY	\$38.41	\$38.41	\$0.00	\$0.00	\$0.00
HOODS CLEANERS	\$211.33	\$0.00	\$0.00	\$0.00	\$211.33
HUNTINGTON CLEANERS	\$270.10	\$270.10	\$0.00	\$0.00	\$0.00
IDP, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDUSTRIAL METAL COATING	\$79.59	\$79.59	\$0.00	\$0.00	\$0.00
INTRASTATE DISTRIBUTORS	\$839.25	\$839.25	\$0.00	\$0.00	\$0.00
ISLAMIC SLAUGHTER HOUSE	\$405.56	\$405.56	\$0.00	\$0.00	\$0.00
ITALIAN BUTTER BREAD STICKS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
JAMEX BREWING CO.	\$21.31	\$21.31	\$0.00	\$0.00	\$0.00
JELD-WEN, INC.	\$341.07	\$341.07	\$0.00	\$0.00	\$0.00
KAR NUT PRODUCTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
KOWALSKI SAUSAGES, CO.	\$ (578.52)	\$ (578.52)	\$0.00	\$0.00	\$0.00
KUHNHENN BREWING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$761.16	\$761.16	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$82.95	\$82.95	\$0.00	\$0.00	\$0.00
LEAR CORPORATION DBA EAGLE C	\$55.76	\$55.76	\$0.00	\$0.00	\$0.00
LIBERTY STREET PROD. BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LILY'S SEAFOOD GRILL & BREWE	\$39.96	\$39.96	\$0.00	\$0.00	\$0.00
LIQUID ENVIRONMENTAL OF ILLI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LIQUID ENVIRONMENTAL SOLUTIC	\$644.48	\$644.48	\$0.00	\$0.00	\$0.00
MACDERMID, INC.	\$663.39	\$663.39	\$0.00	\$0.00	\$0.00
MCCLURE'S PICKLES	\$526.08	\$526.08	\$0.00	\$0.00	\$0.00
MCGEAN CHEMICALS	\$294.65	\$294.65	\$0.00	\$0.00	\$0.00
MCNICHOLS POLISHING & ANODIZ	\$ (31.54)	\$0.00	\$ (31.54)	\$0.00	\$0.00
MELLO MEATS INC, - KUBISCH S	\$134.26	\$134.26	\$0.00	\$0.00	\$0.00
METROPOLITAN BAKERY	\$ (480.40)	\$0.00	\$0.00	\$0.00	\$ (480.40)
MIBA HYDRAMECHANICA CORP.	\$611.82	\$611.82	\$0.00	\$0.00	\$0.00
MICHIGAN DAIRY	\$76,291.87	\$76,291.87	\$0.00	\$0.00	\$0.00
MICHIGAN PROD. MACHINING	\$1,504.09	\$1,504.09	\$0.00	\$0.00	\$0.00
MICHIGAN SOY PRODUCTS CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MIDWEST WIRE PRODUCTS, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MILANO BAKERY	\$453.97	\$453.97	\$0.00	\$0.00	\$0.00
MILTON CHILI CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MINNIE MARIE BAKERS, INC	\$1,006.16	\$1,006.16	\$0.00	\$0.00	\$0.00
MISTER UNIFORM & MAT RENTALS	\$ (11.64)	\$0.00	\$0.00	\$0.00	\$ (11.64)
MOTOR CITY BREWING WORKS	\$60.57	\$59.94	\$0.00	\$0.63	\$0.00
NATIONAL CHILI COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NATIONAL CHILI COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NATIONAL CHILI COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NEAPCO DRIVELINES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTH CENTER BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTHERN LAKES SEAFOOD & MEAT	\$15.89	\$15.89	\$0.00	\$0.00	\$0.00
OAKWOOD BAKERY	\$60.52	\$60.52	\$0.00	\$0.00	\$0.00
OLIVER HATCH CONSTRUCTION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PARKEDALE PHARMACEUTICALS/PE	\$114.86	\$114.86	\$0.00	\$0.00	\$0.00
PARKER'S HILLTOP BREWER & SE	\$67.00	\$67.00	\$0.00	\$0.00	\$0.00
PELLERITO FOODS INC.	\$26.50	\$26.50	\$0.00	\$0.00	\$0.00
PEPSI COLA, INC.	\$16,282.24	\$16,282.24	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$16,560.67	\$16,560.67	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$9,012.36	\$9,012.36	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$1,232.71	\$1,232.71	\$0.00	\$0.00	\$0.00
PERSONAL UNIFORM SERVICE, IN	\$ (18.19)	\$0.00	\$0.00	\$0.00	\$ (18.19)
PETRO ENVIRON TECH, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PINE TREE ACRES, INC.	\$114,832.18	\$106,054.59	\$0.00	\$8,777.59	\$0.00
PLATING SPEC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
POWER VAC OF MICHIGAN, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
PREMIER PLATING, LLC	\$680.78	\$680.78	\$0.00	\$0.00	\$0.00
PREMIER PLATING- STERLING HE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PRODUCTION SPRING, LLC.	\$196.70	\$196.70	\$0.00	\$0.00	\$0.00
QUAKER HOUGHTON - PLANT #2	\$ (107.71)	\$0.00	\$ (107.71)	\$0.00	\$0.00
QUAKER HOUGHTON - PLANT #2	\$ (734.32)	\$0.00	\$ (734.32)	\$0.00	\$0.00
QUAKER HOUGHTON - PLANT #2	\$1,410.62	\$1,410.62	\$0.00	\$0.00	\$0.00
QUALA SERVICES, LLC	\$47.34	\$47.34	\$0.00	\$0.00	\$0.00
RAY'S ICE CREAM CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RED SPOT PAINT #409139	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RIVER ROUGE BREWING COMPANY	\$440.60	\$0.00	\$0.00	\$0.00	\$440.60
ROAK BREWING CO. LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS BEER COMPANY	\$134.28	\$134.28	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS PROD BREWERY	\$3,229.67	\$1,181.66	\$0.00	\$1,181.66	\$866.35
ROYAL OAK BREWERY	\$67.87	\$67.87	\$0.00	\$0.00	\$0.00
RTT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SEAFARE FOODS, INC.	\$64.30	\$64.30	\$0.00	\$0.00	\$0.00
SECOND NATURE (SANDERS)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SHERWOOD BREWING COMPANY	\$42.79	\$42.79	\$0.00	\$0.00	\$0.00
SMITH-WATKINS, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SPRAYTEK INC.- MADISON HEIGH	\$615.03	\$615.03	\$0.00	\$0.00	\$0.00
SPRAYTEK, INC.	\$14.52	\$0.00	\$0.00	\$0.00	\$14.52
SUPERNATURAL SPIRITS & BREWI	\$42.62	\$42.62	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
SWEETHEART BAKERY, INC.	\$242.93	\$122.50	\$59.18	\$61.25	\$0.00
THE CROWN GROUP-LIVONIA PLAN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
THE DEBURRING COMPANY	\$66.67	\$66.67	\$0.00	\$0.00	\$0.00
THERMO FISHER SCIENTIFIC	\$51,127.06	\$51,127.06	\$0.00	\$0.00	\$0.00
TOM LAUNDRY CLEANERS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TRAFFIC JAM & SNUG	\$ (31.16)	\$0.00	\$0.00	\$0.00	\$ (31.16)
TURRI'S ITALIAN FOODS	\$0.50	\$0.50	\$0.00	\$0.00	\$0.00
TURRI'S ITALIAN FOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
U-METCO, INC.	\$424.71	\$424.71	\$0.00	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$80,655.42	\$40,848.66	\$39,806.76	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$4,432.77	\$2,234.68	\$2,198.09	\$0.00	\$0.00
UNIQUE LINEN SERVICES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNITED FISH DISTRIBUTORS	\$1.04	\$1.04	\$0.00	\$0.00	\$0.00
UNITED LINEN SERVICE, LLC.	\$392.65	\$197.09	\$195.56	\$0.00	\$0.00
UNITED MEAT & DELI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
URBANREST BREWING COMPANY	\$69.34	\$69.34	\$0.00	\$0.00	\$0.00
US ECOLOGY MICHIGAN	\$576.74	\$576.74	\$0.00	\$0.00	\$0.00
US ECOLOGY ROMULUS, INC.	\$1,489.96	\$950.59	\$539.37	\$0.00	\$0.00
USHER OIL SERVICES	\$2,569.85	\$2,569.85	\$0.00	\$0.00	\$0.00
VALICOR ENVIROMENTAL SERVICE	\$559.27	\$559.27	\$0.00	\$0.00	\$0.00
VALICOR ENVIRONMENTAL SERVIC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
VAUGHAN INDUSTRIES, INC.	\$34.87	\$34.87	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS	\$6,387.80	\$6,387.80	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 04/30/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
VERNDALE PRODUCTS, INC.	\$838.14	\$838.14	\$0.00	\$0.00	\$0.00
VERNOR FOOD PRODUCTS	\$165.93	\$66.37	\$33.19	\$29.04	\$37.33
WIGLEY'S MEAT PROCESS	\$552.66	\$552.66	\$0.00	\$0.00	\$0.00
WINTER SAUSAGE MFG. CO.	\$397.32	\$397.32	\$0.00	\$0.00	\$0.00
WINTER SAUSAGE MFG. CO.	\$69.49	\$69.49	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO	\$1,886.89	\$1,886.89	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO.	\$2,438.88	\$2,438.88	\$0.00	\$0.00	\$0.00
WOODWARD AVENUE BREWERS	\$144.24	\$0.00	\$0.00	\$0.00	\$144.24
X-R-I TESTING	\$38.90	\$38.90	\$0.00	\$0.00	\$0.00
TOTAL POLLUTANT SURCHARGE ACCOUNTS	\$593,258.30	\$540,900.62	\$42,453.61	\$8,788.65	\$1,115.42

City of Highland Park Billings and Collections

	Water	Sewer	IWC	Cumulative Total
June 30, 2012 Balance	\$ -	\$ 10,207,956	\$ 852,987	\$ 11,060,943
FY 2013 Billings	485,887	4,987,635	154,444	5,627,966
FY 2013 Payments	(65,652)	(2,206,211)	-	(2,271,863)
				-
June 30, 2013 Balance	\$ 420,235	\$ 12,989,380	\$ 1,007,431	\$ 14,417,046
FY 2014 Billings	1,004,357	6,980,442	161,951	8,146,750
FY 2014 Payments	-	(1,612,633)	-	(1,612,633)
				-
June 30, 2014 Balance	\$ 1,424,592	\$ 18,357,189	\$ 1,169,382	\$ 20,951,163
FY 2015 Billings	1,008,032	5,553,123	165,739	6,726,894
FY 2015 Payments	-	(1,444,623)	-	(1,444,623)
				-
June 30, 2015 Balance	\$ 2,432,625	\$ 22,465,689	\$ 1,335,121	\$ 26,233,435
FY 2016 Billings	1,157,178	5,612,167	106,431	6,875,776
FY 2016 Payments	-	(2,022,335)	-	(2,022,335)
				-
June 30, 2016 Balance	\$ 3,589,803	\$ 26,055,521	\$ 1,441,551	\$ 31,086,875
FY 2017 Billings	1,245,267	5,802,000	101,999	7,149,265
FY 2017 Payments	-	(2,309,186)	-	(2,309,186)
				-
June 30, 2017 Balance	\$ 4,835,070	\$ 29,548,335	\$ 1,543,550	\$ 35,926,954
FY 2018 Billings	1,277,179	5,657,101	80,472	7,014,752
FY 2018 Payments	-	(4,108,108)	-	(4,108,108)
				-
June 30, 2018 Balance	\$ 6,112,248	\$ 31,097,327	\$ 1,624,022	\$ 38,833,597
FY 2019 Billings	1,238,797	5,617,100	51,220	6,907,117
FY 2019 Payments	-	(5,241,583)	-	(5,241,583)
				-
June 30, 2019 Balance	\$ 7,351,045	\$ 31,472,844	\$ 1,675,243	\$ 40,499,132
FY 2020 Billings	1,182,639	5,665,400	47,097	6,895,136
FY 2020 Payments	-	(3,026,117)	-	(3,026,117)
				-
June 30, 2020 Balance	\$ 8,533,684	\$ 34,112,127	\$ 1,722,340	\$ 44,368,151
FY 2021 Billings	1,185,506	5,702,000	47,423	6,934,929
FY 2021 Payments	-	(2,783,552)	-	(2,783,552)
				-
June 30, 2021 Balance	9,719,190	37,030,575	1,769,763	48,519,528
FY 2022 Billings	1,222,260	5,389,300	48,322	6,659,882
FY 2022 Payments	-	(1,788,828)	-	(1,788,828)
				-
June 30, 2022 Balance	\$ 10,941,450	\$ 40,631,047	\$ 1,818,085	\$ 53,390,582
FY 2023 Billings (10 Months)	1,051,732	4,511,700	39,967	5,603,399
FY 2023 Payments (10 Months)	-	(4,138,088)	-	(4,138,088)
				-
Balance as of April 30, 2023	\$ 11,993,182	\$ 41,004,660	\$ 1,858,052	\$ 54,855,892

GLWA

Great Lakes Water Authority



Monthly Financial Report Binder

May 2023

**Presented to the
Great Lakes Water Authority
Audit Committee on August 25, 2023**

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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)

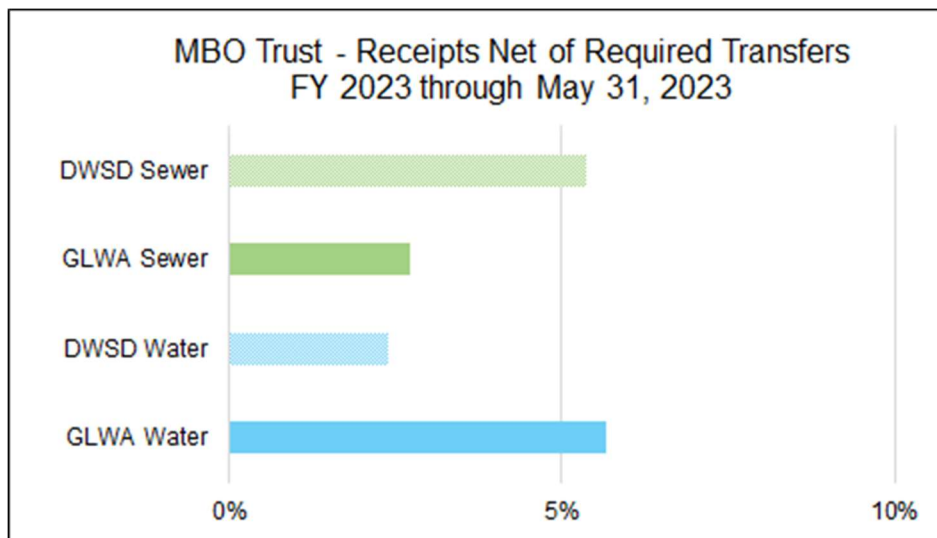
Each variance is monitored by the Great Lakes Water Authority (GLWA) management and, where appropriate, operating and/or budget priorities are re-evaluated. Staff reviews the need for budget amendments quarterly and requests necessary amendments when required based on the most current information available. This report reflects fourth quarter budget amendments approved by the GLWA Board of Directors on June 28, 2023.

For the current period, sewer capital spend reflects a variance to budget outside the normal range. Sewer capital spend is expected to show additional improvement prior to yearend.

As of May 31, 2023					
Metric	FY 2023 Budget	FY 2023 Amended Budget	FY 2023 Actual	Variance from Financial Plan	Report Page Reference
Wholesale Water Billed Revenue (\$M)	\$306.7	\$306.7	\$309.5	1%	49
Wholesale Water Billed Usage (mcf)	12,043,000	12,043,000	12,242,000	2%	
Wholesale Sewer Billed Revenue (\$M)	\$251.8	\$251.8	\$251.8	0%	51
Wholesale Water Operations & Maintenance (\$M)	\$132.8	\$143.7	\$139.6	-3%	5
Wholesale Sewer Operations & Maintenance (\$M)	\$168.7	\$187.1	\$185.2	-1%	
Investment Income (\$M)	\$2.1	\$29.9	\$30.5	2%	38
Water Prorated Capital Spend w/SRA* (\$M)	\$142.5	\$190.6	\$182.0	-4%	29
Sewer Prorated Capital Spend w/SRA* (\$M)	\$115.4	\$99.1	\$92.9	-6%	30

*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 54)



Net cash flow receipts remain positive for GLWA Water and 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). DWSD Water reports a surplus of \$2.6 million and DWSD Sewer reports a surplus of \$14.8 million of net receipts over disbursements through May 2023.

Budget to Actual Analysis (page 3)

- FY 2023 information includes the fourth quarter budget amendments which were approved by the GLWA Board of Directors on June 28, 2023.
- The total Revenue Requirements are on target through May 2023.
- The total overall Operations & Maintenance expenses are at 90.0% of budget through May 2023 which is below the pro-rata benchmark of 91.7%. This positive variance equates to a dollar amount of \$6.0 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 May 2023 is \$71.4 million for the Water fund (21.6% of total revenues) and \$102.9 million for the Sewer fund (23.3 % of total revenues).
- Water Net Position increased by \$ 9.1 million, and Sewage Disposal Net Position increased by \$ 20.7 million for the year to date through May 2023.

Capital Improvement Plan Financial Summary (page 28)

- Water system costs incurred to date are below the amended 107% Capital Spend Ratio assumption.
- Sewer system costs incurred to date are below the amended 86.2% Capital Spend Ratio assumption.

Master Bond Ordinance Transfers (page 31)

- For May, transfers of \$15.1 million and \$21.8 million were completed for the GLWA Water and Sewer funds, respectively.
- Also, for May, transfers of \$6.0 million and \$6.0 million were completed for the DWSD Water and Sewer funds, respectively.

Cash Balances & Investment Income (page 38)

- Total cash & investments are \$573 million for Water and \$722 million in the Sewer fund.
- Total, combined, cumulative, FY 2023 investment income through May is \$30.5 million.

DWSD Retail Revenues, Receivables & Collections (page 42)

- Water usage through May 31, 2023 is 109.71% and revenues are 106.86% of budget.
- Sewer usage through May 31, 2023 is 104.05% and revenues are 100.48% of budget.
- Combined accounts receivable balances for the water and sewer funds report an increase of \$34.9 million over the prior year.
- Past dues over 180 days make up of 70.2% the total accounts receivable balance. The current bad debt allowance covers 100.8% of past dues over 60 days.

GLWA Wholesale Billing, Receivables & Collections (page 48)

- GLWA accounts receivable past due balance net of Highland Park is 20.38% of the total accounts receivable balance, with the majority of that balance related to one water account dispute currently under discussion.
- The Highland Park past due balance is \$55.1 million. It includes \$41.1 million for wastewater treatment services, \$1.9 million for industrial waste control services, and \$12.1 million for water supply services. Highland Park made a catch-up payment of \$1.7 million on June 3, 2022 and has continued to make additional, monthly payments since that time totaling \$4.5 million as of May 31, 2023.

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

The FY 2023 information presented in these sections includes the fourth quarter FY 2023 budget amendments approved by the GLWA Board of Directors on June 28, 2023.

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 May 2023, the pro-rata benchmark is 91.7% (11 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 2023 are slightly below the pro-rata benchmark; the *water* system is at 90.8% while the *sewer* system is at 91.4%. Detailed schedules related to revenues are provided in the *Wholesale Billings, Collections, and Receivables* section of this financial report binder.

Water revenues presented in Table 1A differ from those presented in *Table 2 – Statement of Revenues, Expenses and Changes in Net Position* found in the *Basic Financial Statement* section of this report. Water Revenues presented in Table 1A for revenue requirement purposes are reduced by the monthly payment to the City of Flint for a license to raw water rights under the Flint Raw Water Contract as documented in Appendix A-2 of the [Flint Water Agreement](#). Through May 31, 2023, these payments total \$5.9 million for FY 2023.

2. **Investment Earnings:** For both systems, investment earnings are below the pro-rata benchmark for FY 2023; the *water* system is at 80.7% while the *sewer* system is at 79.3%. 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 *both* systems are below the pro-rata benchmark for FY 2023 the *water* system is at 89.1% while the *sewer* system O&M expenses is at 90.7%.
5. **Debt Service:** For FY 2023, both systems are above the pro-rata benchmark for debt service; the *water* system is at 93.8% while the *sewer* system is at 93.2%. 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. Adequate funding is in place to meet this requirement; therefore, it is expected that additional transfers to this reserve will not be required in FY 2023.
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 2022, DWSD management successfully implemented a formal plan to end the year with positive net cash flows for both the DWSD *water* system and the DWSD *sewer* system. For FY 2023, neither the DWSD *water* system nor the DWSD *sewer* system have a budgetary shortfall through May 31, 2023. GLWA and DWSD staff meet regularly to discuss steps to mitigate shortfalls, when they occur, as outlined in the 2018 MOU.
8. **Improvement & Extension (I&E) Fund Transfer Pending:** The contribution to the I&E Fund is for improvements, enlargements, extensions, or betterment of the *water* and *sewer* systems.
9. **Other Revenue Requirements:** The remaining revenue requirements for *both* systems are funded on a 1/12th basis each month in accordance with the Master Bond Ordinance.
10. **Overall:** Total revenue requirements for *both* systems are in line with the benchmark.

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

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

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

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

	FY 2022 AMENDED BUDGET	FY 2022 ACTIVITY THRU 5/31/2022	Percent Year-to- Date	FY 2023 BOARD ADOPTED BUDGET	FY 2023 AMENDED BUDGET	FY 2023 ACTIVITY THRU 5/31/2023	Percent Year-to- Date
Water System							
Revenues							
Suburban Wholesale Customer Charges	\$ 315,011	\$ 288,977	91.7%	\$ 331,962	\$ 333,856	\$ 303,752	91.0%
Retail Service Charges	21,697	19,889	91.7%	22,986	22,834	20,936	91.7%
Investment Earnings	1,924	1,763	91.6%	949	9,670	7,803	80.7%
Other Revenues	684	760	111.0%	175	995	989	99.4%
Total Revenues	\$ 339,316	\$ 311,389	91.8%	\$ 356,072	\$ 367,356	\$ 333,479	90.8%
Revenue Requirements							
Operations & Maintenance Expense	\$ 143,934	\$ 117,691	81.8%	\$ 144,848	\$ 156,748	\$ 139,634	89.1%
General Retirement System Legacy Pension	6,048	5,544	91.7%	6,048	6,048	5,544	91.7%
Debt Service	135,121	124,122	91.9%	150,337	150,055	140,755	93.8%
General Retirement System Accelerated Pension	6,268	5,746	91.7%	6,268	6,268	5,746	91.7%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	200	-	0.0%
Water Residential Assistance Program Contribution	1,706	1,563	91.7%	1,771	1,771	1,623	91.7%
Regional System Lease	22,500	20,625	91.7%	22,500	22,500	20,625	91.7%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending Improvement & Extension Fund Transfer Pending	-	-	0.0%	-	-	-	0.0%
	23,740	24,763	104.3%	24,300	23,766	26,080	109.7%
Total Revenue Requirements	\$ 339,316	\$ 300,054	88.4%	\$ 356,072	\$ 367,356	\$ 340,008	92.6%
Net Difference		\$ 11,335				\$ (6,528)	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ 349				\$ (3,263)	
Revenue Requirement Variance		10,986				(3,265)	
Overall Variance		\$ 11,335				\$ (6,528)	

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

	FY 2022 AMENDED BUDGET	FY 2022 ACTIVITY THRU 5/31/2022	Percent Year-to- Date	FY 2023 BOARD ADOPTED BUDGET	FY 2023 AMENDED BUDGET	FY 2023 ACTIVITY THRU 5/31/2023	Percent Year-to- Date
Sewer System							
Revenues							
Suburban Wholesale Customer Charges	\$ 268,130	\$ 249,663	93.1%	\$ 275,404	\$ 274,907	\$ 252,650	91.9%
Retail Service Charges	188,662	172,940	91.7%	191,042	191,042	175,122	91.7%
Industrial Waste Control Charges	8,325	7,600	91.3%	8,420	8,420	7,690	91.3%
Pollutant Surcharges	5,089	4,370	85.9%	4,951	4,951	4,304	86.9%
Investment Earnings	1,876	1,581	84.2%	1,156	13,532	10,732	79.3%
Other Revenues	538	441	82.0%	400	2,355	2,235	94.9%
Total Revenues	\$ 472,620	\$ 436,595	92.4%	\$ 481,372	\$ 495,207	\$ 452,733	91.4%
Revenue Requirements							
Operations & Maintenance Expense	\$ 191,909	\$ 172,386	89.8%	\$ 184,053	\$ 204,123	\$ 185,163	90.7%
General Retirement System Legacy Pension	10,824	9,922	91.7%	10,824	10,824	9,922	91.7%
Debt Service	204,985	188,293	91.9%	205,638	212,509	198,037	93.2%
General Retirement System Accelerated Pension	11,621	10,652	91.7%	11,621	11,621	10,652	91.7%
Extraordinary Repair & Replacement Deposit	-	-	0.0%	-	-	-	0.0%
Water Residential Assistance Program Contribution	2,358	2,162	91.7%	2,394	2,394	2,195	91.7%
Regional System Lease	27,500	25,208	91.7%	27,500	27,500	25,208	91.7%
Operating Reserve Deposit	-	-	0.0%	-	-	-	0.0%
DWSD Budget Shortfall Pending Improvement & Extension Fund Transfer Pending	-	-	0.0%	-	-	-	0.0%
	23,424	31,058	132.6%	39,343	26,237	23,768	90.6%
Total Revenue Requirements	\$ 472,620	\$ 439,681	93.0%	\$ 481,372	\$ 495,207	\$ 454,945	91.9%
Net Difference		\$ (3,086)				\$ (2,213)	
<i>Recap of Net Positive Variance</i>							
Revenue Variance		\$ 3,360				\$ (1,207)	
Revenue Requirement Variance		(6,446)				(1,005)	
Overall Variance		\$ (3,086)				\$ (2,213)	

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

Operations & Maintenance Budget – Major Budget Categories

The year-over-year benchmark ratio as of May 31, 2023, is 91.7% (eleven months). When comparing FY 2023 to FY 2022 in **Table 2 – Operations & Maintenance Budget – Major Budget Categories**, the overall spending is higher in FY 2023.

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

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

Major Budget Categories	FY 2022 AMENDED BUDGET	FY 2022 ACTIVITY THRU 5/31/2022	Percent Year-to- Date	FY 2023 BOARD ADOPTED BUDGET	FY 2023 AMENDED BUDGET	FY 2023 ACTIVITY THRU 5/31/2023	Percent Year-to- Date
Water	\$ 76,422	\$ 68,334	89.4%	\$ 76,518	\$ 85,337	\$ 77,499	90.8%
Sewer	120,971	107,702	89.0%	113,198	136,348	126,854	93.0%
Centralized	103,846	84,383	81.3%	104,503	104,502	90,917	87.0%
Administrative	34,603	29,658	85.7%	34,682	34,682	29,526	85.1%
Employee Benefits	-	-	0.0%	-	-	-	0.0%
Total O&M Budget	\$ 335,843	\$ 290,077	86.4%	\$ 328,900	\$ 360,870	\$ 324,797	90.0%

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 90.0% which is below the pro-rata benchmark of 91.7%. This positive variance equates to a dollar amount of \$6.0 million. The expense category commentary is provided below for items highlighted on Table 3.

Personnel Costs: The overall category is slightly under the pro-rata benchmark; coming in at 90.8% through May 2023.

Utilities: The overall category is slightly below the pro-rata benchmark; coming in at 90.5% through May 2023. Variances within this category, when they occur, are not unexpected as usage varies throughout the year.

- **Electric** is slightly below the pro-rata benchmark, coming in at 90.4%. The FY 2023 budget was adjusted for the increase to the charge for kWh. 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 88.4% which is lower than the benchmark of 91.7%. Variances within this category are not unexpected as usage varies throughout the year. The FY 2023 budget was adjusted for the increase in both usage as well as for the cost of natural gas MMBTU.
- **Sewage service** is higher than the benchmark, coming in at 94.9%. Increased usage has been reported at the WRRF (in part due to bills being received for actual meter readings when in the past the bills had been estimated), the Biosolids Dryer Facility (BDF), and the Southwest Water Plant. The FY 2023 budget was adjusted for the increased usage and this category continues to be closely monitored.
- **Water service** is slightly higher than the benchmark, coming in at 92.1%. As meters have been repaired or replaced at the WRRF, the billings that previously reported estimated readings have been replaced with actual readings. The actual readings have been coming in higher than the estimated billings. In addition, a new water billing structure was implemented in early FY 2023 which has resulted in an increase in the water billing rate. The FY 2023 budget was adjusted for the increased meter readings and billing rate.

Chemicals: This category is slightly lower than the benchmark; coming in at 91.2% through May 2023. The FY 2023 budget has been amended for both systems to adjust for the rising chemical costs and this category continues to be closely monitored.

Supplies & Other: This category is slightly higher than the pro-rata benchmark; coming in at 92.0% through May 2023. Given that the nature of the items in this category are subject to one-time expenses that do not occur evenly throughout the year, variances are not unexpected.

Contractual Services: The overall category is lower than the pro-rata benchmark; coming in at 88.8% through May 2023. Variances in this category, when they occur, are not unexpected as the usage of contracts varies throughout the year (projects scheduled to begin during the latter half of the year as well as contracts that are on an as needed basis). Budget amendments are processed for those projects in which the actual start dates have been delayed from that in which they were budgeted.

Capital Program Allocation: This category is higher than the benchmark; coming in at 92.9% through May 2023. 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. The FY 2023 budget was amended.

Shared Services: This category is lower than the benchmark; coming in at 69.5% through May 2023. 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 2023. 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 2022 AMENDED BUDGET	FY 2022 ACTIVITY THRU 5/31/2022	Percent Year-to- Date at 5/31/2022	FY 2022 ACTIVITY THRU 6/30/2022	Percent Year-to- Date at 6/30/2022	FY 2023 AMENDED BUDGET	FY 2023 PRORATED AMENDED BUDGET (11 MONTHS)	FY 2023 ACTIVITY THRU 5/31/2023	Percent Year-to- Date 5/31/2023	FY 2023 PRORATED BUDGET LESS FY 2023 ACTIVITY
Entity-wide										
Salaries & Wages	\$ 66,113	\$ 58,895	89.1%	\$ 63,901	92.2%	\$ 71,395	\$ 65,445	\$ 64,550	90.4%	\$ 895
Workforce Development	869	752	86.6%	844	89.1%	1,326	1,216	1,251	94.3%	(36)
Overtime	8,126	7,431	91.4%	8,113	91.6%	8,411	7,710	7,857	93.4%	(147)
Employee Benefits	25,956	22,817	87.9%	24,206	94.3%	25,582	23,450	22,809	89.2%	641
Transition Services	10,805	9,216	85.3%	9,990	92.3%	9,432	8,646	8,947	94.9%	(301)
Employee Benefits Fund	-	-	0.0%	-	0.0%	-	-	-	0.0%	-
Personnel Costs	111,869	99,112	88.6%	107,053	92.6%	116,145	106,467	105,414	90.8%	1,053
Electric	43,950	40,125	91.3%	43,755	91.7%	47,963	43,966	43,370	90.4%	597
Gas	7,081	7,112	100.4%	8,665	82.1%	12,042	11,038	10,648	88.4%	390
Sewage Service	2,510	2,238	89.1%	2,568	87.2%	3,028	2,776	2,875	94.9%	(99)
Water Service	5,841	3,536	60.5%	4,669	75.7%	11,589	10,623	10,671	92.1%	(48)
Utilities	59,383	53,011	89.3%	59,656	88.9%	74,622	68,403	67,563	90.5%	840
Chemicals	19,842	17,881	90.1%	20,382	87.7%	29,525	27,064	26,918	91.2%	147
Supplies & Other	35,034	27,783	79.3%	29,711	93.5%	36,163	33,149	33,252	92.0%	(103)
Contractual Services	111,198	97,143	87.4%	107,527	90.3%	106,625	97,740	94,725	88.8%	3,015
Capital Program Allocation	(2,684)	(2,375)	88.5%	(2,632)	90.2%	(2,135)	(1,957)	(1,984)	92.9%	26
Shared Services	(3,202)	(2,477)	77.4%	(2,398)	103.3%	(1,571)	(1,440)	(1,091)	69.5%	(349)
Unallocated Reserve	4,402	-	0.0%	-	0.0%	1,497	1,372	-	0.0%	1,372
Total Expenses	\$ 335,843	\$ 290,077	86.4%	\$ 319,300	90.8%	\$ 360,870	\$ 330,798	\$ 324,797	90.0%	\$ 6,000
<i>Totals may be off due to rounding</i>										



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 2022 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 May 31, 2023
(\$000)

	Water	Sewage Disposal	Total Business-type Activities	Comparative June 30, 2022
Assets				
Cash - unrestricted (a)	\$ 228,702	\$ 271,859	\$ 500,561	\$ 347,655
Cash - restricted (a)	120,411	109,072	229,483	113,378
Investments - unrestricted (a)	22,238	44,019	66,257	185,209
Investments - restricted (a)	186,689	309,072	495,761	144,445
Accounts Receivable	80,196	60,127	140,322	175,133
Due from (to) Other Funds (b)	7,718	(7,718)	-	-
Other Assets (c)	677,676	409,735	1,087,411	1,077,698
Cash held FBO DWSD Advance	-	-	-	-
Capital Assets, net of Depreciation	1,200,705	1,990,747	3,191,453	3,432,437
Land	293,617	126,816	420,433	420,750
Construction Work in Process (e)	438,112	286,593	724,706	467,190
Total assets	3,256,064	3,600,324	6,856,388	6,363,896
Deferred Outflows (f)	45,836	114,087	159,924	182,497
Liabilities				
Liabilities - Liabilities-ST	165,412	194,437	359,849	354,055
Due to (from) Other Funds (b)	-	-	-	-
Other Liabilities (h)	2,144	5,582	7,726	7,500
Cash Held FBO DWSD (d)	20,450	29,540	49,989	20,470
Liabilities - Long-Term (i)	3,169,472	3,536,795	6,706,267	6,263,510
Total liabilities	3,357,477	3,766,354	7,123,831	6,645,535
Deferred Inflows (f)	44,576	37,378	81,953	120,157
Total net position (j)	\$ (100,154)	\$ (89,320)	\$ (189,473)	\$ (219,299)
<i>Totals may be off due to rounding</i>				

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, 2022 are also reported at market value. The May 31, 2023 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 May 2023 Financial Report Binder. Prior year ending balances are provided in the June 30, 2022 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 Eleven Months ended May 31, 2023
(\$000)

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business- Type Activities	Comparative June 30, 2022
Revenue						
Wholesale customer charges	\$ 309,665	93.6%	\$ 252,650	57.2%	\$ 562,315	\$ 591,840
Local system charges	20,936	6.3%	175,122	39.7%	196,058	210,360
Industrial waste charges		0.0%	7,690	1.7%	7,690	8,300
Pollutant surcharges		0.0%	4,304	1.0%	4,304	5,182
Other revenues	376	0.1%	1,572	0.4%	1,948	664
Total Revenues	330,977	100.0%	441,337	100.0%	772,314	816,345
Operating expenses						
Operations and Maintenance	140,443	42.4%	188,156	42.6%	328,598	324,735
Depreciation	115,869	35.0%	149,874	34.0%	265,743	281,210
Amortization of intangible assets	3,269	1.0%	403	0.1%	3,673	4,006
Total operating expenses	259,581	78.4%	338,432	76.7%	598,013	609,951
Operating Income	71,396	21.6%	102,905	23.3%	174,301	206,394
Total Nonoperating (revenue) expense	62,284	18.8%	82,191	18.6%	144,475	215,561
Increase/(Decrease) in Net Position	9,112	2.8%	20,713	4.7%	29,826	(9,167)
Net Position (deficit), beginning of year	(109,266)		(110,033)		(219,299)	(210,132)
Net position (deficit), end of year	\$ (100,154)		\$ (89,320)		\$ (189,473)	\$ (219,299)
<i>Totals may be off due to rounding</i>						

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

Water Fund

- ✓ The increase in Water Fund Net Position is \$9.1 million.
- ✓ Wholesale water customer charges of \$309.7 million account for 93.6% of Water System revenues.
- ✓ Operating expenses of \$259.6 million represent 78.4% of total operating revenue. Depreciation is the largest operating expense at \$115.9 million or 44.6% of operating expense.
- ✓ Amortization of intangible assets represents activity for raw water rights.
- ✓ Operating income after operating expenses (including depreciation) equals \$71.4 million or 21.6% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$77.5 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 \$20.7 million.
- ✓ Wholesale customer charges of \$252.6 million account for 57.2% 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 \$175.1 million account for 39.7% of total operating revenues. These are also billed at one-twelfth of the annual revenue requirement.
- ✓ Operating expenses of \$338.4 million represent 76.7% of total operating revenue. Depreciation is the largest operating expense at \$149.9 million or 44.3% of total operating expense.
- ✓ Amortization of intangible assets represents activity for a warehouse lease.
- ✓ Operating income after operating expenses (including depreciation) equals \$102.9 million or 23.3% of operating revenue.
- ✓ The largest category within nonoperating activities is bonded debt interest expense of \$90.7 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 May 2023 Financial Report Binder. Explanatory notes follow this schedule.

**Table 3 – Supplemental Schedule of Operations & Maintenance Expenses
– All Funds Combined
For the Eleven Months ended May 31, 2023
(\$000)**

	Water	Percent of Total	Sewage Disposal	Percent of Total	Total Business- Type Activities	Percent of Total
Operating Expenses						
Personnel						
Salaries & Wages	23,660	16.8%	51,088	27.2%	74,748	22.7%
Overtime	4,922	3.5%	2,935	1.6%	7,857	2.4%
Benefits	16,028	11.4%	6,781	3.6%	22,809	6.9%
Total Personnel	\$ 44,610	31.8%	\$ 60,804	32.3%	\$ 105,414	32.1%
Utilities						
Electric	27,750	19.8%	15,620	8.3%	43,370	13.2%
Gas	1,545	1.1%	9,104	4.8%	10,648	3.2%
Sewage	795	0.6%	2,080	1.1%	2,875	0.9%
Water	5	0.0%	10,665	5.7%	10,671	3.2%
Total Utilities	\$ 30,094	21.4%	\$ 37,469	19.9%	\$ 67,563	20.6%
Chemicals	11,164	7.9%	15,753	8.4%	26,918	8.2%
Supplies and other	10,767	7.7%	21,340	11.3%	32,107	9.8%
Contractual services	45,820	32.6%	54,074	28.7%	99,894	30.4%
Capital Adjustment	-	0.0%	-	0.0%	-	0.0%
Capital program allocation	(1,059)	-0.8%	(924)	-0.5%	(1,984)	-0.6%
Intergovernmental Agreement	(41)	0.0%	(182)	-0.1%	(223)	-0.1%
Shared services allocation	(913)	-0.6%	(178)	-0.1%	(1,091)	-0.3%
Operations and Maintenance Expenses	\$ 140,443	100.0%	\$ 188,156	100.0%	\$ 328,598	100.0%

Totals may be off due to rounding

- ✓ Core expenses for water and sewage disposal systems are utilities (20.6% of total O&M expenses) and chemicals (8.2% of total O&M expenses).
- ✓ Personnel costs (32.1% 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 (30.4%) 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 \$15.5 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 Eleven Months ended May 31, 2023
(\$000)

	Water	Sewage Disposal	Total Business- type Activities	Comparative June 30, 2022
Nonoperating (Revenue)/Expense				
Interest income contractual obligation	\$ (22,607)	\$ (15,028)	\$ (37,635)	\$ (42,120)
Interest income DWSD Shortfall	-	-	-	(145)
Investment earnings	(13,593)	(17,367)	(30,960)	(3,735)
Net (incr) decr in fair value of invstmt	(2,526)	(3,653)	(6,179)	9,119
Other nonoperating revenue	(613)	(664)	(1,276)	(476)
Interest Expense				
Bonded debt	100,095	105,778	205,872	212,284
Lease obligation	15,403	18,826	34,229	37,836
Other obligations	3,925	1,498	5,423	6,077
Total interest expense	119,423	126,102	245,524	256,197
Other non-capital expense	-	-	-	-
Memorandum of Understanding	-	-	-	-
Capital Contribution	-	(2,176)	(2,176)	(6,991)
Amortization, issuance costs, debt	(13,206)	2,744	(10,461)	(13,318)
(Gain) loss on disposal of capital assets	277	1,842	2,119	322
Loss on impairment of capital assets	-	-	-	-
Water Residential Assistance Program	2,570	3,714	6,284	2,793
Legacy pension expense	(7,444)	(13,322)	(20,765)	13,915
Total Nonoperating (Revenue)/Expense	\$ 62,284	\$ 82,191	\$ 144,475	\$ 215,561

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.

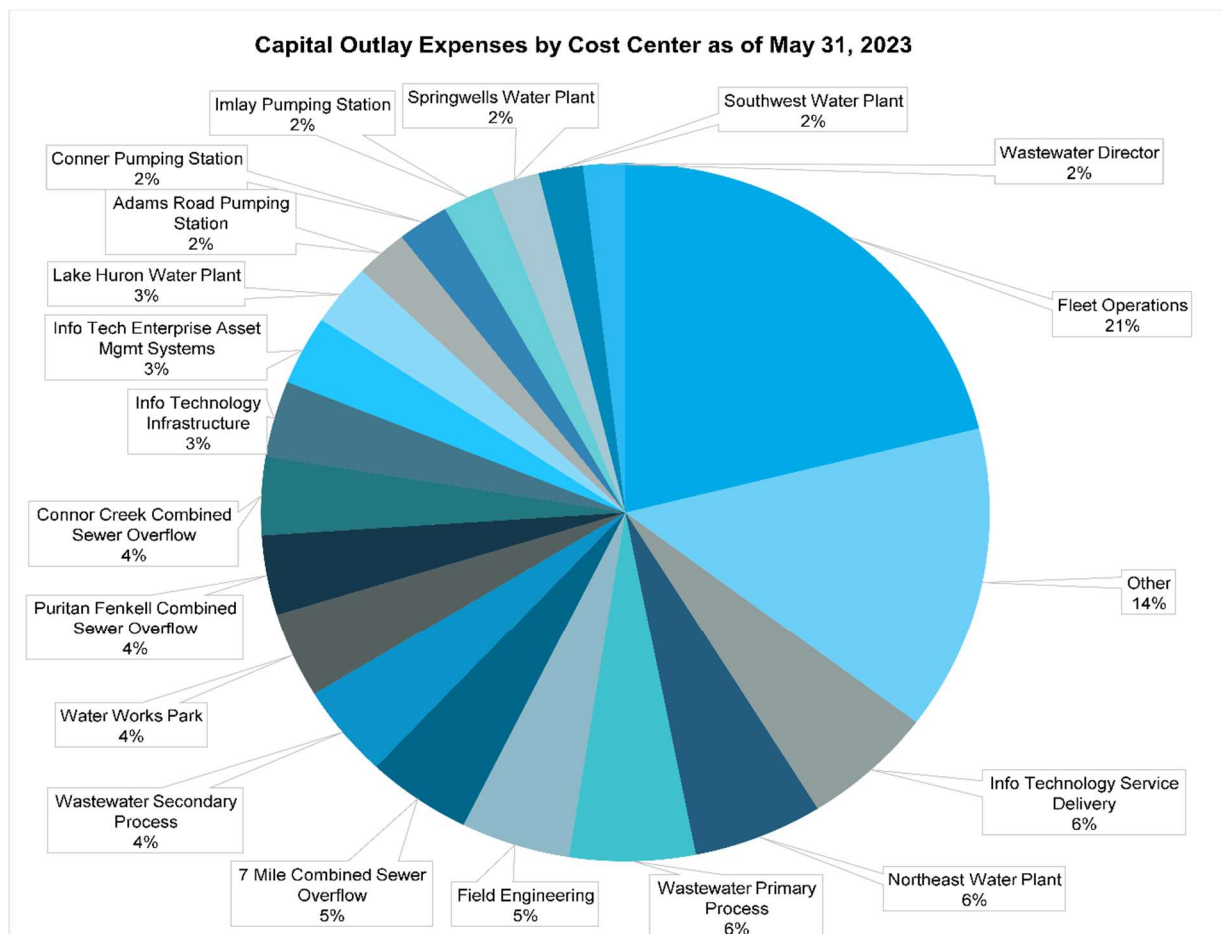
- ✓ Net (increase) decrease in fair value of investments consists of market value of investments and realized gain/loss on sale of investments. FY 2021 market value adjustments for Water and Sewer total \$1.5 million and \$1.0 million, respectively. FY 2022 market value adjustments for Water and Sewer 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 Activity Charts

Chart 1 – Capital Outlay – Water and Sewer System Combined

Capital Outlay represents purchases of equipment, software, and small facility improvement projects. It *excludes* any capital investment which is included in the monthly construction work-in-progress report related to the Capital Improvement Program. Some items span several months so the entire cost may not have been incurred yet. In addition, items are capitalized only if they meet GLWA's capitalization policy.

Through May 31, 2023, total capital outlay spend is \$11.2 million. Following this chart is a sample list of projects and purchases from the total spend of \$11.2 million:



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

Water Operations: Northeast Water treatment plant loss of flow and head measurement (\$521k); Imlay City motor (\$319k); VFD Drives and drawings (\$259k); Overhead door repair (\$160k); EDS Dashboard (\$86k); furniture for multiple sites

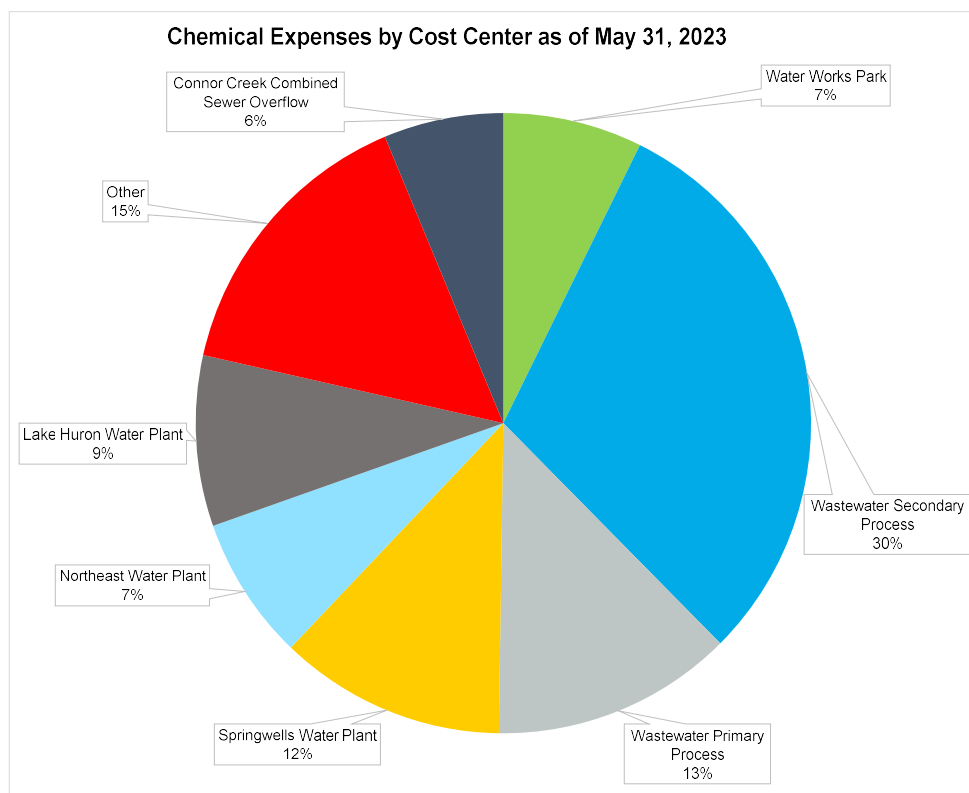
(\$77k); Power meter (\$77k); pump (\$63k); metering pump repairs (\$57k); clarifier drive (\$47k); composite cylinders (\$45k); tank pressure transmitter (\$42k); megohmmeter (\$38k) and CAAS Cube ELISA System (\$37k).

Wastewater Operations: CSO actuator replacement (\$849k); Water intake improvements (\$372k); Complex A pump replacement (\$367k); Rotork replacements (\$188k); WRRF Electrical Buildings project (\$163k); Scum hopper (\$153k); Chemical induction unit (\$151k); WRRF Actuator (\$132k); Pulsafeeders (\$121k); Gas detection unit (\$120k); Instrumentation and Controls (\$103k); Water Champ (\$97k); Terrain litter vacuum (\$95k); Puritan-Fenkell courtyard accessibility improvements (\$84k); Flygt Mixer (\$73k); CSO PQM meters (\$73k); Wastewater pumps (\$71k); Storage rack and lifting device (\$64k); Connor Creek replacement actuators (\$54k); Instrumentation (\$53k); Gate valve actuators (\$50k); Electric actuator (\$50k); flow meter replacement (\$45k) and Rotork units (\$42k).

Centralized & Administrative Facilities: Trucks and vehicles (\$2.2m); Software (\$628k); Computer hardware (\$551k); Cloud Backup Project (\$322k); charging stations (\$177k); Pressure transmitter (\$87k); meters (\$84k); transmitter (\$46k); forklift (\$39k) and valve exerciser (\$35k).

Chart 2 – Chemical Expenses – Water and Sewer System Combined

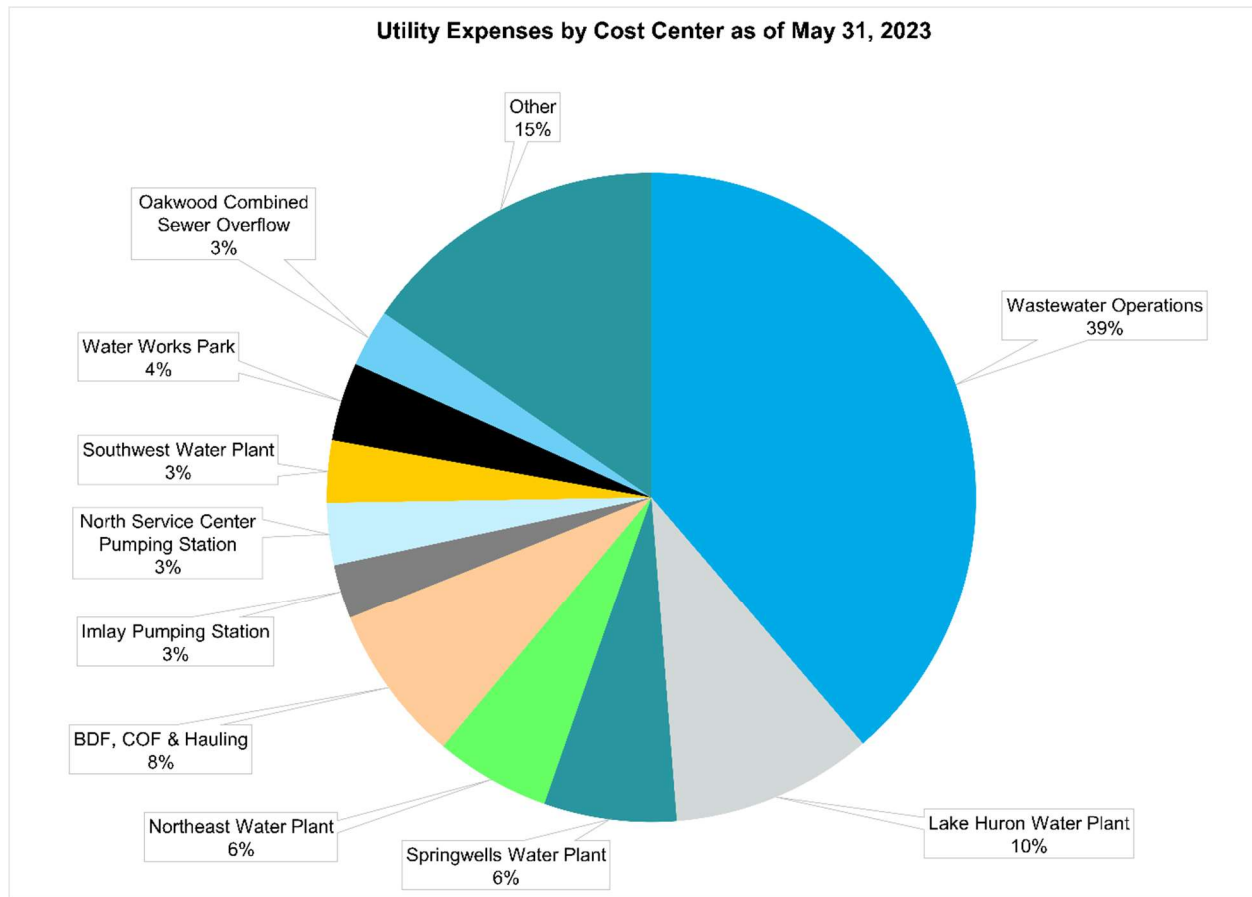
Chemical expenses are \$26.9 million through May 31, 2023. The allocation is shown in the chart below and remains consistent with prior periods.



Note: “Other” includes Combined Sewer Overflow (CSO), portions of the Wastewater process and two departments from Water. Due to rounding totals may not equal 100%.

Chart 3 – Utility Expenses – Water and Sewer System Combined

Utility expenses are \$67.6 million through May 31, 2023. The allocation is shown in the chart below and consistent with prior periods.



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



Financial Operations KPI

This key performance indicator shown in **Chart 1 – Bank Reconciliation Completion Status** below provides a measure of the progress made in the month-end close process which includes bank reconciliations with a completed status at month end. Through May 31, 2023 all reconciliations are up-to-date and complete.

There were no accounts added in the general ledger accounts since April 2023.

Chart 1 – Bank Reconciliation Completion Status

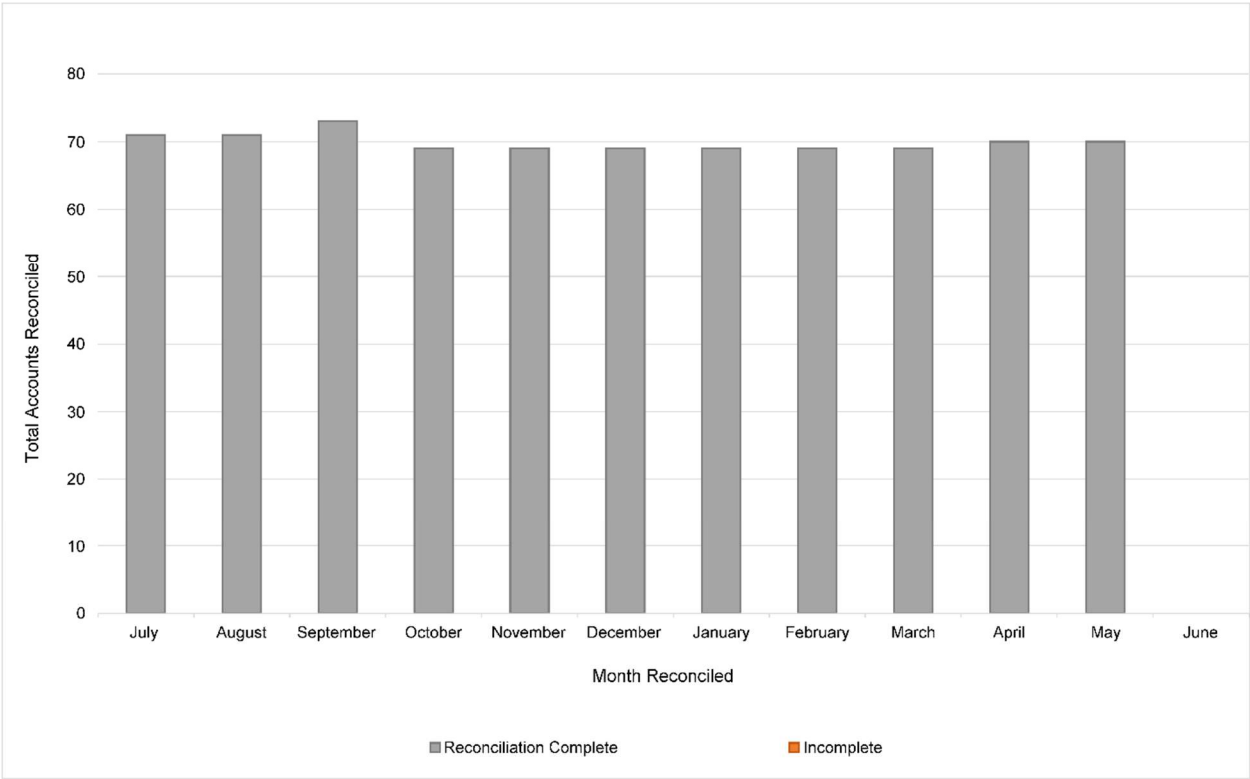


Table 1 – Fiscal Year 2023 GL Cash Account Rollforward

Total GL Cash accounts as of July 1, 2022	71
New GL Cash accounts	4
Inactivated GL Cash accounts	(5)
Total GL Cash accounts as of May 31, 2023	70

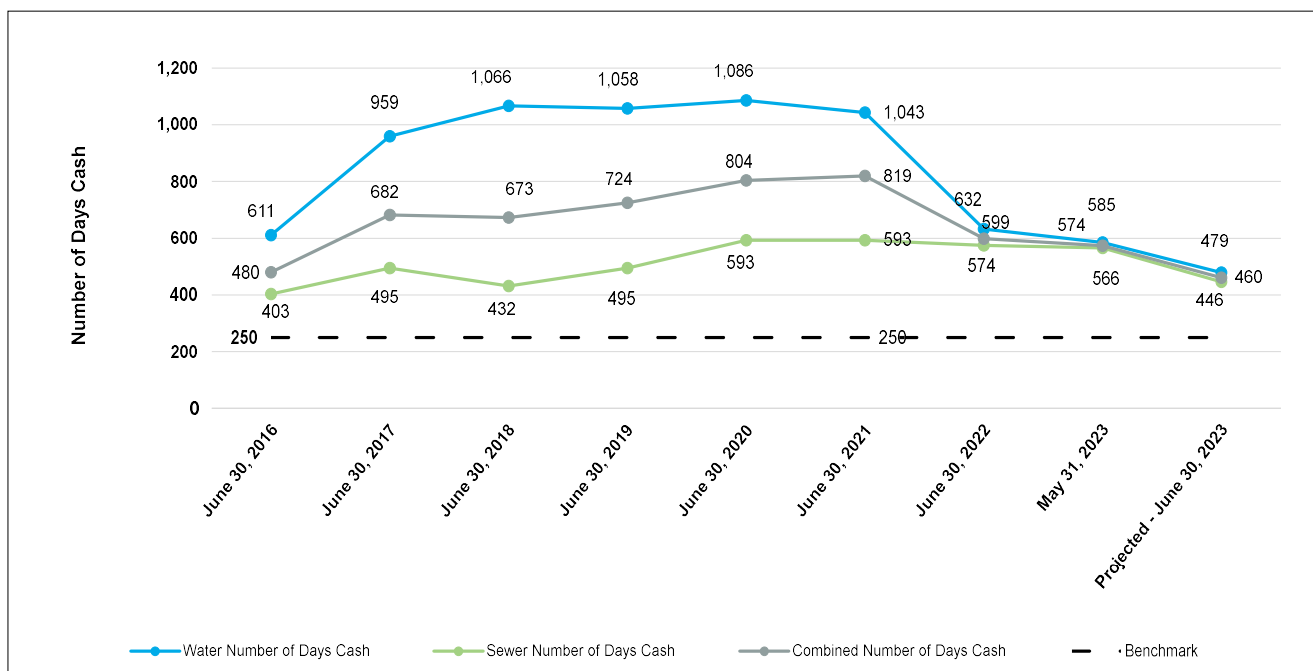


Financial Operations KPI - Liquidity

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 585 and Sewer at 566 days cash on hand as of May 31, 2023. 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 September 2022 revenue bond transaction replenished the construction bond fund and reduced the emphasis on I&E funding. The FY 2023 projection is calculated based on values from the GLWA FY 2023 – 2027 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, 2022	May 31, 2023	Projected June 30, 2023
Water Fund			
Cash and Investments - Unrestricted	\$ 238,691,000	\$ 250,940,000	\$ 205,800,000
Operating Expense			
Operating Expense (a)	\$ 264,579,000	\$ 270,980,000	\$ 295,614,000
Less: Depreciation (a)	(123,196,000)	(124,025,000)	(135,300,000)
Less: Amortization of Intangible Asset (a)	(3,567,000)	(3,269,000)	(3,567,000)
Net Operating Expense	\$ 137,816,000	\$ 143,685,000	\$ 156,748,000
Operating Expense per Day	\$ 378,000	\$ 429,000	\$ 429,000
Days Cash			
Number of Days Cash	632	585	479
Sewage Disposal Fund			
Cash and Investments - Unrestricted	\$ 294,174,000	\$ 315,878,000	\$ 249,400,000
Operating Expense			
Operating Expense (a)	\$ 345,372,000	\$ 335,429,000	\$ 365,923,000
Less: Depreciation (a)	(158,014,000)	(148,317,000)	(161,800,000)
Less: Amortization of Intangible Asset (a)	(440,000)	-	-
Net Operating Expense	\$ 186,919,000	\$ 187,112,000	\$ 204,123,000
Operating Expense per Day	\$ 512,000	\$ 559,000	\$ 559,000
Days Cash			
Number of Days Cash	574	566	446
Combined			
Cash and Investments - Unrestricted	\$ 532,865,000	\$ 566,819,000	\$ 455,200,000
Operating Expense			
Operating Expense (a)	\$ 609,951,000	\$ 606,409,000	\$ 661,537,000
Less: Depreciation (a)	(281,210,000)	(272,342,000)	(297,100,000)
Less: Amortization of Intangible Asset (a)	(4,006,000)	(3,269,000)	(3,567,000)
Net Operating Expense	\$ 324,735,000	\$ 330,798,000	\$ 360,870,000
Operating Expense per Day	\$ 890,000	\$ 987,000	\$ 989,000
Days Cash			
Number of Days Cash	599	574	460
<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 Budget to Financial Statements Crosswalk includes the following.

1. Crosswalk Budget Basis to Financial Reporting Basis
2. Explanatory Notes for Crosswalk

Purpose for Crosswalk: The Great Lakes Water Authority establishes a “Revenue Requirements” budget for the purposes of establishing charges for services. The financial report is prepared in accordance with Generally Accepted Accounting Policies for enterprise funds of a local government. Because the budget and the financial statements are prepared using different basis of accounting, the crosswalk reconciles the “Net Difference” to the “Increase/(Decrease) in Net Position” in Table 2 of the Basic Financial Statements in the monthly Financial Report.

The Authority has a Water Master Bond Ordinance and a Sewer Master Bond Ordinance (MBO). The Ordinances provide additional security for payment of the bonds. All revenues of the system are deposited into Revenue Receipts Funds which are held in trust by a trustee. The cash is moved to multiple bank accounts monthly based on 1/12th of the budget as defined in the MBO (“the flow of funds”) for all revenue requirements except for the Debt Service monthly transfer. The Debt Service monthly requirement is computed by the trustee, U.S. Bank. The cash transfer for debt is net of investment earnings that remain in the debt service accounts to be used for debt service.

The budget is prepared on a modified cash basis. The revenue requirements are determined based upon the cash needed to meet the financial commitments as required by the Master Bond Ordinance.

- Operation & Maintenance (O&M) expenses based on an accrual basis
- O&M Legacy Pension Allocation (includes administrative fee) and Accelerated Legacy Pension Allocation (includes B&C notes obligation) based on a cash basis
- Debt Service Allocation based on a cash set aside basis to provide the cash for the debt payments on the due dates
- Lease payments based on a cash basis
- Water Residential Assistance Program based on a percentage of budgeted revenue
- Regional System Improvement & Extension Fund Allocation on a cash basis

Budget: In Table 1A and Table 1B of the Budget to Actual Analysis the ‘Revenues’ section is the accrual basis revenues that are available to meet the ‘Revenue Requirements’. The ‘Revenue Requirements’ section budget column indicates the annual cash transfers to be made.

Financial Reporting: The Authority's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Authority maintains its records on the accrual basis of accounting to conform to GAAP. Revenues from operations, investments and other sources are recorded when earned. Expenses (including depreciation) are recorded when incurred.

Table 1 – Crosswalk Budget Basis to Financial Reporting Basis provides a reconciliation of the "Net Difference" in Table 1A and Table 1B in the Budget to Actual Analysis report to the "Increase/(Decrease) in Net Position" in Table 2 of the Basic Financial Statements in this monthly Financial Report. Explanatory notes follow the Crosswalk shown in Table 1 below.

Table 1 – Crosswalk Budget Basis to Financial Reporting Basis (\$000)
For the Eleven Months Ended May 31, 2023

	Water	Sewer	Total
	\$	\$	\$
Net Revenue Requirement Budget Variance (a)	(6,528)	(2,213)	(8,741)
Budgetary categories adjustments to financial reporting basis			
Pension delayed accounting election adjustments			
Current year pension transfers/payments recorded as deferral (c)	10,487	18,769	29,256
Prior year pension contribution accounted for in current year (d)	7,444	13,322	20,766
Administrative prepaid adjustment (e)	-	-	-
Debt service (f)	63,267	107,287	170,554
Accelerated pension B&C notes obligation portion (g)	187	420	607
Regional System lease (h)	5,222	6,382	11,604
GASB 87 & GASB 96 adjustments (h)	349	684	1,032
WRAP (i)	(947)	(1,519)	(2,466)
DWSD short term allocation (j)	-	-	-
Improvement & Extension Fund transfers (j)	26,080	23,768	49,848
Nonbudgeted financial reporting categories adjustments			
Depreciation and amortization (k)	(119,138)	(150,277)	(269,415)
Amortization - debt related (k)	13,206	(2,744)	10,462
Other nonoperating income (k)	-	-	-
Other nonoperating expense (k)	-	-	-
Gain(loss) on disposal of capital assets (k)	(277)	(1,842)	(2,119)
Raw water rights obligation (l)	2,603	-	2,603
Investment earnings for construction fund (m)	5,469	6,430	11,898
Interest on DWSD note receivable (n)	-	-	-
Investment earnings unrealized gain/loss (o)	2,845	3,859	6,704
Improvement & extension fund operating expenses (p)	(1,157)	(3,789)	(4,945)
Net Position Increase/(Decrease) per Financial Statements (b)	\$ 9,112	\$ 20,713	\$ 29,824

Table 2 - Explanatory Notes for Crosswalk

- (a) Source: Budget to Actual Table 1A and Table 1B in Monthly Financial Report
- (b) Source: Basic Financial Statements Table 2 in Monthly Financial Report
- (c) Current year pension payments are an expense for budget purposes but not for financial reporting purposes.

- (d) Prior year pension payments are accounted for in the current year financial statements.
- (e) The administrative fee is part of the O&M Legacy Pension shown as an expense for budget purposes. For financial reporting purposes part of the administrative fee is considered prepaid based on the prior year General Retirement System audit information and therefore not an expense for the current year financial reporting. The prepaid portion is adjusted in June each year.
- (f) Debt service (principal and interest payments) are shown as an expense for budget purposes. Most of the adjustment relates to principal payments which are not an expense for financial reporting purposes. A portion of the adjustment relates to interest expense variances on state revolving fund debt due to the timing of payment draws. The cash set aside basis for interest expense generally is the same as the accrual basis for financial reporting.
- (g) The accelerated pension payment includes the obligation payable for the B&C notes. The pension portion is included in item (c) above. This adjustment relates to the B&C note obligation payments. The principal and interest cash basis payments are treated as an expense for budget purposes. The principal portion is not an expense for financial reporting purposes. For financial reporting purposes interest is expensed on an accrual basis which is different from the cash basis.
- (h) Payments for the warehouse lease and subscription-based information technology arrangements (SBITA) are expensed for budget purposes. For financial reporting purposes, the warehouse lease is recorded under GASB 87 and payments are treated as a reduction in the lease liability and interest expense (which is a nonoperating expense). The SBITA payments are recorded under GASB 96 and are treated as a prepaid subscription asset as the software is currently in the implemented phase.
- (i) WRAP is shown as an expense for budget purposes. For financial reporting purposes the expense is not recognized until the funds have been transferred to the WRAP administrator. The adjustment shown is the amount of current year transfers that have not been transferred to the WRAP administrator. Note that there are funds from the prior year that have not been transferred to the WRAP administrator.
- (j) The DWSD short term allocation and Improvement & Extension Fund transfers are shown as an expense for budget purposes but not for financial reporting purposes.
- (k) Certain nonoperating income and expenses are reported in financial statements only.

- (l) The water service contract with Flint includes a license for raw water rights which has been recorded as an asset and liability by the Authority. The contract provides for a credit to Flint as Flint satisfies its monthly bond payment obligation to KWA. This KWA credit is treated as a noncash payment of principal and interest on the liability recorded for the raw water rights. For budget, wholesale customer charges are net of the anticipated KWA credits to Flint as that is the cash that will be received and available to meet the budgeted revenue requirements. For financial reporting purposes the Flint wholesale charges are recorded as the total amount billed. When the KWA credit is issued, the receivable from Flint is reduced and the principal and interest payments on the liability for the raw water rights are recorded as a noncash transaction. Most of the adjustment shown relates to the principal reduction made for the credits applied which are not an expense for financial reporting basis.
- (m) Investment earnings from the construction fund are not shown as revenue in the budget and are shown as revenue in the financial statements. Construction fund investment earnings are excluded from the definition of revenue for budget purposes as they are used for construction costs and are not used to meet the revenue requirements in the budget.
- (n) Interest on a DWSD note receivable is budgeted as part of the Sewer improvement and extension fund and is transferred directly to that fund as payments are made. DWSD does not currently have a note receivable due to GLWA.
- (o) Unrealized gains and losses are recorded annually as required for financial reporting purposes but do not reflect actual investment earnings and are not included in cash basis reporting.
- (p) The Water Improvement and Extension fund and the Sewer Improvement and Extension fund reflect certain expenses relating to repairs paid for through the Water and Sewer Improvement and Extension funds, respectively. These are consolidated expenses for financial reporting purposes but are not reflected in the current Operations and Maintenance budget expenses.



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 2023 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.

GLWA completed a bond transaction of \$450 million in September 2022 to support water system and sewage disposal system improvements. These funds along with I&E and SRF low-interest loans will fund the capital program going forward.

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. Fourth quarter FY 2023 budget amendments were approved by the Board on June 28, 2023. The capital spend rate adjustment is 107% of the Board approved CIP planned spend for the water fund and 86.2% of the Board approved CIP planned spend for the sewer fund.

As of December 31, 2022, 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 May 2023, the water system incurred \$182 million of construction costs to date. This spend represents 102% of the original, Board-approved CIP, and 96% 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

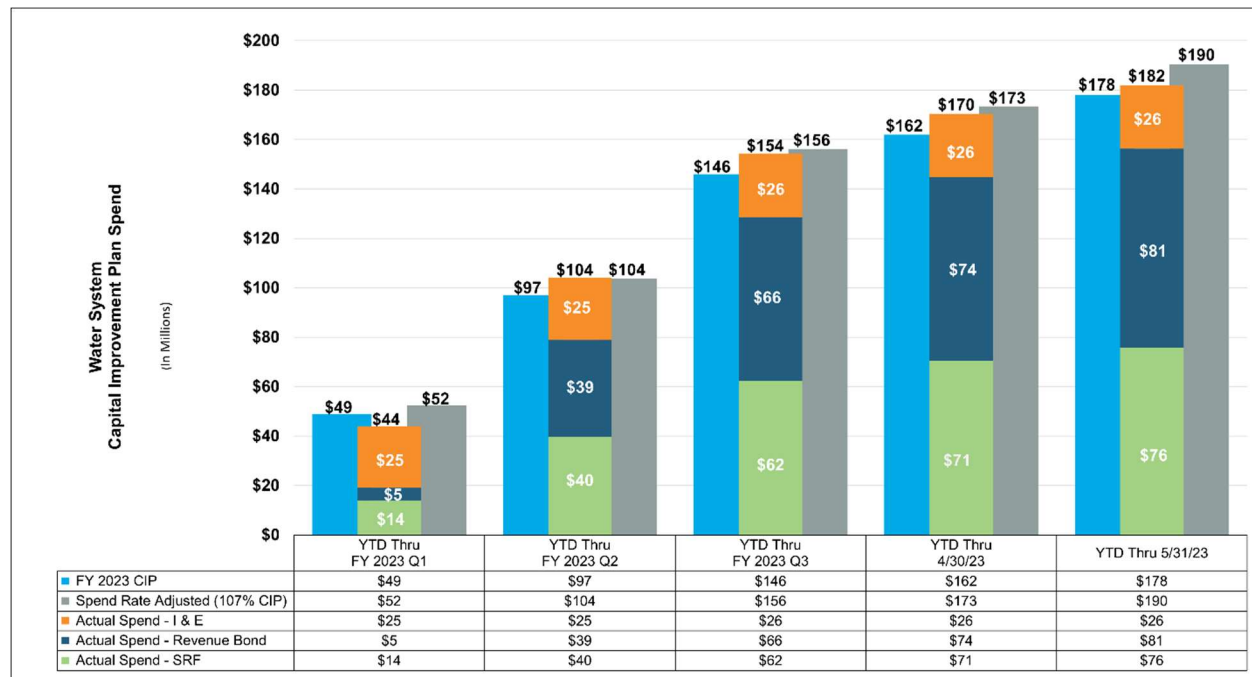
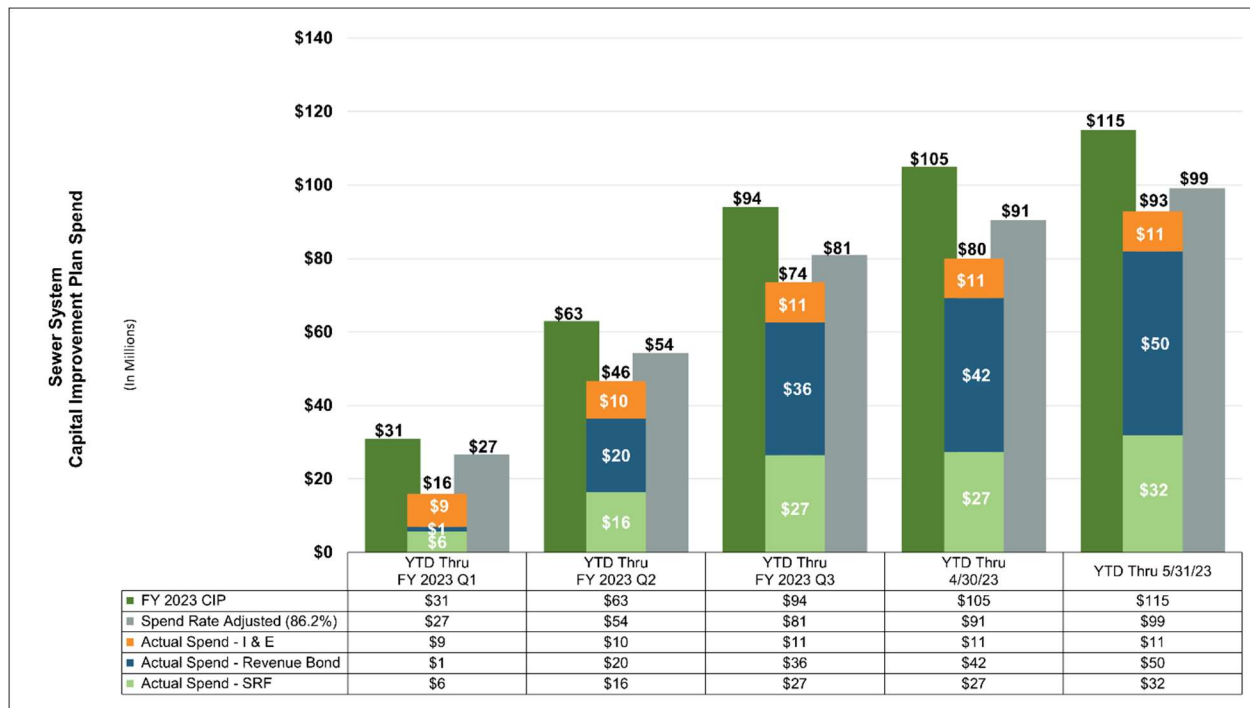


Chart 2 – Sewer System Capital Improvement Plan Spend Incurred to Date

As of May 2023, the Sewer system incurred \$93 million of construction costs to date. This spend represents 81% of the original, Board-approved CIP, and 94% 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 2023 Water MBO Transfers reflects the required transfers for FY 2023 completed through May 2023. MBO transfers for water totaling \$155.4 million have been transferred to GLWA accounts.

Table 2 – GLWA FY 2023 Sewer MBO Transfers reflects the required transfers for FY 2023 completed through May 2023. MBO transfers for sewer totaling \$210.6 million have been transferred to GLWA accounts.

Table 3 – GLWA MBO Transfer History reflects historical transfers for FY 2016 through FY 2023 to date.

Table 1 – GLWA FY 2023 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 2023							
July 2022	\$ 12,070,642	\$504,000	\$891,308	\$200,975	-	2,000,000	\$15,666,925
August 2022	\$ 12,070,642	\$504,000	\$891,308	\$200,975	-	-	13,666,925
September 2022	\$ 12,070,642	\$504,000	\$891,308	\$200,975	-	-	13,666,925
October 2022	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
November 2022	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
December 2022	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
January 2023	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
February 2023	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
March 2023	\$ 12,070,642	\$504,000	\$891,308	\$223,209	-	-	13,689,159
April 2023	\$ 13,503,974	\$504,000	\$891,308	\$223,209	-	-	15,122,491
May 2023	\$ 13,503,974	\$504,000	\$891,308	\$223,209	-	-	15,122,491
Total FY 2023	\$ 135,643,726	\$ 5,544,000	\$ 9,804,388	\$ 2,388,597	\$ -	\$ 2,000,000	\$155,380,711

Table 2 – GLWA FY 2023 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 2023							
July 2022	\$ 15,337,717	\$902,000	\$1,223,950	\$321,925	-	-	\$17,785,592
August 2022	\$ 15,337,717	\$902,000	\$1,223,950	\$321,925	-	-	17,785,592
September 2022	\$ 15,337,717	\$902,000	\$1,223,950	\$321,925	-	-	17,785,592
October 2022	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
November 2022	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
December 2022	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
January 2023	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
February 2023	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
March 2023	\$ 16,534,372	\$902,000	\$1,223,950	\$300,892	-	-	18,961,214
April 2023	\$ 19,334,372	\$902,000	\$1,223,950	\$300,892	-	-	21,761,214
May 2023	\$ 19,334,372	\$902,000	\$1,223,950	\$300,892	-	-	21,761,214
Total FY 2023	\$ 183,888,127	\$9,922,000	\$13,463,450	\$3,372,911	\$ -	\$ -	\$210,646,488

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

Table 3 – GLWA MBO Transfer History

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 (year to date)	135,643,726	5,544,000	9,804,388	2,388,597	-	2,000,000	155,380,711
Life to Date	\$966,601,838	\$47,858,300	\$83,877,263	\$17,351,101	\$2,686,900	\$2,606,000	\$1,120,981,402

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 (year to date)	183,888,127	9,922,000	13,463,450	3,372,911	-	-	210,646,488
Life to Date	\$1,398,901,719	\$85,718,800	\$114,953,459	\$24,702,807	\$8,246,100	\$779,600	\$1,633,302,485

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

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 & 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 2023 Water MBO Transfers reflects the required transfers for FY 2023 completed through May 2023. MBO transfers for Water totaling \$60.4 million have been transferred to accounts held by DWSD. For FY 2023, DWSD has requested that \$2,922,100 of the lease payment be utilized to offset a portion of debt service.

Table 5 – DWSD FY 2023 Sewer MBO Transfers reflects the required transfers for FY 2023 completed through May 2023. MBO transfers for Sewer totaling \$71.4 million have been transferred to accounts held by DWSD. For FY 2023, DWSD has requested that \$4,388,300 of the lease payment be utilized to offset a portion of debt service.

Table 6 – DWSD Water MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2023 to date.

Table 7 – DWSD Sewer MBO and Lease Payment Transfer History reflects historical transfers for FY 2016 through FY 2023 to date.

Table 4 – DWSD FY 2023 Water MBO Transfers

WATER				
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Water</u>
FY 2023				
July 2022	\$2,540,833	\$356,000	\$1,150,750	\$4,047,583
August 2022	2,540,833	356,000	1,150,750	4,047,583
September 2022	2,540,833	356,000	1,150,750	4,047,583
October 2022	3,884,345	356,000	1,791,739	6,032,084
November 2022	3,884,345	356,000	1,791,739	6,032,084
December 2022	3,884,345	356,000	1,791,739	6,032,084
January 2023	3,884,345	356,000	1,791,739	6,032,084
February 2023	3,884,345	356,000	1,791,739	6,032,084
March 2023	3,884,345	356,000	1,791,739	6,032,084
April 2023	3,884,345	356,000	1,791,739	6,032,084
May 2023	3,884,345	356,000	1,791,739	6,032,084
Total FY 2023	\$38,697,259	\$3,916,000	\$17,786,162	\$60,399,421

Table 5 – DWSD FY 2023 Sewer MBO Transfers

SEWER				
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Sewer</u>
FY 2023				
July 2022	\$5,282,500	\$238,000	\$2,291,667	\$7,812,167
August 2022	5,282,500	238,000	2,291,667	7,812,167
September 2022	5,282,500	238,000	2,291,667	7,812,167
October 2022	3,949,878	238,000	1,804,078	5,991,956
November 2022	3,949,878	238,000	1,804,078	5,991,956
December 2022	3,949,878	238,000	1,804,078	5,991,956
January 2023	3,949,878	238,000	1,804,078	5,991,956
February 2023	3,949,878	238,000	1,804,078	5,991,956
March 2023	3,949,878	238,000	1,804,078	5,991,956
April 2023	3,949,878	238,000	1,804,078	5,991,956
May 2023	3,949,878	238,000	1,804,078	5,991,956
Total FY 2023	\$47,446,524	\$2,618,000	\$21,307,625	\$71,372,149

Table 6 – DWSD Water MBO and Lease Payment Transfer History

Transfers to DWSD				
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)
Net 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	-	-	-	-
Net 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)
Net 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)
Net 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)
Net 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)
Net 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)
Net MBO Transfer	29,989,000	4,272,000	13,574,600	47,835,600
FY 2023 (year to date)				
MBO/Lease Requirement	38,697,259	3,916,000	20,625,000	63,238,259
Offset to Debt Service	-	-	(2,838,838)	(2,838,838)
Net MBO Transfer	38,697,259	3,916,000	17,786,162	60,399,421
Life-to-Date				
MBO/Lease Requirement	269,508,563	33,801,100	178,125,000	481,434,663
Offsets	-	-	(31,764,638)	(31,764,638)
Total Water	269,508,563	33,801,100	146,360,362	449,670,025

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

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 (year to date)				
MBO/Lease Requirement	47,446,524	2,618,000	25,208,333	75,272,857
Offset to Debt Service	-	-	(3,900,708)	(3,900,708)
Total MBO Transfer	47,446,524	2,618,000	21,307,625	71,372,149
Life-to-Date				
MBO/Lease Requirement	419,602,536	22,621,800	217,708,333	659,011,122
Offsets	(7,100,000)	-	(51,293,069)	(57,471,522)
Total Sewer	412,502,536	22,621,800	166,415,264	601,539,600

* 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

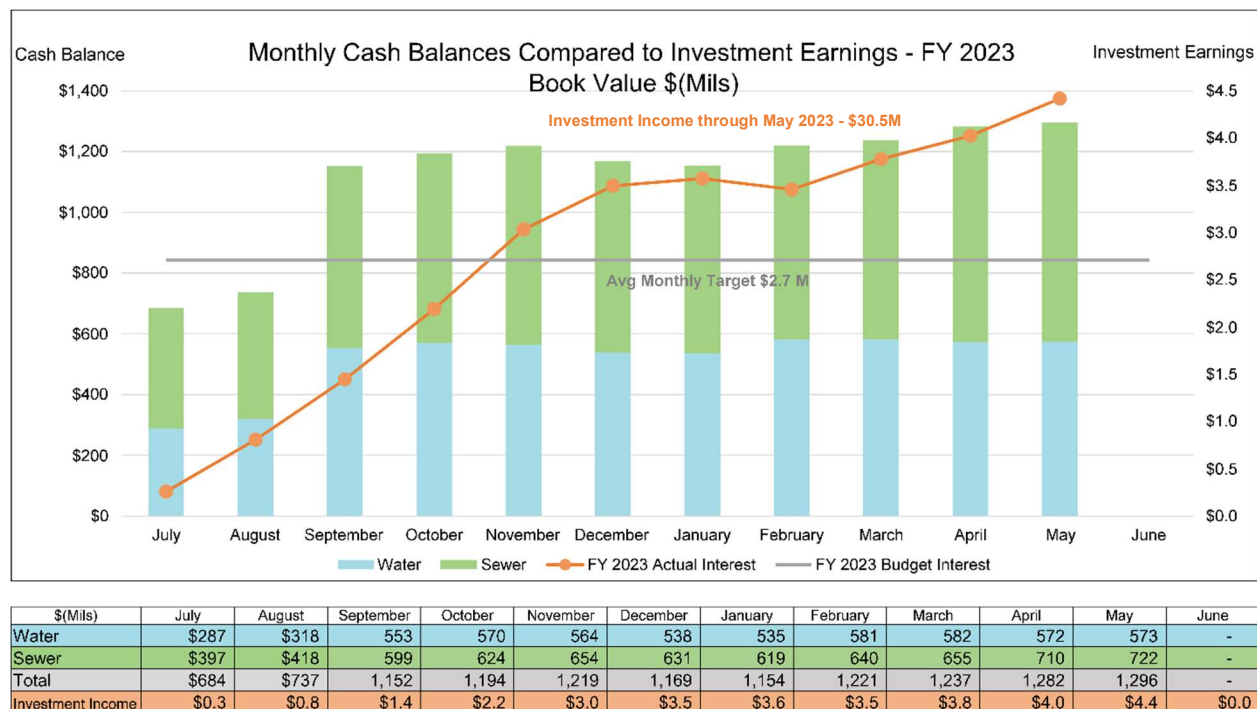
Monthly Cash Balances Compared to Investment Income

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 May 2023, GLWA earned investment income of \$4.4 million and cumulative FY 2023 earnings through May 2023 of \$30.5 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 May 2023



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:

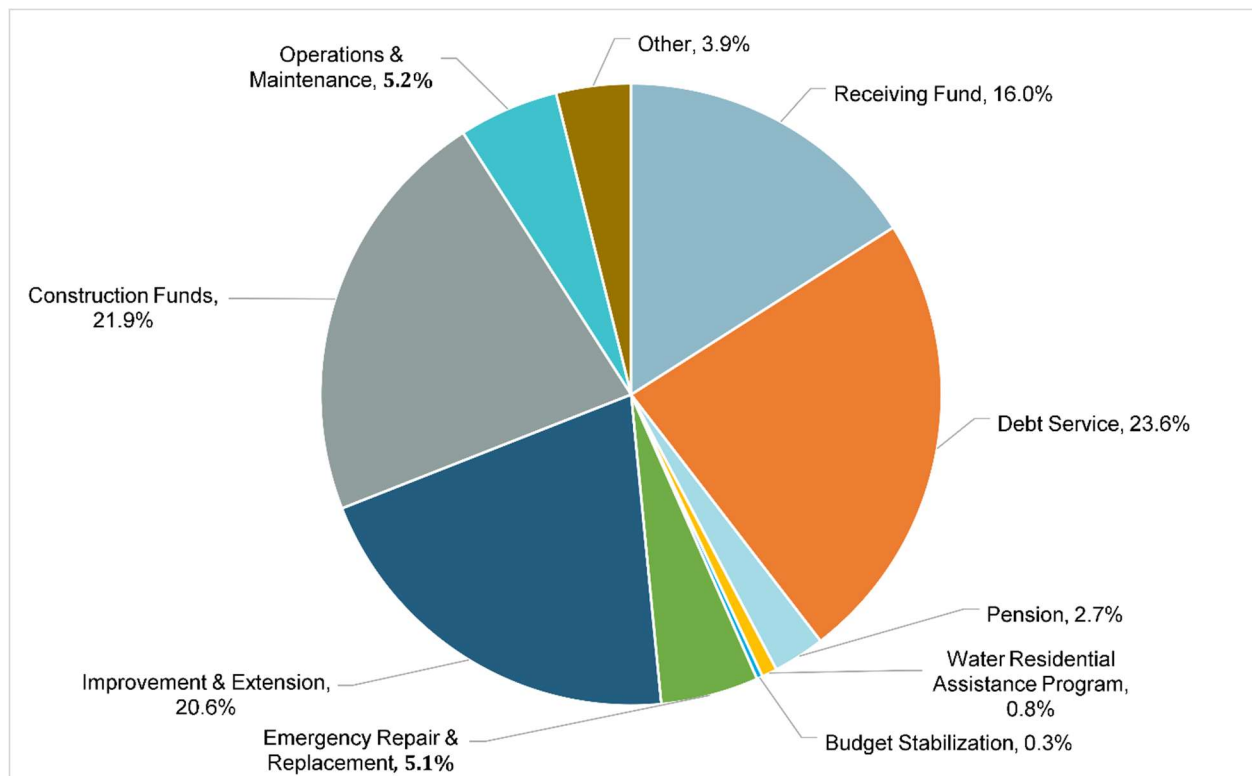
- Bond Proceeds – funds raised from debt issuance used for costs of repairs, construction, and improvements of the regional system
- Operations & Maintenance (O&M) – funds used to meet the operational and maintenance requirements of the regional system
- Other – retainage funds held on behalf of contractors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

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 May 2023 - Shows the allocation of the balance among the different categories defined in the section above. The total cash balance for Water Funds as of May 31, 2023 is \$573 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 \$225 million in September 2022 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 May 2023

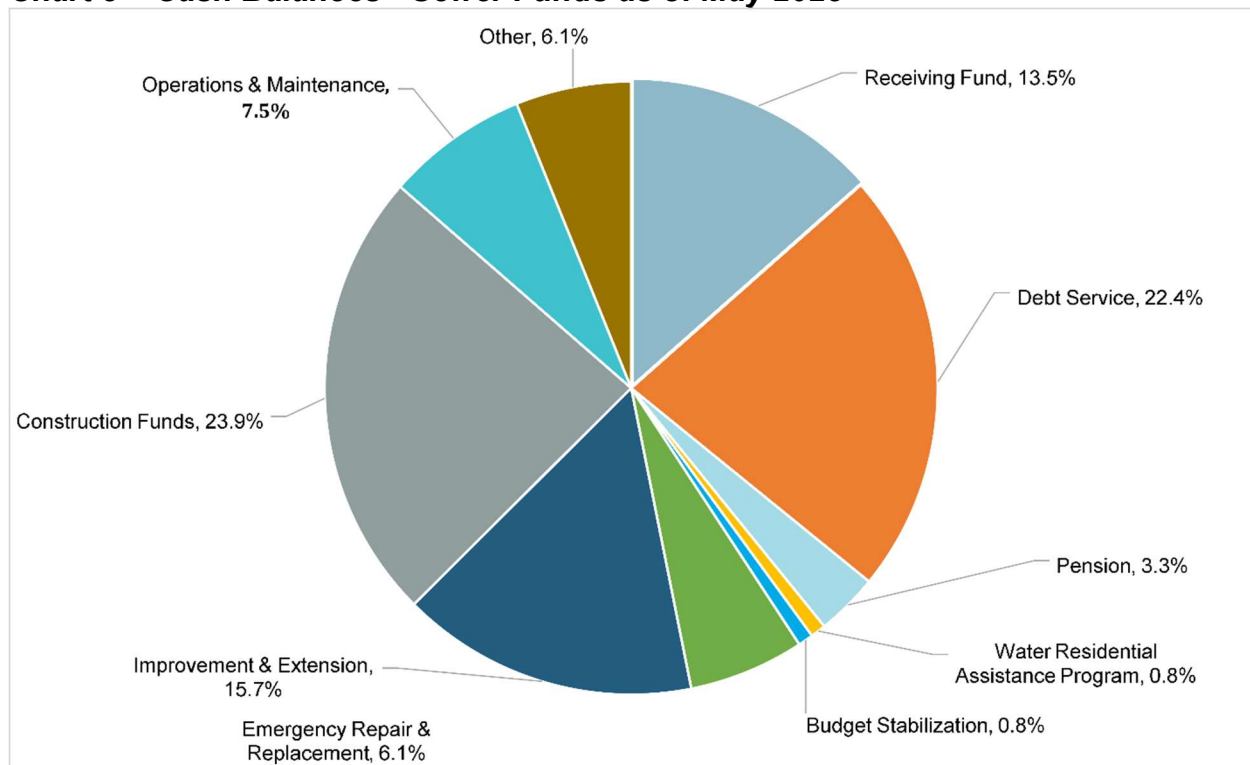


Note: Due to rounding totals may not equal 100%.

Chart 3 – Cash Balances - Sewer Funds as of May 2023 - Shows the allocation of the balance among the different funds defined in the section above. The total cash balance for Sewer Funds as of May 31, 2023 is \$722 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 \$225 million in September 2022 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 May 2023



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 & 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 2023 water usage and billed revenue which are provided by DWSD staff. As of May 31, 2023, the DWSD usage was at 109.71% of the budget and billed revenue was at 106.86% 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 2023 - Original Budget		FY 2023 - Actual		FY 2023 - Variance		FY 2022 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	257,000	11,956,000	244,749	9,490,589	(12,251)	(2,465,411)	266,704	10,064,683
August	248,900	11,711,000	277,313	13,301,941	28,413	1,590,941	264,644	9,994,589
September	218,600	10,776,000	234,806	11,591,601	16,206	815,601	232,348	9,169,300
October	198,900	10,184,900	239,062	11,730,809	40,162	1,545,909	204,290	8,422,092
November	194,500	9,954,500	212,663	10,706,519	18,163	752,019	209,830	8,544,611
December	193,700	9,902,000	222,502	11,073,513	28,802	1,171,513	204,072	8,442,152
January	198,600	10,050,700	227,748	11,257,742	29,148	1,207,042	221,369	8,819,430
February	190,400	9,842,000	208,568	10,569,468	18,168	727,468	204,489	8,438,300
March	204,900	10,276,600	229,264	11,383,630	24,364	1,107,030	233,190	9,221,716
April	192,400	9,922,800	198,665	10,121,640	6,265	198,840	192,495	8,305,331
May	214,500	10,567,000	241,525	11,820,301	27,025	1,253,301	245,471	9,530,928
June	245,700	11,523,800					272,811	10,281,954
Total	2,558,100	126,667,300	2,536,865	123,047,753	224,465	7,904,253	2,751,713	109,235,086
Subtotals ytd	2,312,400	115,143,500	2,536,865	123,047,753	224,465	7,904,253		
Achievement of Budget			109.71%	106.86%				

(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
June	9,123,179	8,917,831	205,348	2.30%
July	8,518,373	8,387,705	130,668	1.56%
August	9,636,219	8,588,507	1,047,712	12.20%
September	5,082,383	8,041,683	(2,959,300)	-36.80%
October	13,082,745	8,512,614	4,570,131	53.69%
November	10,270,582	7,926,331	2,344,251	29.58%
December	11,630,994	8,121,586	3,509,408	43.21%
January	8,857,268	6,919,040	1,938,228	28.01%
February	8,244,713	10,156,126	(1,911,413)	-18.82%
March	10,417,832	11,093,125	(675,293)	-6.09%
April	9,417,449	7,431,900	1,985,549	26.72%
May	12,162,719	7,660,852	4,501,867	58.76%
Rolling, 12-Month Total	116,444,456	101,757,300		
Rolling, 12-Month Average	9,703,705	8,479,775		

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

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 2023 sewer billed revenue which are provided by DWSD staff. As of May 31, 2023, the DWSD usage was at 104.05% of the budget and billed revenue was at 100.48% 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 2023 - Original Budget		FY 2023 - Actual		FY 2023 - Variance		FY 2022 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	211,900	27,858,000	223,661	29,297,748	11,761	1,439,748	219,791	29,462,804
August	217,600	28,027,300	231,809	29,640,202	14,209	1,612,902	249,522	31,231,624
September	188,400	27,285,000	197,455	27,523,933	9,055	238,933	215,748	29,401,234
October	182,400	27,102,800	194,154	27,375,180	11,754	272,380	190,483	27,936,280
November	167,500	26,696,800	172,579	26,525,064	5,079	(171,736)	194,135	28,032,939
December	166,500	26,780,100	174,896	26,676,360	8,396	(103,740)	189,283	27,836,982
January	169,200	26,797,900	175,562	26,403,544	6,362	(394,356)	203,526	28,493,782
February	166,100	26,702,400	160,804	25,814,735	(5,296)	(887,665)	189,525	27,837,984
March	176,100	26,994,800	181,217	26,720,229	5,117	(274,571)	212,176	29,032,277
April	166,400	26,761,800	167,727	26,120,878	1,327	(640,922)	179,291	27,196,557
May	182,100	27,166,400	195,181	27,508,373	13,081	341,973	220,082	29,382,758
June	210,600	27,861,300					242,746	30,704,517
Total	2,204,800	326,034,600	2,075,045	299,606,247	80,845	1,432,947	2,506,308	346,549,738
Subtotals ytd	1,994,200	298,173,300	2,075,045	299,606,247		1,432,947		
Achievement of Budget/Goal			104.05%	100.48%				

(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 4 – DWSD Retail Sewer Collections

Sewer				
Month	Current Year	Prior Year	Variance	Ratio
June	25,922,279	32,508,249	(6,585,970)	-20.26%
July	30,935,343	24,185,252	6,750,091	27.91%
August	26,064,896	25,036,198	1,028,698	4.11%
September	15,261,467	22,635,796	(7,374,329)	-32.58%
October	28,182,933	25,119,240	3,063,693	12.20%
November	21,994,899	23,505,249	(1,510,350)	-6.43%
December	23,756,153	24,880,743	(1,124,590)	-4.52%
January	23,760,629	23,020,491	740,138	3.22%
February	23,867,073	24,495,922	(628,849)	-2.57%
March	30,697,464	29,410,086	1,287,378	4.38%
April	21,542,671	22,115,076	(572,405)	-2.59%
May	24,419,561	20,952,592	3,466,969	16.55%
Rolling 12-Month Total	296,405,369	297,864,894		
Rolling, 12-Month Average	24,700,447	24,822,075		

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 May 31, 2023 with comparative totals from June 30, 2022, June 30, 2021 and June 30, 2020. 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 May 31, 2023 with comparative totals from May 31, 2022. 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 May 31, 2023 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		Receivables			Days in AR (1)
	Sales		Total	Allowance	Net	
June 30, 2020	\$	33,061,000	\$ 213,846,000	\$ (142,882,000)	\$ 70,964,000	64
June 30, 2021	\$	36,335,000	\$ 248,055,000	\$ (200,146,000)	\$ 47,909,000	40
June 30, 2022	\$	39,022,000	\$ 300,346,000	\$ (253,924,000)	\$ 46,422,000	36
May 31, 2023	\$	36,272,000	\$ 328,522,000	\$ (277,746,000)	\$ 50,776,000	42

Totals may be off due to rounding

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

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

Sales Class	# of Accounts	Avg. Balance	Current	> 30 Days	> 60 Days	> 180 Days	A/R Balance
Residential	214,354	\$ 892.88	\$ 17,351,000 9.1%	\$ 13,105,000 6.8%	\$ 29,792,000 15.6%	\$ 131,144,000 68.5%	\$ 191,392,000 100.0%
Commercial	21,111	1,384.28	6,386,000 21.9%	2,657,000 9.1%	5,837,000 20.0%	14,344,000 49.1%	29,224,000 100.0%
Industrial	4,340	3,228.35	4,705,000 33.6%	1,034,000 7.4%	2,267,000 16.2%	6,005,000 42.9%	14,011,000 100.0%
Tax Exempt	3,806	818.69	542,000 17.4%	476,000 15.3%	519,000 16.6%	1,579,000 50.7%	3,116,000 100.0%
Government	48,186	364.70	1,964,000 11.2%	1,158,000 6.6%	1,384,000 7.9%	13,067,000 74.4%	17,574,000 100.0%
Drainage	45,396	645.57	2,081,000 7.1%	1,413,000 4.8%	4,485,000 15.3%	21,328,000 72.8%	29,306,000 100.0%
Subtotal - Active Accounts	337,193	\$ 844.10	\$ 33,029,000 11.6%	\$ 19,843,000 7.0%	\$ 44,284,000 15.6%	\$ 187,467,000 65.9%	\$ 284,623,000 100.0%
Inactive Accounts	332,607	131.98	12,000 0.0%	50,000 0.1%	798,000 1.8%	43,039,000 98.0%	43,899,000 100.0%
Total	669,800	\$ 490.48	\$ 33,041,000 10.1%	\$ 19,892,000 6.1%	\$ 45,082,000 13.7%	\$ 230,506,000 70.2%	\$ 328,522,000 100.0%
% of Total A/R							
Water Fund	248,371	277.15	\$ 8,054,000	\$ 5,458,000	\$ 11,520,000	\$ 43,803,000	\$ 68,835,000
Sewer Fund	282,904	917.93	\$ 24,987,000	\$ 14,435,000	\$ 33,562,000	\$ 186,703,000	\$ 259,687,000
Total May 31, 2023 (a)	669,800	\$ 490.48	\$ 33,041,000	\$ 19,892,000	\$ 45,082,000	\$ 230,506,000	\$ 328,522,000
Water Fund- Allowance							\$ (54,375,000)
Sewer Fund- Allowance							\$ (223,371,000)
Total Bad Debt Allowance							\$ (277,746,000)
Comparative - May 2022 (b)	648,251	\$ 452.98	\$ 31,238,000	\$ 15,782,000	\$ 44,358,000	\$ 202,267,000	\$ 293,645,000
Difference (a) - (b)	21,549		\$ 1,803,000	\$ 4,110,000	\$ 724,000	\$ 28,239,000	\$ 34,877,000

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023



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

1. Wholesale Water Billings and Collections
2. Wholesale Sewer Billings and Collections
3. City of Highland Park Billings and Collections
4. Wholesale Water & Sewer Accounts Receivable Aging Report

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	84
Emergency	1
Older Contracts	2
Total	<u>87</u>

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

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

Table 1 - Wholesale Water Billings shows the FY 2023 water billed usage and revenues. As of May 31, 2023, the billed usage was at 101.65% of the original plan and billed revenue at 100.92% of the original plan. Billings and usage from the City of Flint are included as they were assumed in the FY 2023 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 above the prior year for the twelve-month period ending May 31, 2023.

Table 1 – FY 2023 Wholesale Water Billings Report

WHOLESALE WATER CHARGES								
Month (1)	FY 2023 Charges (3)		FY 2023 - Actual		FY 2023 - Variance		FY 2022 - Actuals	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	1,565,900	33,114,500	1,664,936	34,349,872	99,036	1,235,372	1,342,686	29,642,785
August	1,513,500	32,632,400	1,418,347	31,555,444	(95,153)	(1,076,956)	1,417,142	30,604,230
September	1,271,200	29,674,600	1,308,481	30,306,713	37,281	632,113	1,298,750	29,065,588
October	1,033,200	27,094,600	1,055,245	27,391,089	22,045	296,489	1,006,217	26,123,483
November	901,100	25,815,700	906,669	25,911,801	5,569	96,101	905,525	25,117,181
December	966,900	26,357,900	990,177	26,652,607	23,277	294,707	958,879	25,542,432
January	964,300	26,296,700	979,573	26,536,118	25,273	239,418	979,803	25,791,405
February	877,900	25,580,400	869,843	25,535,320	(8,057)	(45,080)	875,553	24,800,493
March	965,300	26,359,200	961,541	26,356,490	(3,759)	(2,710)	963,825	25,592,186
April	907,300	25,855,100	917,599	25,997,955	10,299	142,855	912,124	25,139,078
May	1,086,000	27,886,200	1,169,448	28,895,975	83,448	1,009,775	1,094,002	27,116,529
June	1,470,200	32,090,900					1,385,287	30,301,351
Total	13,512,800	338,758,200	12,241,859	309,489,383	199,259	2,822,083	13,139,793	324,836,740
Subtotals ytd	12,042,600	306,667,300	12,241,859	309,489,383	199,259	2,822,083		
Achievement of Original Plan			101.65%	100.92%				
Billing Adjustments (4)			14,677	(114,595)				
			12,256,536	309,385,721				
			101.78%	100.89%				

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

(2) 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

(3) Charges are based on the approved FY 2023 water supply system charge schedule.

(4) Reflects prior period adjustments made in the current year for DTE Greenwood and Madison Heights.

Table 2 - Wholesale Water Collections

Water				
Month	Current Year	Prior Year	Variance	Ratio
June	26,379,503	25,403,968	(25,403,968)	-100.00%
July	14,435,092	23,709,847	(9,274,755)	-39.12%
August	41,154,992	31,668,492	9,486,500	29.96%
September	21,887,632	23,849,618	(1,961,986)	-8.23%
October	38,029,648	29,212,277	8,817,371	30.18%
November	30,903,329	25,265,770	5,637,559	22.31%
December	34,298,469	25,302,369	8,996,100	35.55%
January	19,182,054	31,280,599	(12,098,545)	-38.68%
February	26,553,529	24,919,847	1,633,682	6.56%
March	26,074,213	22,123,572	3,950,641	17.86%
April	20,940,451	21,726,941	(786,490)	-3.62%
May	29,265,308	27,717,969	1,547,339	5.58%
Rolling 12-Month Total	329,104,220	312,181,269		
Rolling, 12-Month Average	27,425,352	26,015,106		

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

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	11
Emergency	0
Older Contracts	7
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 2023 sewer billed revenue. As of May 31, 2023 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 slightly above the twelve-month period ending May 31, 2023.

Table 3 – FY 2023 Wholesale Sewer Billings Report

WHOLESALE SEWER CHARGES								
Month (1)	FY 2023 Charges		FY 2023 - Actual		FY 2023 - Variance		FY 2022 - Actuals	
	Volume (2)	Revenue	Volume (2)	Revenue	Volume (2)	Revenue	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$	Mcf	\$
July	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
August	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
September	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
October	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
November	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
December	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
January	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
February	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
March	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
April	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
May	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
June	N/A	22,888,100	N/A	22,888,100	N/A	-	N/A	22,615,000
Total		274,657,200		251,769,100		-		271,380,000
Subtotals ytd		251,769,100		251,769,100		-		
Achievement of Budget				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
June	29,659,245	15,972,800	13,686,445	85.69%
July	28,223,515	28,523,650	(300,135)	-1.05%
August	21,036,661	21,842,125	(805,464)	-3.69%
September	22,244,437	22,191,725	52,712	0.24%
October	24,707,249	26,706,558	(1,999,309)	-7.49%
November	19,882,939	16,534,758	3,348,181	20.25%
December	18,314,222	21,765,958	(3,451,736)	-15.86%
January	17,636,972	26,436,258	(8,799,286)	-33.28%
February	33,102,769	23,937,258	9,165,511	38.29%
March	23,746,469	24,713,158	(966,689)	-3.91%
April	17,769,710	19,937,558	(2,167,848)	-10.87%
May	18,213,966	10,226,700	7,987,266	78.10%
Rolling 12-Month Total	274,538,154	258,788,506		
Rolling, 12-Month Average	22,878,180	21,565,709		

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

City of Highland Park Billings and Collections

The City of Highland Park is provided water service pursuant to an emergency service basis. Sewer service is provided pursuant to a 1982 amended contract which indicates that the parties are guided in their legal relationship by a Michigan Supreme Court decision from 1949.

As of May 31, 2023, Highland Park had a delinquent balance of \$55.1 million, including \$41.1 million for wastewater treatment services, \$1.9 million for industrial waste control services, and \$12.1 million for water supply services.

Table 5 - City of Highland Park Billings and Collections provides a life-to-date balance summary of the billing and collection history for Highland Park with detail provided for fiscal year 2023 through May 31, 2023. Please note the numbers below reflect the month the billing was sent and not the month the service was provided. A life-to-date summary is provided as an appendix to this monthly financial report.

Table 5 - City of Highland Park Billings and Collections

City of Highland Park Billings and Payments					
	Service Month	Water	Sewer	IWC	Total
July 2022 Billing	June 2022	104,262	446,400	4,002	554,664
July 2022 Payments		-	(126,056)	-	(126,056)
July 31, 2022 Balance		11,045,712	40,951,391	1,822,087	53,819,190
August 2022 Billing	July 2022	112,017	451,700	4,082	567,799
August 2022 Payments		-	(117,079)	-	(117,079)
August 31, 2022 Balance		11,157,729	41,286,012	1,826,169	54,269,910
September 2022 Billing	August 2022	113,427	451,700	4,025	569,152
September 2022 Payments		-	(144,837)	-	(144,837)
September 30, 2022 Balance		11,271,156	41,592,875	1,830,194	54,694,225
October 2022 Billing	September 2022	106,220	451,700	4,026	561,946
October 2022 Payments		-	(133,899)	-	(133,899)
October 31, 2022 Balance		11,377,376	41,910,676	1,834,220	55,122,272
November 2022 Billing	October 2022	106,221	451,700	4,026	561,947
November 2022 Payments		-	(492,789)	-	(492,789)
November 30, 2022 Balance		11,483,597	41,869,587	1,838,246	55,191,430
December 2022 Billing	November 2022	103,645	451,700	4,025	559,370
December 2022 Payments		-	(641,773)	-	(641,773)
December 31, 2022 Balance		11,587,242	41,679,514	1,842,271	55,109,027
January 2023 Billing	December 2022	99,260	451,700	3,997	554,957
January 2023 Payments		-	(1,341,522)	-	(1,341,522)
January 31, 2023 Balance		11,686,502	40,789,692	1,846,268	54,322,462
February 2023 Billing	January 2023	106,448	451,700	3,998	562,146
February 2023 Payments		-	(434,682)	-	(434,682)
February 28, 2023 Balance		11,792,950	40,806,710	1,850,266	54,449,926
March 2023 Billing	February 2023	99,164	451,700	3,889	554,753
March 2023 Payments		-	(347,442)	-	(347,442)
March 31, 2023 Balance		11,892,114	40,910,969	1,854,155	54,657,238
April 2023 Billing	March 2023	101,068	451,700	3,897	556,665
April 2023 Payments		-	(358,010)	-	(358,010)
April 30, 2023 Balance		11,993,182	41,004,659	1,858,052	54,855,893
May 2023 Billing	April 2023	98,870	451,700	3,906	554,476
May 2023 Payments		-	(349,566)	-	(349,566)
May 31, 2023 Balance		12,092,052	41,106,793	1,861,958	55,060,803

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

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 6 - Wholesale Accounts Receivable Aging Report Summary is a summary of the total, current and non-current receivables by category as of May 31, 2023.

Table 7 - Wholesale Accounts Receivable Aging Report, Net of Highland Park is the same summary *without* the past due balances for the City of Highland Park.

Table 8 - Wholesale Accounts Receivable Aging Report, Net of Highland Park and Dearborn is the same summary *without* the past due balances for the City of Highland Park and Dearborn. Five water accounts comprise the past due balances over 75 days. Two accounts past due of \$91 thousand were paid in full in early July. The remaining three relate to ongoing disputes regarding the Highland Park portion of charges.

Two past due Sewer accounts totaling \$9.3 million dollars were both paid in full in early June. The IWC credit balance was cleared with a June payment. The remaining Pollutant Surcharge past due balance consist of smaller account holders that GLWA staff continue to communicate with.

Table 6 - Wholesale Accounts Receivable Aging Report Summary

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 56,488,838.84	\$ 39,078,633.77	\$ 934,895.99	\$ 943,701.23	\$ 15,531,607.85
Sewer	\$ 68,550,273.47	\$ 18,564,580.67	\$ 5,117,000.00	\$ 5,117,000.00	\$ 39,751,692.80
IWC	\$ 2,388,830.81	\$ 535,332.52	\$ (710.63)	\$ 7,940.44	\$ 1,846,268.48
Pollutant Surcharge	\$ 503,436.46	\$ 496,990.09	\$ 4,644.14	\$ 43.88	\$ 1,758.35
Total	\$ 127,931,379.58	\$ 58,675,537.05	\$ 6,055,829.50	\$ 6,068,685.55	\$ 57,131,327.48
	100.00%	45.86%	4.73%	4.74%	44.66%

Table 7 - Wholesale Accounts Receivable Aging Report, Net of Highland Park

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 44,396,786.50	\$ 38,878,695.68	\$ 835,732.17	\$ 731,031.90	\$ 3,951,326.75
Sewer	\$ 27,443,480.67	\$ 18,112,880.67	\$ 4,665,300.00	\$ 4,665,300.00	\$ -
IWC	\$ 526,872.98	\$ 527,529.91	\$ (710.63)	\$ 53.70	\$ -
Pollutant Surcharge	\$ 503,436.46	\$ 496,990.09	\$ 4,644.14	\$ 43.88	\$ 1,758.35
Total	\$ 72,870,576.61	\$ 58,016,096.35	\$ 5,504,965.68	\$ 5,396,429.48	\$ 3,953,085.10
	100.00%	79.62%	7.55%	7.41%	5.42%

Table 8 - Wholesale Accounts Receivable Aging Report, Net of Highland Park and Dearborn

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 37,040,709.17	\$ 37,080,492.96	\$ 107,090.69	\$ (146,874.48)	\$ -
Sewer	\$ 27,443,480.67	\$ 18,112,880.67	\$ 4,665,300.00	\$ 4,665,300.00	\$ -
IWC	\$ 526,872.98	\$ 527,529.91	\$ (710.63)	\$ 53.70	\$ -
Pollutant Surcharge	\$ 503,436.46	\$ 496,990.09	\$ 4,644.14	\$ 43.88	\$ 1,758.35
Total	\$ 65,514,499.28	\$ 56,217,893.63	\$ 4,776,324.20	\$ 4,518,523.10	\$ 1,758.35
	100.00%	85.81%	7.29%	6.90%	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, Receipts & Loan Receivable
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 2023 reflects eleven months of activity to date.

Water fund receipts exceeded required disbursements by 6% through May 31, 2023 compared to the four-year historical average ratio of required receipts exceeding disbursements by 11% since July 1, 2018.

Sewer fund receipts exceeded required disbursements by 3% through May 31, 2023 in line with the four-year historical average ratio of required receipts exceeding disbursements by 7% since July 1, 2018.

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 year. The black line at the zero highlights the minimum goal for net receipts.

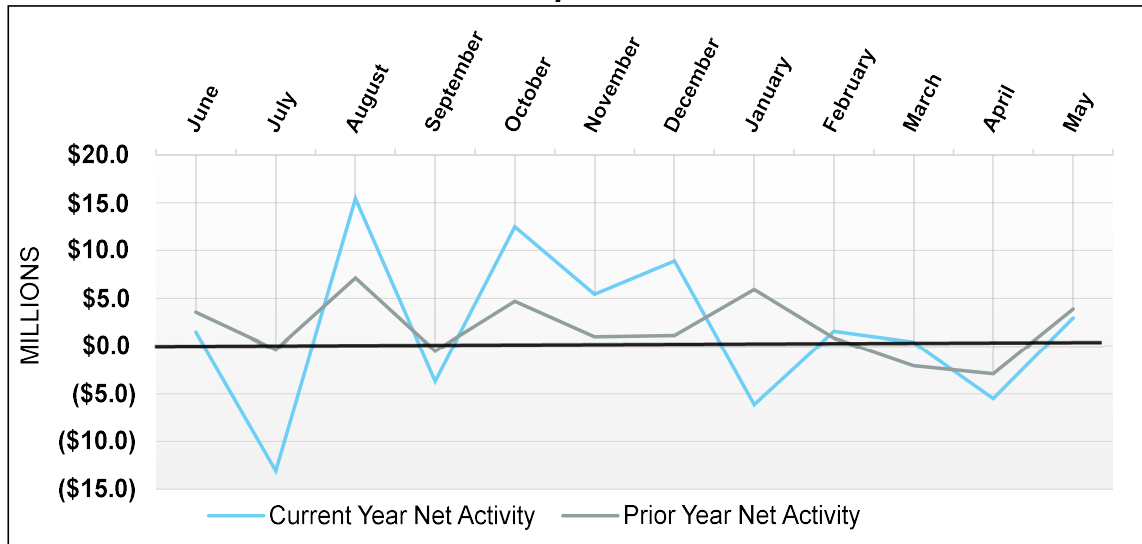
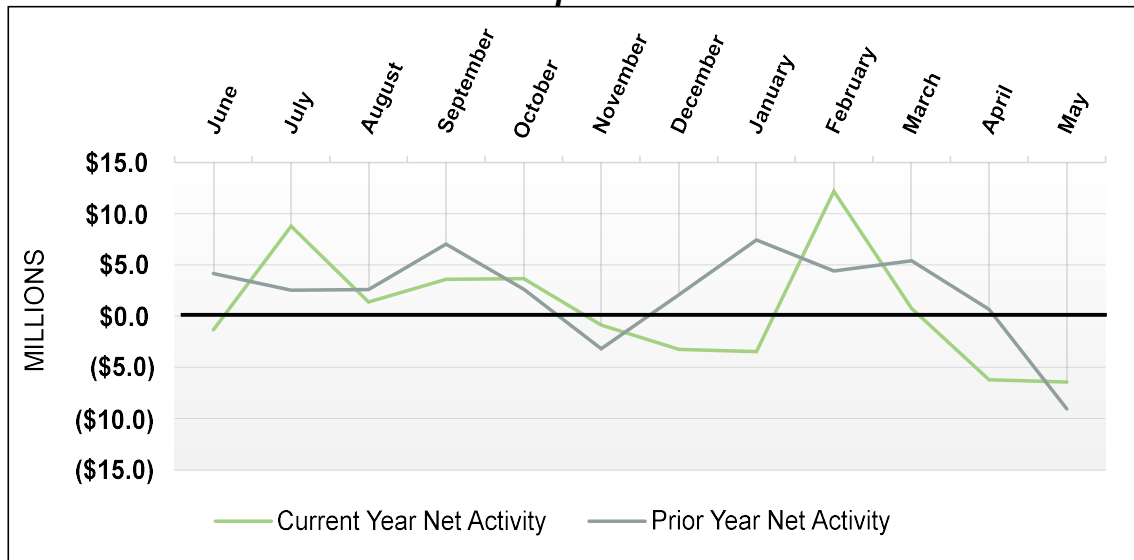
Chart 2 – GLWA 12-Month Net Receipts – Sewer outlines monthly cash receipt trends across two points of reference for the regional sewer system—current year and prior year. The black line at the zero highlights the minimum goal for net receipts.

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

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Thru May 31
Water					
1 Receipts	\$ 336,594,234	\$ 332,606,196	\$ 336,642,021	\$ 338,117,694	\$ 330,662,324
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	336,594,234	332,606,196	336,642,021	338,117,694	330,662,324
4 Disbursements	(289,230,481)	(296,190,425)	(308,713,407)	(316,495,360)	(311,936,968)
5 Receipts Net of Required Transfers	47,363,753	36,415,771	27,928,614	21,622,334	18,725,356
6 I&E Transfer	(47,695,000)	(25,719,751)	(31,991,687)	(26,622,862)	(8,702,217)
7 Net Receipts	\$ (331,247)	\$ 10,696,020	\$ (4,063,073)	\$ (5,000,528)	\$ 10,023,139
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	116%	112%	109%	107%	106%
Sewer					
9 Receipts	\$ 467,743,744	\$ 490,461,356	\$ 472,871,853	\$ 471,979,297	\$ 441,926,930
10 MOU Adjustments	-	-	-	-	-
11 Adjusted Receipts	467,743,744	490,461,356	472,871,853	471,979,297	441,926,930
12 Disbursements	(453,406,636)	(445,604,952)	(436,600,883)	(450,701,751)	(429,902,428)
13 Receipts Net of Required Transfers	14,337,108	44,856,404	36,270,970	21,277,546	12,024,502
14 I&E Transfer	(22,547,700)	(19,096,200)	(40,504,727)	(37,651,788)	(13,517,601)
15 DWSD Shortfall Advance	-	-	-	-	-
16 Shortfall Repayment (principal)	9,367,355	17,542,669	18,206,431	8,296,578	-
17 Net Receipts	\$ 1,156,763	\$ 43,302,873	\$ 13,972,674	\$ (8,077,664)	\$ (1,493,099)
18 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	103%	110%	108%	105%	103%
Combined					
19 Receipts	\$ 804,337,978	\$ 823,067,552	\$ 809,513,874	\$ 810,096,991	\$ 772,589,254
20 MOU Adjustments	-	-	-	-	-
21 Adjusted Receipts	804,337,978	823,067,552	809,513,874	810,096,991	772,589,254
22 Disbursements	(742,637,117)	(741,795,377)	(745,314,290)	(767,197,111)	(741,839,396)
23 Receipts Net of Required Transfers	61,700,861	81,272,175	64,199,584	42,899,880	30,749,858
24 I&E Transfer	(70,242,700)	(44,815,951)	(72,496,414)	(64,274,650)	(22,219,818)
25 Shortfall Advance	-	-	-	-	-
26 Shortfall Repayment	9,367,355	17,542,669	18,206,431	8,296,578	-
27 Net Receipts	\$ 825,516	\$ 53,998,893	\$ 9,909,601	\$ (13,078,192)	\$ 8,530,040
28 <i>Ratio of Receipts to Required Disbursements (Line 21/Line 22)</i>	108%	111%	109%	106%	104%

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

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 2023 reflects eleven months of activity to date.

Water fund receipts exceeded required disbursements by 2% through May 31, 2023 compared to the four-year historical average ratio of required receipts exceeding disbursements by 3% since July 1, 2018.

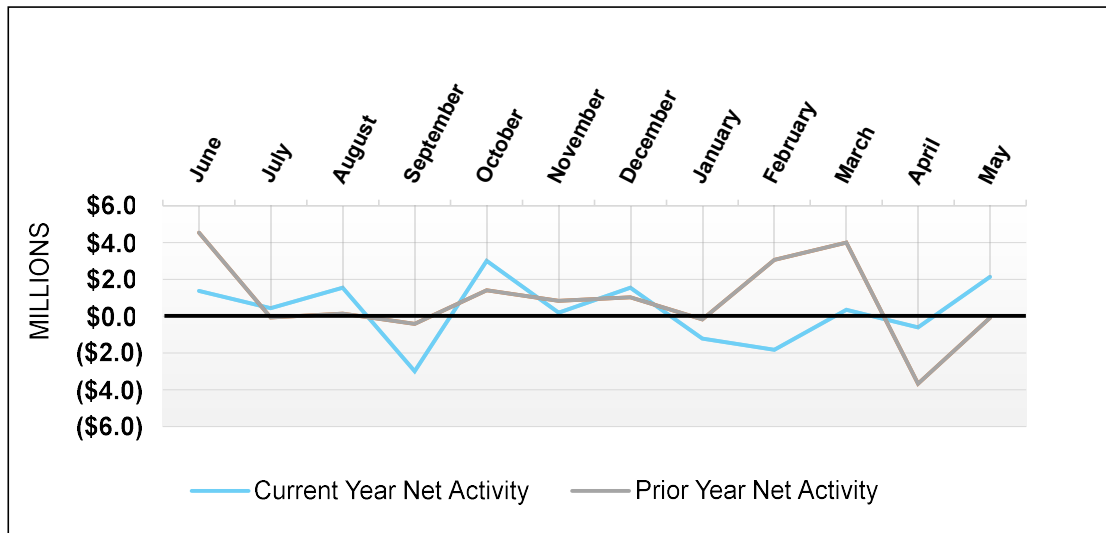
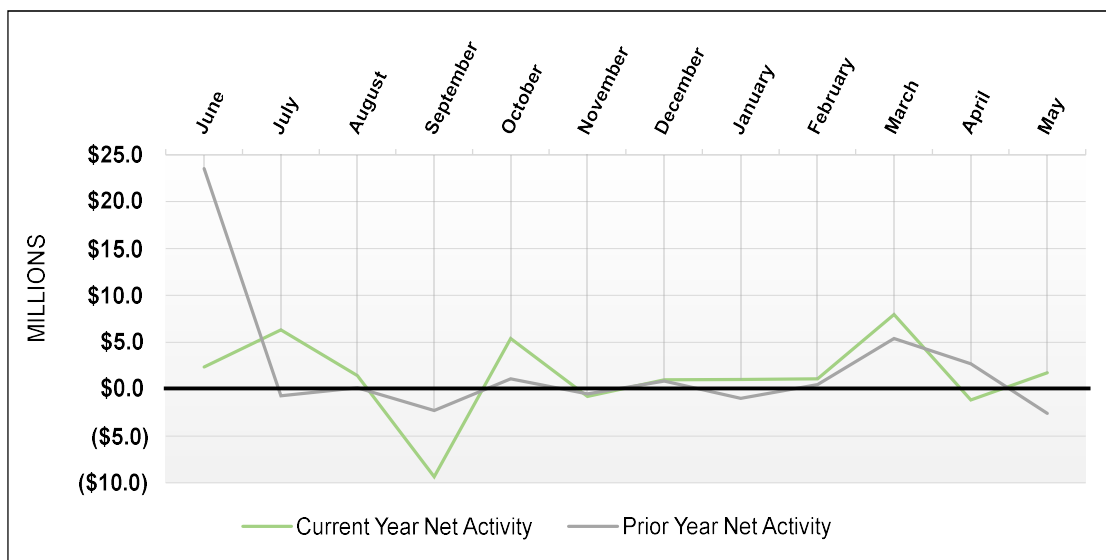
Sewer fund receipts exceeded required disbursements by 6% through May 31, 2023 compared to the four-year historical average of required receipts exceeding disbursements by 1% since July 1, 2018.

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

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Thru May 31
Water					
1 Receipts	\$ 99,868,219	\$ 96,885,723	\$ 102,067,423	\$ 101,964,963	\$ 110,205,592
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	99,868,219	96,885,723	102,067,423	101,964,963	110,205,592
4 Disbursements	(97,694,600)	(97,823,097)	(100,707,200)	(94,495,601)	(107,562,454)
5 Receipts Net of Required Transfers	2,173,619	(937,374)	1,360,223	7,469,362	2,643,138
6 I&E Transfer	(8,407,080)	-	-	-	-
7 Net Receipts	\$ (6,233,461)	\$ (937,374)	\$ 1,360,223	\$ 7,469,362	\$ 2,643,138
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	102%	99%	101%	108%	102%
Sewer					
9 Receipts	\$ 265,339,797	\$ 264,689,559	\$ 308,210,767	\$ 291,280,896	\$ 274,648,229
10 MOU Adjustments	6,527,200	-	-	-	-
11 Adjusted Receipts	271,866,997	264,689,559	308,210,767	291,280,896	274,648,229
12 Disbursements	(271,018,306)	(275,507,374)	(295,100,771)	(285,256,000)	(259,866,545)
13 Receipts Net of Required Transfers	848,691	(10,817,815)	13,109,996	6,024,896	14,781,684
14 I&E Transfer	-	-	-	-	-
15 Shortfall Advance from GLWA	-	-	-	-	-
16 Net Receipts	\$ 848,691	\$ (10,817,815)	\$ 13,109,996	\$ 6,024,896	\$ 14,781,684
17 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	100%	96%	104%	102%	106%
Combined					
18 Receipts	\$ 365,208,016	\$ 361,575,282	\$ 410,278,190	\$ 393,245,859	\$ 384,853,821
19 MOU Adjustments	6,527,200	-	-	-	-
20 Adjusted Receipts	371,735,216	361,575,282	410,278,190	393,245,859	384,853,821
21 Disbursements	(368,712,906)	(373,330,471)	(395,807,971)	(379,751,601)	(367,428,999)
22 Receipts Net of Required Transfers	3,022,310	(11,755,189)	14,470,219	13,494,258	17,424,822
23 I&E Transfer	(8,407,080)	-	-	-	-
24 Shortfall Advance from GLWA	-	-	-	-	-
25 Net Receipts	\$ (5,384,770)	\$ (11,755,189)	\$ 14,470,219	\$ 13,494,258	\$ 17,424,822
26 <i>Ratio of Receipts to Required Disbursements (Line 20/Line 21)</i>	101%	97%	104%	104%	105%

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 2023 reflects eleven months of activity to date.

Water fund net receipts exceeded required disbursements by 5% through May 31, 2023 compared to the four-year historical average ratio of required receipts exceeding disbursements by 9% since July 1, 2018.

Sewer fund receipts exceeded required disbursements by 4% through May 31, 2023 compared to the four-year historical average ratio of required receipts exceeding disbursements by 4% since July 1, 2018.

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

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Thru May 31
Water					
1 Receipts	\$ 436,462,453	\$ 429,491,919	\$ 438,709,444	\$ 440,082,657	\$ 440,867,916
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	436,462,453	429,491,919	438,709,444	440,082,657	440,867,916
4 Disbursements	(386,925,081)	(394,013,522)	(409,420,607)	(410,990,961)	(419,499,422)
5 Receipts Net of Required Transfers	49,537,372	35,478,397	29,288,837	29,091,696	21,368,494
6 I&E Transfer	(56,102,080)	(25,719,751)	(31,991,687)	(26,622,862)	(8,702,217)
7 Net Receipts	\$ (6,564,708)	\$ 9,758,646	\$ (2,702,850)	\$ 2,468,834	\$ 12,666,277
8 <i>Ratio of Receipts to Required Disbursements (Line 3/Line 4)</i>	113%	109%	107%	107%	105%
Sewer					
9 Receipts	\$ 733,083,541	\$ 755,150,915	\$ 781,082,620	\$ 763,260,193	\$ 716,575,159
10 MOU Adjustments	6,527,200	-	-	-	-
11 Adjusted Receipts	739,610,741	755,150,915	781,082,620	763,260,193	716,575,159
12 Disbursements	(724,424,942)	(721,112,326)	(731,701,654)	(735,957,751)	(689,768,973)
13 Receipts Net of Required Transfers	15,185,799	34,038,589	49,380,966	27,302,442	26,806,186
14 I&E Transfer	(22,547,700)	(19,096,200)	(40,504,727)	(37,651,788)	(13,517,601)
15 Shortfall Advance	-	-	-	-	-
16 Shortfall Repayment (principal)	9,367,355	17,542,669	18,206,431	8,296,578	-
17 Net Receipts	\$ (7,361,901)	\$ 32,485,058	\$ 27,082,670	\$ (2,052,768)	\$ 13,288,585
18 <i>Ratio of Receipts to Required Disbursements (Line 11/Line 12)</i>	102%	105%	107%	104%	104%
Combined					
19 Receipts	\$ 1,169,545,994	\$ 1,184,642,834	\$ 1,219,792,064	\$ 1,203,342,850	\$ 1,157,443,075
20 MOU Adjustments	6,527,200	-	-	-	-
21 Adjusted Receipts	1,176,073,194	1,184,642,834	1,219,792,064	1,203,342,850	1,157,443,075
22 Disbursements	(1,111,350,023)	(1,115,125,848)	(1,141,122,261)	(1,146,948,712)	(1,109,268,395)
23 Receipts Net of Required Transfers	64,723,171	69,516,986	78,669,803	56,394,138	48,174,680
24 I&E Transfer	(78,649,780)	(44,815,951)	(72,496,414)	(64,274,650)	(22,219,818)
25 Shortfall Advance	-	-	-	-	-
26 Shortfall Repayment	9,367,355	17,542,669	18,206,431	8,296,578	-
27 Net Receipts	\$ (4,559,254)	\$ 42,243,704	\$ 24,379,820	\$ 416,066	\$ 25,954,862
28 <i>Ratio of Receipts to Required Disbursements (Line 21/Line 22)</i>	106%	106%	107%	105%	104%

All amounts are unaudited unless otherwise noted.

GLWA Audit Committee August 25, 2023

APPENDIX

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$202,051.15	\$202,051.15	\$0.00	\$0.00	\$0.00
ALMONT VILLAGE	\$20,157.49	\$20,157.49	\$0.00	\$0.00	\$0.00
ASH TOWNSHIP	\$70,198.60	\$70,198.60	\$0.00	\$0.00	\$0.00
BELLEVILLE	\$27,488.09	\$27,488.09	\$0.00	\$0.00	\$0.00
BERLIN TOWNSHIP	\$125,553.00	\$125,553.00	\$0.00	\$0.00	\$0.00
BROWNSTOWN TOWNSHIP	\$607,981.78	\$607,981.78	\$0.00	\$0.00	\$0.00
BRUCE TOWNSHIP	\$28,130.49	\$28,130.49	\$0.00	\$0.00	\$0.00
BURTCHVILLE TOWNSHIP	\$28,459.29	\$28,459.29	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$909,769.50	\$909,769.50	\$0.00	\$0.00	\$0.00
CENTER LINE	\$83,419.67	\$83,419.67	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$361,506.06	\$361,506.06	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$629,592.94	\$629,592.94	\$0.00	\$0.00	\$0.00
COMMERCE TOWNSHIP	\$577,083.93	\$577,083.93	\$0.00	\$0.00	\$0.00
DEARBORN	\$7,356,077.33	\$1,798,202.72	\$728,641.48	\$877,906.38	\$3,951,326.75
DEARBORN HEIGHTS	\$636,828.00	\$636,828.00	\$0.00	\$0.00	\$0.00
EASTPOINTE	\$136,873.20	\$136,873.20	\$0.00	\$0.00	\$0.00
ECORSE	\$108,643.71	\$108,643.71	\$0.00	\$0.00	\$0.00
FARMINGTON	\$85,221.39	\$85,221.39	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$730,233.22	\$730,233.22	\$0.00	\$0.00	\$0.00
FERNDAL	\$265,946.80	\$178,517.40	\$78,461.50	\$8,967.90	\$0.00
FLAT ROCK	\$107,484.69	\$107,484.69	\$0.00	\$0.00	\$0.00
FLINT	\$400,840.37	\$400,840.37	\$0.00	\$0.00	\$0.00
FRASER	\$102,323.51	\$102,323.51	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
GARDEN CITY	\$141,671.87	\$141,671.87	\$0.00	\$0.00	\$0.00
GENESEE COUNTY DRAIN COMM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GIBRALTAR	\$29,014.56	\$29,014.56	\$0.00	\$0.00	\$0.00
GREATER LAPEER CUA	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GREENWOOD TWP. (DTE)	\$101,448.16	\$101,448.16	\$0.00	\$0.00	\$0.00
GROSSE ILE TOWNSHIP	\$105,365.22	\$105,365.22	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$105,695.16	\$105,695.16	\$0.00	\$0.00	\$0.00
GROSSE POINTE SHORES	\$48,197.99	\$48,197.99	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$102,833.26	\$102,833.26	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$ (155,842.38)	\$0.00	\$0.00	\$ (155,842.38)	\$0.00
HARPER WOODS	\$73,015.09	\$73,015.09	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$139,901.63	\$139,901.63	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$63,827.41	\$63,827.41	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$12,092,052.34	\$199,938.09	\$99,163.82	\$212,669.33	\$11,580,281.10
HURON TOWNSHIP	\$342,736.05	\$337,240.21	\$5,495.84	\$0.00	\$0.00
IMLAY CITY	\$133,443.35	\$133,443.35	\$0.00	\$0.00	\$0.00
IMLAY TOWNSHIP (CHAMPION BUS	\$800.00	\$800.00	\$0.00	\$0.00	\$0.00
INKSTER	\$225,568.08	\$225,568.08	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$49,916.04	\$49,916.04	\$0.00	\$0.00	\$0.00
LAPEER	\$136,826.09	\$136,826.09	\$0.00	\$0.00	\$0.00
LENOX TOWNSHIP	\$26,717.25	\$26,717.25	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
LINCOLN PARK	\$421,483.68	\$418,108.68	\$3,375.00	\$0.00	\$0.00
LIVONIA	\$929,401.24	\$929,401.24	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$2,079,597.76	\$2,079,597.76	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$181,687.21	\$181,687.21	\$0.00	\$0.00	\$0.00
MAYFIELD TOWNSHIP (KAMAX)	\$10,787.69	\$7,333.34	\$3,454.35	\$0.00	\$0.00
MELVINDALE	\$124,072.26	\$124,072.26	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$33,108.01	\$33,108.01	\$0.00	\$0.00	\$0.00
NOCWA	\$3,619,287.06	\$3,619,287.06	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$63,466.70	\$63,466.70	\$0.00	\$0.00	\$0.00
NORTHVILLE TOWNSHIP	\$442,302.48	\$442,302.48	\$0.00	\$0.00	\$0.00
NOVI	\$711,424.40	\$711,424.40	\$0.00	\$0.00	\$0.00
OAK PARK	\$118,874.74	\$118,874.74	\$0.00	\$0.00	\$0.00
OAKLAND CO DR COM	\$14,529.19	\$14,529.19	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$88,220.86	\$88,220.86	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$372,598.55	\$372,598.55	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$272,918.16	\$272,918.16	\$0.00	\$0.00	\$0.00
RIVER ROUGE	\$61,811.54	\$61,811.54	\$0.00	\$0.00	\$0.00
RIVERVIEW	\$148,409.06	\$148,409.06	\$0.00	\$0.00	\$0.00
ROCKWOOD	\$23,777.37	\$23,777.37	\$0.00	\$0.00	\$0.00
ROMEO	\$35,730.31	\$35,730.31	\$0.00	\$0.00	\$0.00
ROMULUS	\$709,947.12	\$709,947.12	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$226,242.17	\$226,242.17	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$16,975.87	\$16,975.87	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
SHELBY TOWNSHIP	\$2,289,982.48	\$2,289,982.48	\$0.00	\$0.00	\$0.00
SOCWA	\$3,843,857.27	\$3,843,857.27	\$0.00	\$0.00	\$0.00
SOUTH ROCKWOOD	\$10,085.39	\$10,085.39	\$0.00	\$0.00	\$0.00
SOUTHGATE	\$190,932.10	\$190,932.10	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$278,191.42	\$278,191.42	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$1,265,248.02	\$1,265,248.02	\$0.00	\$0.00	\$0.00
SUMPTER TOWNSHIP	\$60,622.84	\$60,622.84	\$0.00	\$0.00	\$0.00
SYLVAN LAKE	\$20,067.27	\$20,067.27	\$0.00	\$0.00	\$0.00
TAYLOR	\$832,468.13	\$816,164.13	\$16,304.00	\$0.00	\$0.00
TRENTON	\$306,376.51	\$306,376.51	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$1,083,197.47	\$1,083,197.47	\$0.00	\$0.00	\$0.00
UTICA	\$96,699.07	\$96,699.07	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$578,653.55	\$578,653.55	\$0.00	\$0.00	\$0.00
WALLED LAKE	\$133,443.25	\$133,443.25	\$0.00	\$0.00	\$0.00
WARREN	\$1,789,431.99	\$1,789,431.99	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$185,605.39	\$185,605.39	\$0.00	\$0.00	\$0.00
WAYNE	\$546,994.35	\$546,994.35	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (C-O)	\$1,769,550.37	\$1,769,550.37	\$0.00	\$0.00	\$0.00
WESTLAND	\$1,024,757.76	\$1,024,757.76	\$0.00	\$0.00	\$0.00
WIXOM	\$198,570.14	\$198,570.14	\$0.00	\$0.00	\$0.00
WOODHAVEN	\$136,657.35	\$136,657.35	\$0.00	\$0.00	\$0.00
YCUA	\$1,775,741.91	\$1,775,741.91	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
TOTAL WATER ACCOUNTS	\$56,488,838.84	\$39,078,633.77	\$934,895.99	\$943,701.23	\$15,531,607.85

GLWA Aged Accounts Receivable- SEWER ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CENTER LINE	\$86,899.50	\$86,899.50	\$0.00	\$0.00	\$0.00
DEARBORN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EVERGREEN-FARMINGTON	\$3,016,300.00	\$3,016,300.00	\$0.00	\$0.00	\$0.00
FARMINGTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$336,800.00	\$336,800.00	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$41,106,792.80	\$451,700.00	\$451,700.00	\$451,700.00	\$39,751,692.80
MELVINDALE	\$131,200.00	\$131,200.00	\$0.00	\$0.00	\$0.00
OAKLAND COUNTY GWK DD	\$3,864,800.00	\$3,864,800.00	\$0.00	\$0.00	\$0.00
OMID	\$6,011,581.17	\$6,011,581.17	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ROUGE VALLEY	\$13,982,700.00	\$4,660,900.00	\$4,660,900.00	\$4,660,900.00	\$0.00
SOUTH MACOMB SANITATION DIST	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WAYNE COUNTY-AREA #3	\$13,200.00	\$4,400.00	\$4,400.00	\$4,400.00	\$0.00
TOTAL SEWER ACCOUNTS	\$68,550,273.47	\$18,564,580.67	\$5,117,000.00	\$5,117,000.00	\$39,751,692.80

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$1,623.53	\$1,623.53	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O)	\$23,133.96	\$23,133.96	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O) ADMIN	\$3,918.48	\$3,918.48	\$0.00	\$0.00	\$0.00
AUBURN HILLS (E-F)	\$794.76	\$794.76	\$0.00	\$0.00	\$0.00
BERKLEY	\$3,182.62	\$3,182.62	\$0.00	\$0.00	\$0.00
BEVERLY HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BINGHAM FARMS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BIRMINGHAM (E-F)	\$2,446.93	\$2,446.93	\$0.00	\$0.00	\$0.00
BIRMINGHAM (SEOC)	\$5,724.42	\$5,724.42	\$0.00	\$0.00	\$0.00
BLOOMFIELD HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BLOOMFIELD TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$171.84	\$171.84	\$0.00	\$0.00	\$0.00
CENTER LINE	\$5,223.22	\$5,223.22	\$0.00	\$0.00	\$0.00
CHARTER TOWNSHIP OF INDEPENI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$13,158.29	\$13,158.29	\$0.00	\$0.00	\$0.00
CITY OF FARMINGTON (E-F)	\$202.27	\$202.27	\$0.00	\$0.00	\$0.00
CITY OF FERNDAL	\$17,935.80	\$17,935.80	\$0.00	\$0.00	\$0.00
CITY OF ROCHESTER	\$3,750.05	\$3,750.05	\$0.00	\$0.00	\$0.00
CLARKSTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLARKSTON (C-O) ADMIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CLAWSON	\$3,148.61	\$3,148.61	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$27,503.35	\$27,503.35	\$0.00	\$0.00	\$0.00
DEARBORN	\$37,380.57	\$37,380.57	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
DEARBORN HEIGHTS	\$21,784.30	\$21,730.60	\$0.00	\$53.70	\$0.00
DETROIT METRO WC AIRPORT	\$107.40	\$107.40	\$0.00	\$0.00	\$0.00
EASTPOINTE	\$6,499.49	\$6,499.49	\$0.00	\$0.00	\$0.00
FARMINGTON	\$4,065.09	\$4,065.09	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$ (710.63)	\$0.00	\$ (710.63)	\$0.00	\$0.00
FRASER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GARDEN CITY	\$6,247.10	\$6,247.10	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE FARMS	\$2,103.25	\$2,103.25	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$1,190.35	\$1,190.35	\$0.00	\$0.00	\$0.00
GROSSE POINTE SHORES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$4,202.92	\$4,202.92	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$1,811.48	\$1,811.48	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$180.79	\$180.79	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$3,359.83	\$3,359.83	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$1,861,957.83	\$7,802.61	\$0.00	\$7,886.74	\$1,846,268.48
HUNTINGTON WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDEPENDENCE (C-O) ADMIN	\$1,312.77	\$1,312.77	\$0.00	\$0.00	\$0.00
INKSTER	\$5,599.12	\$5,599.12	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$710.63	\$710.63	\$0.00	\$0.00	\$0.00
LATHRUP	\$1,415.89	\$1,415.89	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
LENOX TOWNSHIP	\$327.57	\$327.57	\$0.00	\$0.00	\$0.00
LIVONIA	\$41,429.55	\$41,429.55	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$207.64	\$207.64	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MELVINDALE	\$3,540.62	\$3,540.62	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$619.34	\$619.34	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$2,348.48	\$2,348.48	\$0.00	\$0.00	\$0.00
NORTHVILLE TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NOVI	\$18,052.15	\$18,052.15	\$0.00	\$0.00	\$0.00
OAK PARK	\$6,973.84	\$6,973.84	\$0.00	\$0.00	\$0.00
OAKLAND TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ORCHARD LAKE VILLAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ORION TOWNSHIP (C-O)	\$4,356.86	\$4,356.86	\$0.00	\$0.00	\$0.00
ORION TOWNSHIP (C-O) ADMIN	\$499.80	\$499.80	\$0.00	\$0.00	\$0.00
OXFORD TOWNSHIP	\$1,050.73	\$1,050.73	\$0.00	\$0.00	\$0.00
OXFORD VILLAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PLEASANT RIDGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$137.83	\$137.83	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$12,580.12	\$12,580.12	\$0.00	\$0.00	\$0.00
ROCHESTER HILLS	\$19,040.23	\$19,040.23	\$0.00	\$0.00	\$0.00
ROMULUS	\$1,575.20	\$1,575.20	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$14,858.79	\$14,858.79	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ROYAL OAK	\$13,867.13	\$13,867.13	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SHELBY TOWNSHIP	\$15,424.43	\$15,424.43	\$0.00	\$0.00	\$0.00
SOUTHFIELD (E-F)	\$28,926.40	\$28,926.40	\$0.00	\$0.00	\$0.00
SOUTHFIELD (SEOC)	\$3,352.67	\$3,352.67	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$12,222.12	\$12,222.12	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$32,189.57	\$32,189.57	\$0.00	\$0.00	\$0.00
TROY (E-F)	\$773.28	\$773.28	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$38,306.00	\$38,306.00	\$0.00	\$0.00	\$0.00
UTICA	\$3,075.22	\$3,075.22	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
VILLAGE OF FRANKLIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
VILLAGE OF LAKE ORION	\$809.08	\$809.08	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WATERFORD TOWNSHIP DPW	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WATERFORD TOWNSHIP DPW (ADMI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WAYNE	\$5,053.17	\$5,053.17	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (C-O)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (E-F)	\$12,401.58	\$12,401.58	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP. (C-O) A	\$469.85	\$469.85	\$0.00	\$0.00	\$0.00
WESTLAND	\$23,225.25	\$23,225.25	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
TOTAL IWC ACCOUNTS	\$2,388,830.81	\$535,332.52	\$ (710.63)	\$7,940.44	\$1,846,268.48

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
3M COMPANY (MINNESOTA MINING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
A & R PACKING CO., LLC	\$2,224.78	\$2,224.78	\$0.00	\$0.00	\$0.00
AACTRON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ACADEMY PACKING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ACME RUSTPROOF	\$52.21	\$52.21	\$0.00	\$0.00	\$0.00
ADORING PET FUNERAL HOME	\$257.21	\$171.88	\$85.33	\$0.00	\$0.00
ADVANCE ENGINEERING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AEVITAS SPECIALITY SERVICES	\$688.61	\$688.61	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALL CHEM CORP, LLC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ALPHA STAMPING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AMERICAN WASTE TECH INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AMERITI MFG. CO.	\$7,238.20	\$7,238.20	\$0.00	\$0.00	\$0.00
APPLIED TECHNOLOGY INDUSTRIE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ATWATER IN THE PARK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AUTOMOTIVE FINISH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
AXLE BREWING COMPANY, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
B. NEKTAR MEADERY	\$2.97	\$2.97	\$0.00	\$0.00	\$0.00
BAFFIN BREWING COMPANY	\$137.26	\$137.26	\$0.00	\$0.00	\$0.00
BARON INDUSTRIES	\$1,275.56	\$1,275.56	\$0.00	\$0.00	\$0.00
BARTZ BAKERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BASTONE BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
BATCH BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BAYS MICHIGAN CORPORATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BEIRUT BAKERY, INC.	\$37.00	\$0.00	\$0.00	\$0.00	\$37.00
BETTER MADE SNACK FOOD	\$24,282.69	\$24,282.69	\$0.00	\$0.00	\$0.00
BLACK LOTUS BREWING CO.	\$61.25	\$0.00	\$0.00	\$0.00	\$61.25
BOZEK'S MARKET	\$ (1,298.83)	\$0.00	\$0.00	\$0.00	\$ (1,298.83)
BREW DETROIT	\$7,332.35	\$7,332.35	\$0.00	\$0.00	\$0.00
BROADWAY MKT CORNED BEEF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BROOKS BREWING, LLC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BROWN IRON BREWHOUSE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CADILLAC STRAITS BREWING CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CANTON BREW WORKS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CAPITOL REPRODUCTIONS	\$6.64	\$2.90	\$3.74	\$0.00	\$0.00
CF BURGER CREAMERY	\$20,874.73	\$20,874.73	\$0.00	\$0.00	\$0.00
CHARTER TOWNSHIP OF CLINTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CHIEFTAN COATING, LLC.	\$2,953.61	\$2,953.61	\$0.00	\$0.00	\$0.00
CHILANGO'S BAKERY	\$148.23	\$28.75	\$13.80	\$13.80	\$91.88
CINTAS CORP. - MACOMB TWP.	\$33,864.50	\$33,864.50	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$12,021.40	\$12,021.40	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$4,802.90	\$4,802.90	\$0.00	\$0.00	\$0.00
CITY LAUNDRY, INC.	\$4.61	\$4.61	\$0.00	\$0.00	\$0.00
CLASSIC CONTAINER CORP.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
CLEAN EARTH OF MICHIGAN, LLC	\$128.47	\$102.85	\$25.62	\$0.00	\$0.00
COCA-COLA REFRESHMENTS USA,	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COUNTRY FRESH DAIRY CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CROSS CHEMICAL COMPANY, INC.	\$94.53	\$94.53	\$0.00	\$0.00	\$0.00
DANA CONTAINER, INC.	\$466.26	\$466.26	\$0.00	\$0.00	\$0.00
DARLING INGREDIENTS, INC.	\$6,887.91	\$6,887.91	\$0.00	\$0.00	\$0.00
DAVE'S SAUSAGE FACTORY 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN BREWING	\$17.32	\$17.32	\$0.00	\$0.00	\$0.00
DEARBORN SAUSAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DEARBORN SAUSAGE CO., INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT BEER CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT LINEN SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT METRO WC AIRPORT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT RIVERTOWN BREWERY CC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT SAUSAGES CO INC	\$17.90	\$17.90	\$0.00	\$0.00	\$0.00
DETRONIC INDUSTRIES, INC.	\$ (149.81)	\$0.00	\$0.00	\$ (149.81)	\$0.00
DIFCO LABORATORIES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DIVERSIFIED CHEM TECH. INC.	\$81.95	\$81.95	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$3,042.20	\$3,042.20	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
DOMESTIC UNIFORM RENTAL	\$1,403.00	\$1,403.00	\$0.00	\$0.00	\$0.00
DOWNEY BREWING COMPANY	\$35.41	\$35.41	\$0.00	\$0.00	\$0.00
DUBOIS CHEMICALS, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E & E MANUFACTURING CO, PLAN	\$44.19	\$44.19	\$0.00	\$0.00	\$0.00
E & E MANUFACTURING CO, PLAN	\$88.76	\$88.76	\$0.00	\$0.00	\$0.00
E.W. GROBBEL'S SONS, INC.	\$2,953.52	\$2,953.52	\$0.00	\$0.00	\$0.00
EASTERN MARKET BREWING COMP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ENVIROSOLIDS, L.L.C.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$878.75	\$682.49	\$184.39	\$11.87	\$0.00
EQ DETROIT, INC.	\$3,254.47	\$2,343.70	\$799.90	\$110.87	\$0.00
EQ DETROIT, INC.	\$ (0.59)	\$0.00	\$0.00	\$0.00	\$ (0.59)
EQ DETROIT, INC.	\$ (0.01)	\$0.00	\$ (0.01)	\$0.00	\$0.00
ETON ST BREWERY- GRIFFIN CL	\$1,392.01	\$1,392.01	\$0.00	\$0.00	\$0.00
EXTRUDE HONE CORPORATION	\$85.32	\$85.32	\$0.00	\$0.00	\$0.00
EXTRUDEHODE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FARMINGTON BREWING COMPANY	\$16.28	\$16.28	\$0.00	\$0.00	\$0.00
FAYGO BEVERAGES, INC.	\$3,468.03	\$3,468.03	\$0.00	\$0.00	\$0.00
FITZGERALD FINISHING LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FIVES CINETIC CORP.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FORD MOTOR CO- STERLING PLAN	\$3,689.69	\$2,476.72	\$1,212.97	\$0.00	\$0.00
FORD NEW MODEL PROGRAM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FOUNDERS BREWING COMPANY	\$12.31	\$12.31	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
FRESH-PAK	\$669.44	\$669.44	\$0.00	\$0.00	\$0.00
FRESH-PAK	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GENERAL LINEN SUPPLY CO.	\$3,673.80	\$3,673.80	\$0.00	\$0.00	\$0.00
GENERAL MOTORS, LLC ROMULUS	\$3,029.65	\$2,084.37	\$945.28	\$0.00	\$0.00
GLOBAL TITANIUM, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GREAT BARABOO BREWING CO.	\$88.58	\$88.58	\$0.00	\$0.00	\$0.00
HACIENDA MEXICAN FOODS	\$194.97	\$66.37	\$29.04	\$33.19	\$66.37
HACIENDA MEXICAN FOODS	\$837.29	\$837.29	\$0.00	\$0.00	\$0.00
HENKEL CORPORATION	\$77.48	\$77.48	\$0.00	\$0.00	\$0.00
HENRY FORD MACOMB HOSPITAL	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HOME STYLE FOOD INC.	\$857.29	\$857.29	\$0.00	\$0.00	\$0.00
HOMEGROWN BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HOODS CLEANERS	\$211.33	\$0.00	\$0.00	\$0.00	\$211.33
HUNTINGTON CLEANERS	\$270.10	\$270.10	\$0.00	\$0.00	\$0.00
IDP, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INDUSTRIAL METAL COATING	\$69.02	\$69.02	\$0.00	\$0.00	\$0.00
INTRASTATE DISTRIBUTORS	\$698.30	\$698.30	\$0.00	\$0.00	\$0.00
ISLAMIC SLAUGHTER HOUSE	\$262.01	\$262.01	\$0.00	\$0.00	\$0.00
ITALIAN BUTTER BREAD STICKS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
JAMEX BREWING CO.	\$21.31	\$21.31	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
JELD-WEN, INC.	\$494.88	\$317.54	\$177.34	\$0.00	\$0.00
KAR NUT PRODUCTS	\$1,499.65	\$1,499.65	\$0.00	\$0.00	\$0.00
KOWALSKI SAUSAGES, CO.	\$ (351.09)	\$0.00	\$ (351.09)	\$0.00	\$0.00
KUHNHENN BREWING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$445.91	\$445.91	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$45.63	\$45.63	\$0.00	\$0.00	\$0.00
LEAR CORPORATION DBA EAGLE C	\$218.68	\$218.68	\$0.00	\$0.00	\$0.00
LIBERTY STREET PROD. BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LILY'S SEAFOOD GRILL & BREWE	\$39.96	\$39.96	\$0.00	\$0.00	\$0.00
LIQUID ENVIRONMENTAL OF ILLI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LIQUID ENVIRONMENTAL SOLUTIC	\$1,228.06	\$1,228.06	\$0.00	\$0.00	\$0.00
MACDERMID, INC.	\$501.91	\$501.91	\$0.00	\$0.00	\$0.00
MCCLURE'S PICKLES	\$554.63	\$554.63	\$0.00	\$0.00	\$0.00
MCGEAN CHEMICALS	\$439.56	\$289.82	\$149.74	\$0.00	\$0.00
MCNICHOLS POLISHING & ANODIZ	\$ (31.54)	\$0.00	\$0.00	\$ (31.54)	\$0.00
MELLO MEATS INC, - KUBISCH S	\$196.92	\$129.79	\$67.13	\$0.00	\$0.00
METROPOLITAN BAKERY	\$ (60.70)	\$0.00	\$0.00	\$0.00	\$ (60.70)
MIBA HYDRAMECHANICA CORP.	\$989.01	\$715.77	\$273.24	\$0.00	\$0.00
MICHIGAN DAIRY	\$166,328.36	\$166,328.36	\$0.00	\$0.00	\$0.00
MICHIGAN PROD. MACHINING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MICHIGAN SOY PRODUCTS CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MIDWEST WIRE PRODUCTS, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MILANO BAKERY	\$221.84	\$221.84	\$0.00	\$0.00	\$0.00
MILTON CHILI CO.	\$26.95	\$26.95	\$0.00	\$0.00	\$0.00
MINNIE MARIE BAKERS, INC	\$1,876.98	\$1,876.98	\$0.00	\$0.00	\$0.00
MISTER UNIFORM & MAT RENTALS	\$ (8.63)	\$0.00	\$0.00	\$0.00	\$ (8.63)
MOTOR CITY BREWING WORKS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NATIONAL CHILI COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NATIONAL CHILI COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NATIONAL CHILI COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NEAPCO DRIVELINES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTH CENTER BREWING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTHERN LAKES SEAFOOD & MEAT	\$18.32	\$18.32	\$0.00	\$0.00	\$0.00
OAKWOOD BAKERY	\$40.35	\$40.35	\$0.00	\$0.00	\$0.00
OLIVER HATCH CONSTRUCTION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PARKEDALE PHARMACEUTICALS/PE	\$131.20	\$131.20	\$0.00	\$0.00	\$0.00
PARKER'S HILLTOP BREWER & SE	\$67.00	\$67.00	\$0.00	\$0.00	\$0.00
PELLERITO FOODS INC.	\$40.78	\$40.78	\$0.00	\$0.00	\$0.00
PEPSI COLA, INC.	\$10,574.26	\$10,574.26	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PERDUE PREMIUM MEAT COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PERSONAL UNIFORM SERVICE, IN	\$ (18.19)	\$0.00	\$0.00	\$0.00	\$ (18.19)
PETRO ENVIRON TECH, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PINE TREE ACRES, INC.	\$86,031.23	\$86,031.23	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
PLATING SPEC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
POWER VAC OF MICHIGAN, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PREMIER PLATING, LLC	\$584.22	\$584.22	\$0.00	\$0.00	\$0.00
PREMIER PLATING- STERLING HE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PRODUCTION SPRING, LLC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
QUAKER HOUGHTON - PLANT #2	\$ (56.00)	\$0.00	\$0.00	\$ (56.00)	\$0.00
QUAKER HOUGHTON - PLANT #2	\$ (682.61)	\$0.00	\$0.00	\$ (682.61)	\$0.00
QUAKER HOUGHTON - PLANT #2	\$1,259.99	\$1,259.99	\$0.00	\$0.00	\$0.00
QUALA SERVICES, LLC	\$48.37	\$48.37	\$0.00	\$0.00	\$0.00
RAY'S ICE CREAM CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RED SPOT PAINT #409139	\$1.28	\$1.28	\$0.00	\$0.00	\$0.00
RIVER ROUGE BREWING COMPANY	\$440.60	\$0.00	\$0.00	\$0.00	\$440.60
ROAK BREWING CO. LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS BEER COMPANY	\$134.28	\$134.28	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS PROD BREWERY	\$3,229.67	\$1,181.66	\$0.00	\$0.00	\$2,048.01
ROYAL OAK BREWERY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
RTT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SEAFARE FOODS, INC.	\$64.30	\$64.30	\$0.00	\$0.00	\$0.00
SHERWOOD BREWING COMPANY	\$42.79	\$42.79	\$0.00	\$0.00	\$0.00
SMITH-WATKINS, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SPRAYTEK INC.- MADISON HEIGH	\$1,066.97	\$451.94	\$615.03	\$0.00	\$0.00
SPRAYTEK, INC.	\$14.52	\$0.00	\$0.00	\$0.00	\$14.52

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
SUPERNATURAL SPIRITS & BREWI	\$42.62	\$42.62	\$0.00	\$0.00	\$0.00
SWEETHEART BAKERY, INC.	\$318.72	\$137.04	\$61.25	\$59.18	\$61.25
THE CROWN GROUP-LIVONIA PLAN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
THE DEBURRING COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
THERMO FISHER SCIENTIFIC	\$31,914.67	\$31,914.67	\$0.00	\$0.00	\$0.00
TOM LAUNDRY CLEANERS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TRAFFIC JAM & SNUG	\$ (31.16)	\$0.00	\$0.00	\$0.00	\$ (31.16)
TURRI'S ITALIAN FOODS	\$0.50	\$0.00	\$0.50	\$0.00	\$0.00
TURRI'S ITALIAN FOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
U-METCO, INC.	\$800.63	\$800.63	\$0.00	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$20,551.86	\$20,551.86	\$0.00	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$1,151.28	\$1,151.28	\$0.00	\$0.00	\$0.00
UNIQUE LINEN SERVICES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNITED FISH DISTRIBUTORS	\$0.42	\$0.42	\$0.00	\$0.00	\$0.00
UNITED LINEN SERVICE, LLC.	\$555.49	\$343.95	\$15.98	\$195.56	\$0.00
UNITED MEAT & DELI	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
URBANREST BREWING COMPANY	\$69.34	\$69.34	\$0.00	\$0.00	\$0.00
US ECOLOGY MICHIGAN	\$500.10	\$500.10	\$0.00	\$0.00	\$0.00
US ECOLOGY ROMULUS, INC.	\$1,951.65	\$1,077.32	\$334.96	\$539.37	\$0.00
USHER OIL SERVICES	\$192.97	\$192.97	\$0.00	\$0.00	\$0.00
VALICOR ENVIROMENTAL SERVICE	\$604.37	\$604.37	\$0.00	\$0.00	\$0.00
VALICOR ENVIRONMENTAL SERVIC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
VAUGHAN INDUSTRIES, INC.	\$37.20	\$37.20	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

Balances as of 05/31/23

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
VERNDALE PRODUCTS	\$4,339.81	\$4,339.81	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS, INC.	\$2,334.99	\$2,334.99	\$0.00	\$0.00	\$0.00
WIGLEY'S MEAT PROCESS	\$425.13	\$425.13	\$0.00	\$0.00	\$0.00
WINTER SAUSAGE MFG. CO.	\$407.11	\$407.11	\$0.00	\$0.00	\$0.00
WINTER SAUSAGE MFG. CO.	\$78.29	\$78.29	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO	\$1,561.79	\$1,561.79	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO.	\$1,957.82	\$1,957.82	\$0.00	\$0.00	\$0.00
WOODWARD AVENUE BREWERS	\$144.24	\$0.00	\$0.00	\$0.00	\$144.24
X-R-I TESTING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL POLLUTANT SURCHARGE ACCOUNTS	\$503,436.46	\$496,990.09	\$4,644.14	\$43.88	\$1,758.35

City of Highland Park Billings and Collections

	Water	Sewer	IWC	Cumulative Total
June 30, 2012 Balance	\$ -	\$ 10,207,956	\$ 852,987	\$ 11,060,943
FY 2013 Billings	485,887	4,987,635	154,444	5,627,966
FY 2013 Payments	(65,652)	(2,206,211)	-	(2,271,863)
June 30, 2013 Balance	\$ 420,235	\$ 12,989,380	\$ 1,007,431	\$ 14,417,046
FY 2014 Billings	1,004,357	6,980,442	161,951	8,146,750
FY 2014 Payments	-	(1,612,633)	-	(1,612,633)
June 30, 2014 Balance	\$ 1,424,592	\$ 18,357,189	\$ 1,169,382	\$ 20,951,163
FY 2015 Billings	1,008,032	5,553,123	165,739	6,726,894
FY 2015 Payments	-	(1,444,623)	-	(1,444,623)
June 30, 2015 Balance	\$ 2,432,625	\$ 22,465,689	\$ 1,335,121	\$ 26,233,435
FY 2016 Billings	1,157,178	5,612,167	106,431	6,875,776
FY 2016 Payments	-	(2,022,335)	-	(2,022,335)
June 30, 2016 Balance	\$ 3,589,803	\$ 26,055,521	\$ 1,441,551	\$ 31,086,875
FY 2017 Billings	1,245,267	5,802,000	101,999	7,149,265
FY 2017 Payments	-	(2,309,186)	-	(2,309,186)
June 30, 2017 Balance	\$ 4,835,070	\$ 29,548,335	\$ 1,543,550	\$ 35,926,954
FY 2018 Billings	1,277,179	5,657,101	80,472	7,014,752
FY 2018 Payments	-	(4,108,108)	-	(4,108,108)
June 30, 2018 Balance	\$ 6,112,248	\$ 31,097,327	\$ 1,624,022	\$ 38,833,597
FY 2019 Billings	1,238,797	5,617,100	51,220	6,907,117
FY 2019 Payments	-	(5,241,583)	-	(5,241,583)
June 30, 2019 Balance	\$ 7,351,045	\$ 31,472,844	\$ 1,675,243	\$ 40,499,132
FY 2020 Billings	1,182,639	5,665,400	47,097	6,895,136
FY 2020 Payments	-	(3,026,117)	-	(3,026,117)
June 30, 2020 Balance	\$ 8,533,684	\$ 34,112,127	\$ 1,722,340	\$ 44,368,151
FY 2021 Billings	1,185,506	5,702,000	47,423	6,934,929
FY 2021 Payments	-	(2,783,552)	-	(2,783,552)
June 30, 2021 Balance	9,719,190	37,030,575	1,769,763	48,519,528
FY 2022 Billings	1,222,260	5,389,300	48,322	6,659,882
FY 2022 Payments	-	(1,788,828)	-	(1,788,828)
June 30, 2022 Balance	\$ 10,941,450	\$ 40,631,047	\$ 1,818,085	\$ 53,390,582
FY 2023 Billings (11 Months)	1,150,602	4,963,400	43,873	6,157,875
FY 2023 Payments (11 Months)	-	(4,487,654)	-	(4,487,654)
Balance as of May 31, 2023	\$ 12,092,052	\$ 41,106,794	\$ 1,861,958	\$ 55,060,803



Financial Services Audit Committee Communication

Date: August 25, 2023

To: Great Lakes Water Authority Audit Committee

From: Megan Savage, Vendor Outreach Coordinator

Re: Business Inclusion & Diversity Program Update

Background: On November 25, 2020, the GLWA Board of Directors approved an amendment to the Procurement Policy allowing for the formation of a new Business Inclusion & Diversity (B.I.D.) Program within the Financial Services' Procurement Group. The B.I.D. Program Team, which includes internal GLWA Team Members as well as external consultants, executed a Phase I launch of the program on February 1, 2021 and a Phase II launch on July 1, 2021.

Analysis: This month we present tables to recap B.I.D. Program activity from the date of the program launch on February 1, 2021 through July 31, 2023 for procurements budgeted to exceed \$1 million.

Table 1: B.I.D. Eligible Procurements as of July 31, 2023

Table 1 provides an overview of the total number of B.I.D. Program-eligible Procurements awarded, in evaluation, or advertised as active opportunities in GLWA's Bonfire Procurement Portal. Each vendor who submits a response to a B.I.D. Program-eligible procurement must also submit a Business Inclusion and Diversity Plan. The total number of Diversity Plans that GLWA has received for B.I.D. eligible procurements that have been awarded and that are in evaluation is also provided.

	Awarded	In Evaluation Phase	Active (Advertised)	Total
Procurements Requiring B.I.D. Submittals	74	10	3	87
Total Number of Diversity Plans Submitted	237	30	n/a	267

Table 2: Scored Criteria for Awarded Procurements

Table 2 provides a breakdown of the percentage of B.I.D. Program-eligible procurements awarded thus far that met the B.I.D. Program scored criteria. This scored criteria is based on whether the vendor has a business presence in the state of Michigan, GLWA's Member Partner service area, or a disadvantaged municipality within GLWA's service area.

	Procurements Awarded Meeting B.I.D. Criteria as a % of Total \$ Awards	Total Contract Amount (in millions)
Michigan Location	92%	\$679.4
Member Partner Service Area	88%	\$637.2
Disadvantaged Service Area	54%	\$349.4

Table 3: Member Partner Communities

Table 3 provides a breakdown of the number of awarded contracts to vendors located in GLWA's Member Partner Service area.

	Total Contract Count	Total Contract Amount (in millions)	% of Total \$ Awarded
City of Detroit	40	\$349.4	39.30%
City of Auburn Hills	5	\$76.7	8.63%
City of Novi	3	\$94.4	10.61%
City of Livonia	3	\$59.6	6.71%
City of Taylor	1	\$12.6	1.42%
City of Troy	3	\$17.0	1.91%
City of Southfield	2	\$6.3	0.71%
City of Madison Heights	1	\$6.0	0.67%
City of Warren	2	\$4.7	0.52%
City of Wixom	1	\$1.1	0.12%
City of Farmington Hills	2	\$6.5	0.73%
City of Riverview	1	\$1.9	0.21%
Harrison Township	1	\$1.0	0.12%
Subtotal	65	\$637.2	71.67%
Other Michigan Communities	4	\$154.7	17.40%
Out of State	5	\$97.2	10.93%
Total	74	\$889.1	100.00%

Table 4: Economically Disadvantaged Communities

Table 4 provides a breakdown of the number of awarded contracts to vendors who have a business presence in an economically disadvantaged GLWA service territory area. This means that the vendor is located in a municipality designated as having one of the five lowest median household incomes in that respective county as defined by the U.S. Census Bureau every five years.

	Total Contract Count	Total Contract Amount (in millions)
Detroit	40	\$349.4

Table 5: Non-Scored Criteria - Disadvantaged, Minority-owned, Women-owned, and Small Businesses

Table 5 provides a breakdown of the percentage of B.I.D. Program-eligible procurements awarded thus far that met the B.I.D. Program Non-Scored Criteria. This Non-Scored Criteria refers to any diversity certifications that the vendor may hold as a Disadvantaged Business Enterprise (DBE), Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), or Small Business Enterprise (SBE).

	Procurements Awarded as a % of Total \$ Awards	Total Contract Amount (in millions)
Awarded to Disadvantaged, Minority- owned, Women-owned, and Small Businesses	35%	\$310.4

Table 6: Diversity Certification Percentages

Table 6 provides a breakdown of the vendors who met the certification criteria as SBE (Small Business Enterprise), DBE (Disadvantaged Business Enterprise), MBE (Minority-owned Business Enterprise), and/or WBE (Women-owned Business Enterprise). Note that some firms may have multiple certifications.

	SBE	DBE	MBE	WBE
Percentage of Awarded Procurements to SBE, DBE, MBE, and WBE	10%	74%	35%	7%
Total Contract Amount (in millions)	\$18.5	\$333.6	\$96.3	\$65.2

Table 7: Overall Contracts Awarded

Table 7 provides a breakdown of overall dollars awarded under the B.I.D. Program thus far, distinguishing between firms that met the B.I.D. Program certification criteria (non-scored criteria) and firms that met the three B.I.D. Program geographic criteria (scored criteria).

	Total Contract Count	Total Contract Amount (in millions)	% of Total \$ Awarded
Eligible Procurements	74	\$889.1	100%
Firms that met the certification criteria (non-scored criteria)	31	\$310.4	35%
Firms that met the three geographic criteria (scored criteria)	40	\$349.4	39%

Other activities completed this month to expand awareness of the B.I.D. Program and to foster the development of effective diversity plans included the following.

- Working with Bonfire to develop options for tracking and reporting on GLWA's efforts to update our vendor database to include information on diversity certifications. These options are contingent upon pending software enhancements required by Bonfire.
- Continued attendance of the B.I.D. Program Liaison at all Pre-Bid and Pre-Proposal solicitation meetings to overview B.I.D. Program requirements and answer any questions from vendors/contractors.

Two tasks have been placed on hold for reasons specified below.

- The request remains open with Bonfire to provide options for tracking and reporting diversity certifications in the vendor database. Currently Bonfire does not have this on the list of planned upgrades.
- Continued evaluation of insurance and bonding requirements for small, minority-owned, and disadvantaged business enterprises. No solution has been identified but we do continue to explore the topic with potential resources.

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: August 25, 2023

To: Great Lakes Water Authority Audit Committee

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

Re: Charges Outreach & Modeling Update

Background: The Charges Outreach & Modeling (CO&M) Team was established in Fiscal Year 2023 as part of the Financial Management & Planning Group to facilitate internal communication and external outreach with GLWA Member Partners as it relates to the charge methodology and charge-related financial matters. This team also serves as liaison between GLWA and third-party consultants in the development, maintenance and review of the annual water and sewer charges.

Analysis: This month we present an update on activities related to charges work group activities.

1. Water Charges Work Group

- This group is made up of Member Partners and staff from GLWA and convenes for the purpose of reviewing the water charge methodology and recommending potential changes.
- The Water Charges Methodology Review Subgroup is made up of interested volunteer Member Partners and convenes to work closely with GLWA on the technical analysis and provide input on charges scenarios. The subgroup meets twice per month and reports its findings and updates to the larger Charges Work Group as needed. We received valuable feedback from Member Partners at-large during the Charges Rollout process that will help guide future discussions for this subgroup.
- A smaller team within the Water Charges Methodology Review Subgroup has been meeting less formally to establish a new set of proposals which were presented at the most recent in-person meeting of the Water Charges Methodology Review Subgroup held on June 2, 2023. The smaller team provided further information on June 29, 2023.
- The Water Charges Methodology Review Subgroup meetings for July 7, 2023 and July 21, 2023 were cancelled but an in-person meeting was held on Friday, August 4th.

2. Combined Water and Wastewater Charges Workgroup

- The overall Charges Work Group met virtually via Zoom on Tuesday, July 11, 2023. An August workgroup meeting is tentatively being scheduled for late August.

3. One Water Partnership (OWP) Meetings

- The next OWP meeting date is currently to-be-determined.

Proposed Action: Receive and file this report.



Financial Services Audit Committee Communication

Date: August 25, 2023

To: Great Lakes Water Authority Audit Committee

From: Deirdre Henry, Treasury Manager

Re: Quarterly Investment Report (Unaudited)

Background: As stated in section 14 of the Great Lakes Water Authority (GLWA) Investment Policy, quarterly reporting shall be presented to provide a clear picture of the status of the current GLWA investment portfolio. The attached report, prepared and presented by PFM Asset Management LLC, summarizes portfolio information through June 30, 2023 (unaudited).

Analysis: The Quarterly Investment Report complies with the requirements of Public Act 20 of 1948, as amended and the GLWA Investment Policy. GLWA is investing its funds in a diversified portfolio which includes bank deposits, money market funds, a local government investment pool (LGIP), U.S. Treasuries, Federal Agencies, and commercial paper. All securities in the portfolio comply with the GLWA investment policy. Key metrics are provided below with additional commentary in the attached report.

- Yield at Cost:
 - As of June 30, 2023: 4.60%
 - As of March 31, 2023: 4.27%
- Yield at Market:
 - As of June 30, 2023: 4.90%
 - As of March 31, 2023: 4.60%
- Portfolio Allocation in Cash/Money Market/LGIP Securities:
 - As of June 30, 2023: 80%
 - As of March 31, 2023: 54%

The Treasury group continues to work with PFM Asset Management LLC to identify strategies to maximize investment returns while meeting the GLWA standards for safety and liquidity.

Proposed Action: Receive and file this report.

Great Lakes Water Authority

Investment Performance Report – June 2023



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Executive Summary

PORTFOLIO RECAP

- **Safety** – The aggregate portfolio is diversified amongst cash, bank deposits, U.S. Treasuries, Federal Agencies, commercial paper, SEC-registered money market funds, and a local government investment pool. The total credit profile of the portfolio is strong with over 97% of the assets invested in bank deposits or securities that are rated within the two highest short and long-term rating classifications as established by S&P.
- **Liquidity** – Great Lakes Water Authority (“GLWA”) has continued to monitor its portfolio with the goal of limiting the allocation to cash and bank deposit accounts and maximizing the use of short-term investments to meet cash requirements. As of June 30, 2023, approximately 80% of GLWA’s funds were held in cash and money market accounts maturing overnight. The percentage is higher than last quarter due to cash needed for July 1st debt payments.
- **Return** – The overall yield at market increased to 4.90% as of June 30, 2023, versus 4.60% as of March 31, 2023. The higher yield is reflective of the rise in rates that the market has experienced. GLWA earned \$34.8 million (unaudited) in investment income for fiscal year 2023 on a book value basis. It should be noted that the budgeted investment income for GLWA for FY 2023 was expected to be \$32.5 million. Investment income includes earning on funds for construction and bond proceeds.

AVAILABLE FUNDS (Unaudited)

Type	Book Value	Market Value	Yield @ Cost (as of 6/30/23)	Yield @ Market (as of 6/30/23)
Deposit Account	\$38,965,397	\$38,965,397	3.70%	3.70%
Deposit Account - Retainage	\$28,719,854	\$28,719,854	0.01%	0.01%
Deposit Account – Flint Security Deposit	\$3,904,990	\$3,904,990	3.70%	3.70%
Trust Money Market Fund	\$628,823,635	\$628,823,635	4.97%	4.97%
Money Market Fund	\$9,342,562	\$9,342,562	4.99%	4.99%
Local Government Investment Pool	\$245,388,679	\$245,388,679	5.21%	5.21%
Managed Funds	\$245,160,978	\$241,239,511	3.77%	5.24%
<u>JUNE 2023 TOTALS:</u>	<u>\$1,200,306,095</u>	<u>\$1,196,384,628</u>	<u>4.60%</u>	<u>4.90%</u>
<u>PREVIOUS QUARTER TOTALS:</u>	<u>\$1,237,391,191</u>	<u>\$1,233,322,743</u>	<u>4.27%</u>	<u>4.60%</u>

Investment Strategy

OVERALL STRATEGY

- All investment activity is conducted subject to GLWA's investment policy and state statutes while meeting the primary objectives of safety and liquidity. The portfolio is managed to a disciplined investment plan to provide improved safety and diversification while putting every dollar to work.
- GLWA, working with its investment advisor PFM Asset Management ("PFMAM"), has continued to invest its funds in a mixture of short and intermediate-term individual investment securities to ensure adequate liquidity to cover upcoming debt, pension payments, and operational requirements.
- PFMAM will continue to actively manage long-term portfolios with full discretion and align short-term balances with expected liabilities and identify strategies to maximize future investment income in the current interest rate environment, subject to GLWA's investment policy and state statutes.

PORTFOLIO PERFORMANCE – CURRENT PERIOD*

- The overall portfolio's original yield at cost went from 4.27% as of 3/31/2023 to 4.60% as of 6/30/2023; the higher yield is a result of reinvesting proceeds of lower-yielding securities that have matured in a higher interest rate environment.
- The total portfolio had a market yield of 4.90% at the end of June. Yield at market represents what the market would provide in return if the portfolio was purchased on June 30, 2023 (versus purchased in prior months / years).
 - This 4.90% yield at market as of 6/30/2023 is higher than in the prior quarter as the increase in short-term yields during the first half of calendar year 2023 resulted in a shift in the yield at market of the portfolio higher.

PORTFOLIO PERFORMANCE – PROJECTIONS

- GLWA earned over \$34.8 million (unaudited) in investment interest income for fiscal year 2023 (as of 6/30/2023) on a book value basis.
- It should be noted that the FY 2023 total interest earnings projection forecast was estimated to be around \$32.5 million.
- The fiscal year period earnings were slightly higher than budgeted expectations, mainly due to more Federal Reserve interest rate hikes priced into the market.

** Yield at cost is based on the original cost of the individual investments from the purchase date to maturity. On the other hand, yield at market is calculated on a specific day (in this case, March 31, 2023) and assumes that all the securities in the portfolio are purchased given the market price/yield on that particular day. If one is to generally hold their investments to the stated maturity date, then the yield at cost would be the better number to use to gauge how the portfolio is performing.*

Summary Market Overview and Outlook

ECONOMIC HIGHLIGHTS UPDATE

- The Federal Reserve (the “Fed”) held its benchmark interest rate unchanged on June 14th but signaled more hikes are still on the table this year. The “hawkish pause” pushed Treasury yields higher as markets accepted a higher-for-longer overnight target rate.
- The May CPI report indicated that prices increased by 4.0% year-over-year. While still elevated relative to the Fed’s preferred target of 2.0%, the pace of increases declined for the eleventh consecutive month.
- The June employment report showed the slowest pace of job creation since December of 2020, posting gains of 209,000. This was down from a revised reading of 306,000 in May. Employment continued to trend up in government, healthcare, social assistance, construction, professional and business services, and leisure and hospitality. The unemployment rate in June fell modestly to 3.6%, down from 3.7% in May. Average hourly earnings increased by 0.4% in June, matching the May print.
- Real gross domestic product (“GDP”) increased at an annual rate of 2.0% in the first quarter of calendar year 2023, modestly surprising to the upside as estimates called for growth of 1.4%.
- The services sector continued to expand in June, following a trend that has continued in 36 of the last 37 months. On the other hand, the slide in the manufacturing sector continued as it posted its eighth consecutive month in contractionary territory.
- The average national 30-year mortgage rate hovered above 7.00% in June. Existing home sales continue to show tight inventory. On the other hand, new home sales jumped by 12.2% to a seasonally adjusted annual rate of 763,000, the highest level since February of 2022. Housing starts also surged in May, underscoring the strength of the consumer and the resilient housing market.

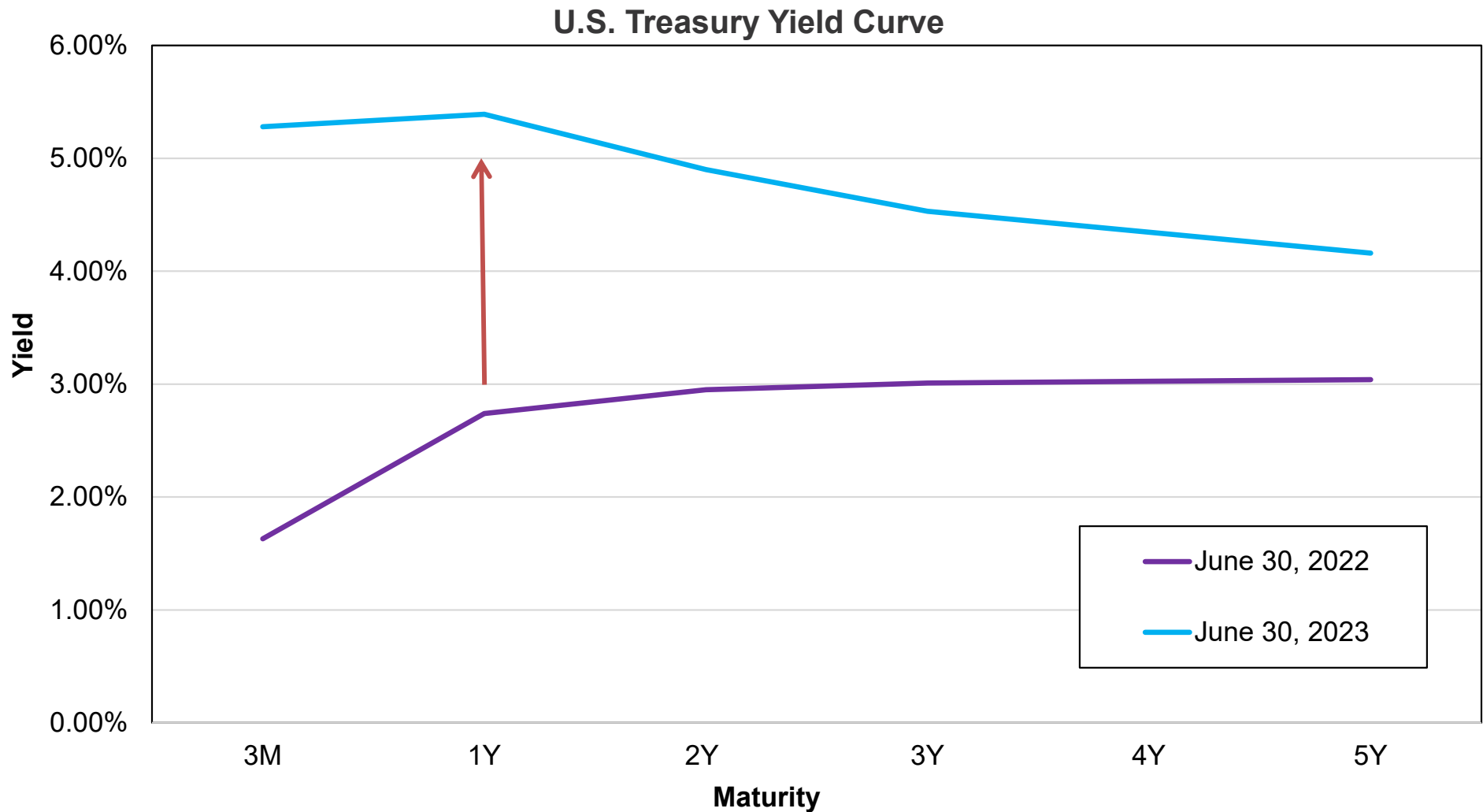
ECONOMIC IMPACT ON PORTFOLIO

- U.S. Treasury yields beyond one year pushed higher in June, led by a 0.49% increase in the 2-year maturity. The inversion in the yield curve (as measured by the difference between the 2 and 10-year maturities) deepened to more than 100 basis points by the end of the month, marking the greatest disparity between the two measures since 1981.
- With the exception of only the shortest maturities, U.S. Treasury yields increased in the quarter, as benchmark 2, 5, and 10-year Treasuries finished the quarter at 4.90%, 4.16%, and 3.84%..
- Portfolio Impact: Throughout the quarter, Fed Chair Jerome Powell reiterated that more rate hikes are likely, echoing the Fed’s updated dot plot released in June, which showed two more rate hikes by December. Given the steady ascent of yields over the quarter and steadfast Fed speak indicating higher-for-longer overnight rates, we have maintained a modestly defensive duration bias. However, it should be noted that the 2-year U.S. Treasury yield surged over 100 basis points from early May lows through the end of June. We will likely continue to maintain a marginally defensive bias as the yield curve remains near historically extreme levels of inversion. Spreads in non-Treasury government sectors such as Agencies remain tight. New buying opportunities are limited, and this sector may be utilized for duration-rebalancing trades.

Summary Market Overview and Outlook

Treasury Yield Curve Presently Inverted

- It should be noted that the Federal Reserve delivered another rate hike in the previous quarter with a continued hawkish tone that has driven yields back up towards the upper-end of their recent range.



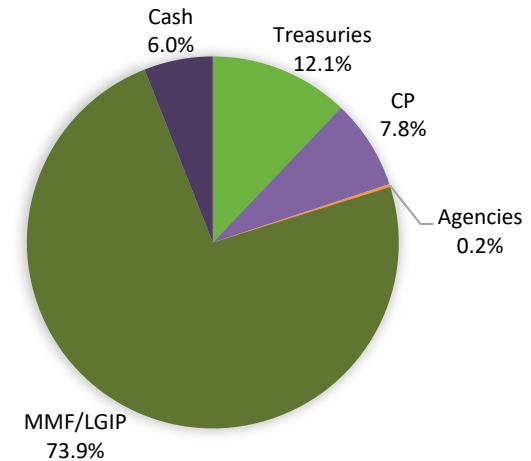
Portfolio Snapshot

Overall Portfolio Composition Summary

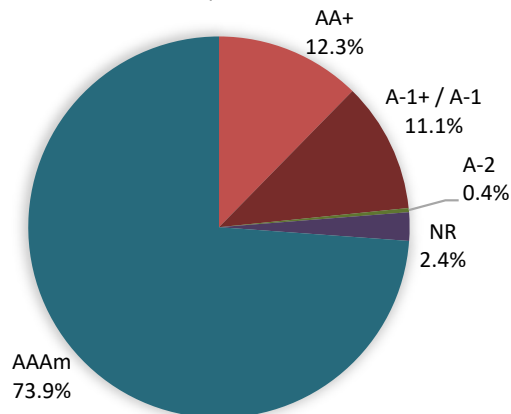
PORTFOLIO STATISTICS

Invested Amount	\$1.196 Billion
Duration	0.11 Years
Yield at Cost	4.60%
Yield at Market	4.90%

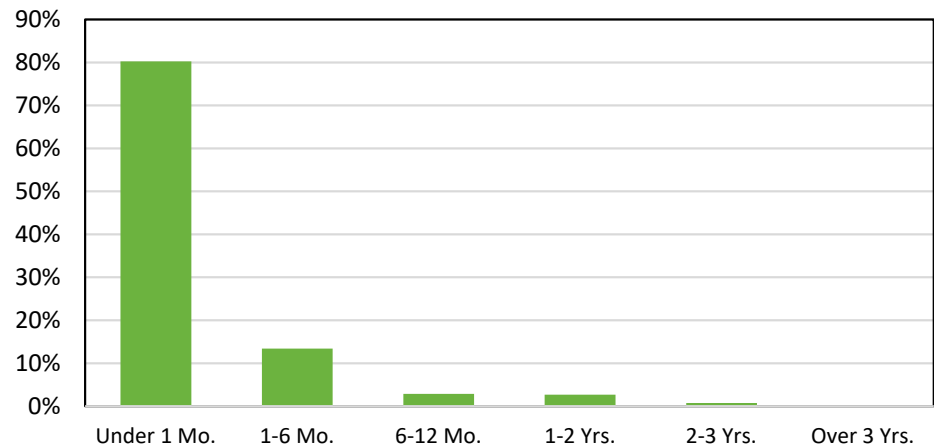
SECTOR ALLOCATION



CREDIT QUALITY



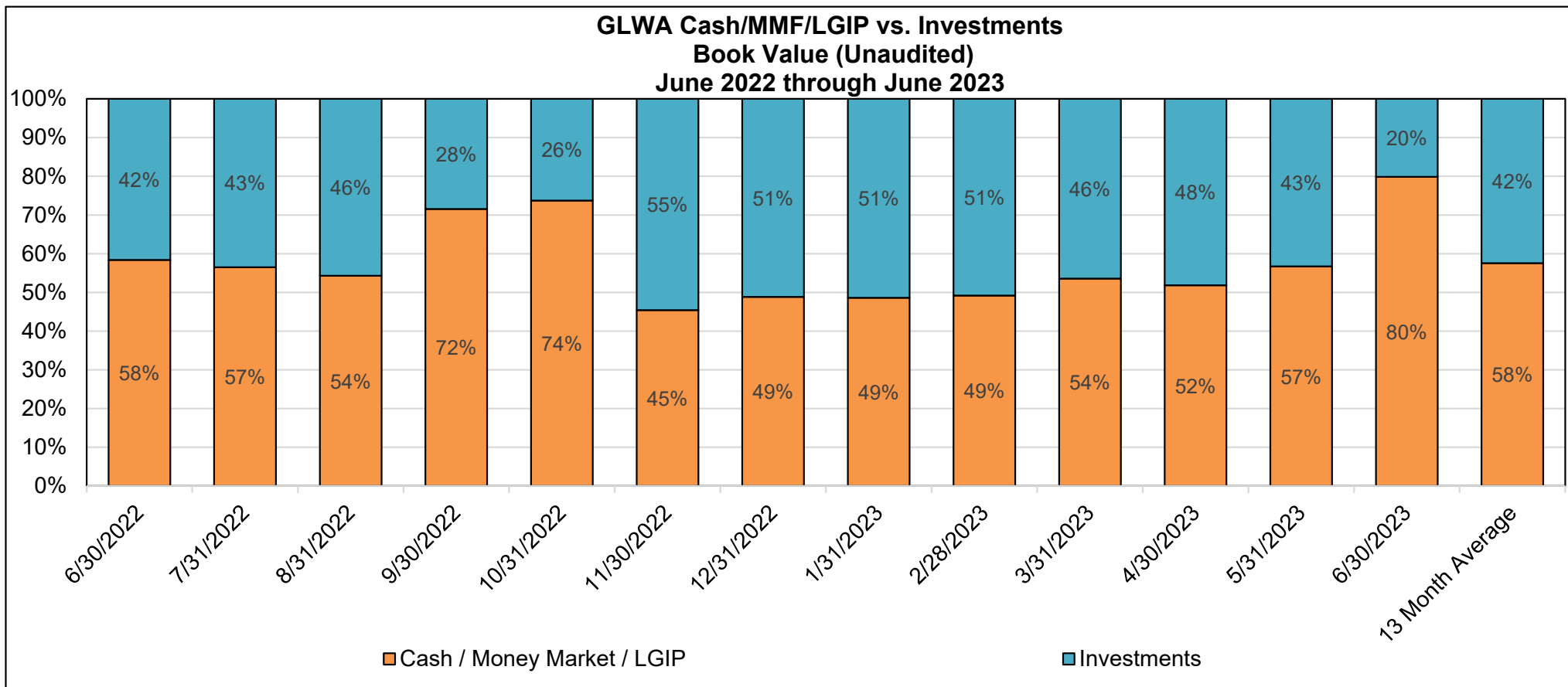
MATURITY DISTRIBUTION



Portfolio Snapshot

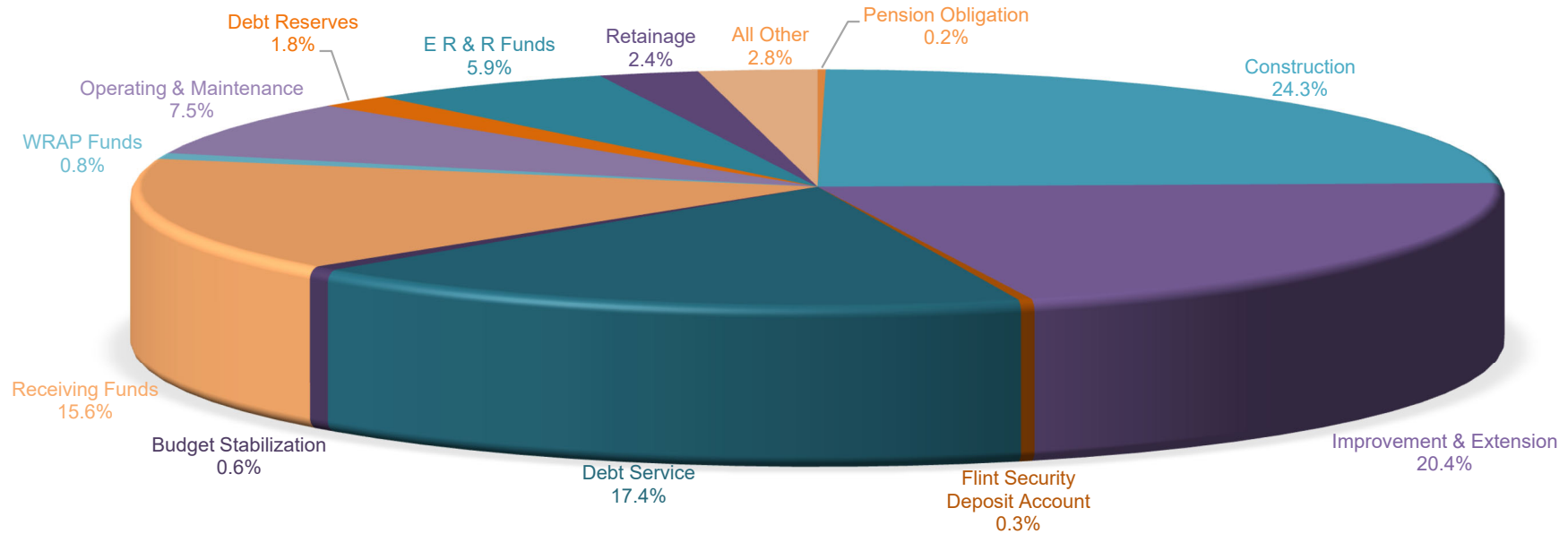
Portfolio Mix – Cash / Money Market vs. Investments

- GLWA's liquidity requirements fluctuate each month based on operational requirements, capital funding, and debt payments. Based on a review of historical activity and refinement of cash flow projections, GLWA has continually tried to balance the allocation of the portfolio's holdings to cash & money market accounts versus the allocation to investments for the portfolio holdings.
- The chart below compares the monthly allocation of the portfolio holdings to the 13-month average. The allocation between cash and investments will vary each month based on liquidity requirements. For June of 2023, about 80% of the overall portfolio was invested in cash, LGIP, and/or overnight money market fund accounts, with the majority of the liquidity needed for July 1st debt payments.



Portfolio Snapshot

Investments – By Account Purpose

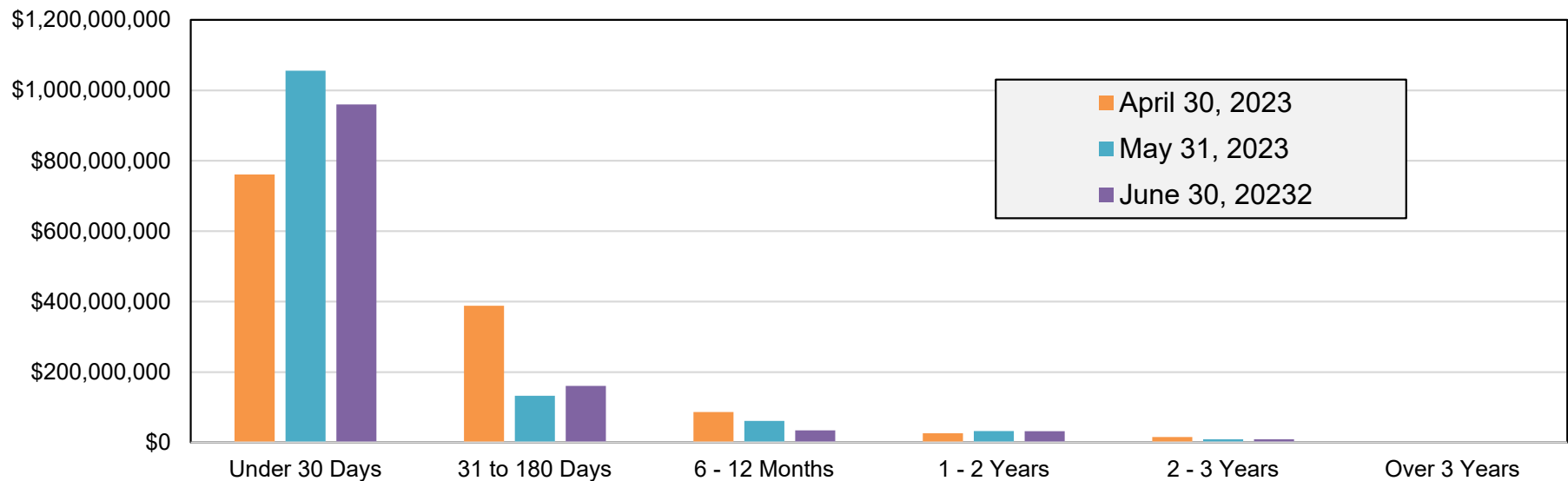


Account Purpose	Value Market	Allocation %	Cost Yield at	Market Yield at	Duration	Strategy
Construction	\$ 290,766,652	24.3%	5.13%	5.26%	0.128 Years	Cash Flow Driven
Improvement & Extension	\$ 244,103,364	20.4%	4.76%	4.95%	0.008 Years	Cash Flow Driven
Debt Service	\$ 207,712,252	17.4%	5.01%	5.03%	0.039 Years	Short-Term
Receiving Funds (includes lockbox account)	\$ 186,795,259	15.6%	4.94%	4.94%	0.003 Years	Short-Term
Operating & Maintenance	\$ 89,618,300	7.5%	4.97%	4.97%	0.003 Years	Short-Term
Extraordinary Repair & Replacement Funds	\$ 70,433,735	5.9%	1.77%	5.08%	0.928 Years	Long-Term
Other*	\$ 33,905,624	2.8%	3.78%	3.78%	0.003 Years	Restricted Short-Term
Retainage	\$ 28,719,854	2.4%	0.01%	0.01%	0.003 Years	Restricted Short-Term
Debt Reserves	\$ 21,201,014	1.8%	4.73%	5.05%	0.469 Years	Long-Term
WRAP Funds	\$ 9,700,084	0.8%	5.29%	5.35%	0.142 Years	Short-Term
Budget Stabilization Funds	\$ 7,195,549	0.6%	2.01%	5.08%	0.862 Years	Long-Term
Flint Security Deposit Account	\$ 3,904,990	0.3%	3.70%	3.70%	0.003 Years	Restricted Short-Term
Pension Obligation Funds	\$ 2,327,952	0.2%	5.06%	5.06%	0.003 Years	Short-Term
Total	\$ 1,196,384,628	100.0%	4.60%	4.90%	0.110 Years	

* In addition to the totals listed above, there also exists GLWA EFSD deposits and DWSD EFSD deposits in the "Other" category as of June 30, 2023.

Portfolio Snapshot Investments – By Maturity

Maturity Distribution	April 30, 2023		%	May 31, 2023		%	June 30, 2023		%
Under 30 Days	\$	761,104,518	59.6%	\$	1,055,790,913	81.7%	\$	959,983,380	80.2%
31 to 180 Days		388,187,667	30.4%		132,916,601	10.3%		160,652,983	13.4%
6 - 12 Months		86,707,172	6.8%		61,506,347	4.8%		34,383,631	2.9%
1 - 2 Years		26,206,939	2.1%		32,424,535	2.5%		32,273,953	2.7%
2 - 3 Years		15,587,907	1.2%		9,171,047	0.7%		9,090,682	0.8%
Over 3 Years		-	0.0%		-	0.0%		-	0.0%
Totals	\$	1,277,794,203	100.0%	\$	1,291,809,443	100.0%	\$	1,196,384,628	100.0%



Portfolio Snapshot

Investment Accounts – Yield at Cost & Market

	As of June 30, 2023		As of March 31, 2023	
	YTM @ Cost	YTM @ Market	YTM @ Cost	YTM @ Market
Bank Deposits				
Bank A	0.01%	0.01%	0.01%	0.01%
Bank B	0.01%	0.01%	0.01%	0.01%
Flint Deposit Account	3.70%	3.70%	3.03%	3.03%
Bank C	3.70%	3.70%	3.03%	3.03%
Sub-Total Bank Deposits	2.00%	2.00%	0.61%	0.61%
Money Market Funds / LGIPs				
Local Government Investment Pool	5.21%	5.21%	4.76%	4.76%
Trust Money Market Fund	4.97%	4.97%	4.61%	4.61%
Money Market Fund	4.99%	4.99%	3.07%	3.07%
Sub-Total MMF / LGIPs	5.04%	5.04%	4.63%	4.63%
Investment Portfolios				
Sewage SR Debt Serv 5403	0.00%	0.00%	5.11%	5.06%
Sewage SR Res 5400	0.49%	5.21%	0.32%	4.43%
Sew 2nd Debt Serv 5403	0.00%	0.00%	5.01%	5.05%
Sewage 2nd Res 5481	4.23%	5.21%	4.17%	4.43%
Sew SRF Debt Serv 5410	5.29%	5.34%	5.26%	5.26%
Sewage ER & R	0.45%	5.12%	4.40%	4.37%
Sewer Improvement & Extension	1.32%	4.74%	0.77%	4.52%
Sewer Pension Obligation	0.00%	0.00%	4.46%	4.80%
Sewer Wrap Fund	5.32%	5.44%	4.68%	4.87%
Sewer Budget Stabilization Fund	0.46%	5.13%	0.45%	4.38%
Sewer Bond Fund	5.07%	5.33%	5.09%	4.87%
Sewer O&M Pension Sub Account	0.00%	0.00%	4.28%	4.79%
Water SR Debt Ser 5503	0.00%	0.00%	5.11%	5.05%
Water SR Reserve 5500	1.60%	5.26%	0.70%	4.54%
Water 2nd Debt Serv 5503	0.00%	0.00%	5.12%	5.03%
Water 2nd Res 5581	4.28%	5.26%	4.18%	4.54%
Water SRF Debt Serv 5575	5.19%	5.29%	5.05%	5.02%
Water ER & R	0.45%	5.14%	0.43%	4.37%
Water Improvement & Extension	0.29%	3.78%	0.36%	4.62%
Water Pension Obligation	0.00%	0.00%	4.43%	4.80%
Water Wrap Fund	5.35%	5.35%	4.91%	4.90%
Water Budget Stabilization Fund	0.47%	5.13%	0.45%	4.37%
Water Bond Fund	5.53%	5.32%	5.34%	4.99%
Water O&M Pension Sub Account	0.00%	0.00%	4.29%	4.79%
Sub-Total Investment Portfolios	3.77%	5.24%	4.13%	4.84%
<u>Grand Total</u>	<u>4.60%</u>	<u>4.90%</u>	<u>4.27%</u>	<u>4.60%</u>

YTM @ Cost is the expected return, based on the original cost, the annual interest receipts, maturity value and the time period from purchase date to maturity, stated as a percentage, on an annualized basis. YTM @ Market is the rate of return, based on the current market value, the annual interest receipts, maturity value and time period remaining until maturity, stated as a percentage, on an annualized basis.

Portfolio Snapshot

Peer Analysis Comparison

- The comparison agencies included in the list below were selected based on type and/or other non-performance-based criteria to show a broad range of water entities/utilities; this peer group list does not represent an endorsement of any of the public agencies or their services.
- The overall yield of GLWA's aggregate portfolio compares somewhat favorably to those of other short-term market indices (i.e., the S&P LGIP index and the 3-month U.S. Treasury index), despite the volatility of short-term interest rates and the limited ability in managing assets to a longer-term strategy.
- GLWA does have some limitations and unique constraints related to its ordinance and covenants that restricts the potential for a longer duration portfolio when compared to other similar water agencies.

As of June 30, 2023

	Market Value	YTM @ Market	Effective Duration	Weighted Average Maturity
GLWA				
Great Lakes Water Authority	\$1,196,384,628	4.90%	0.11 Years	40 Days
Short/Intermediate-Term Indices				
S&P Rated Government Investment Pool Index		5.10%	0.08 Years	30 Days
BoA / ML 3-Month Treasury Index		5.18%	0.14 Years	51 Days
BoA / ML 6-Month Treasury Index		5.29%	0.39 Years	142 Days
BoA / ML 1-Year Treasury Index		5.45%	0.89 Years	325 Days
BoA / ML 1-3 Year Treasury Index		5.01%	1.75 Years	639 Days
BoA / ML 1-5 Year Treasury Index		4.73%	2.50 Years	913 Days
Peer Analysis (Water Entities / Utilities)				
District of Columbia Water & Sewer Authority, DC	\$402,021,449	5.10%	0.99 Years	400 Days
DuPage Water Commission, IL	\$190,484,912	4.90%	1.96 Years	946 Days
Fairfax County Water Authority, VA	\$201,652,712	4.93%	1.81 Years	698 Days
Metro Wastewater Reclamation District, CO	\$208,820,154	4.85%	2.15 Years	862 Days
Metropolitan Water District of Southern California, CA	\$1,008,799,751	5.05%	1.24 Years	543 Days
Philadelphia Water Department, PA	\$201,925,183	5.47%	0.86 Years	325 Days
San Bernardino Valley Municipal Water District, CA	\$336,472,902	5.05%	1.67 Years	658 Days
Tohopekalgia Water Authority, FL	\$197,194,775	4.78%	1.71 Years	867 Days
Truckee Meadows Water Authority, NV	\$88,939,662	4.88%	1.89 Years	713 Days

The BoA / ML indexes are unmanaged indexes tracking on-the-run Treasuries. These indexes are produced and maintained by Bank of America / Merrill Lynch & Co. Yield to maturity is the rate of return, based on the current market value, the annual interest receipts, maturity value and time period remaining until maturity, stated as a percentage, on an annualized basis.

Portfolio Snapshot

Monthly Investment Income – Accrual Basis

(Book Value in 000's)

FY 2023 INVESTMENT INCOME BY MONTH (Unaudited)

Month	Interest Earned During Period (in thousands)	Realized Gain / Loss (in thousands)	Investment Income (in thousands)
Jul-22	\$567.7	(\$310.2)*	\$257.5
Aug-22	\$807.7	\$0.0	\$807.7
Sep-22	\$1,638.1	(\$192.9)*	\$1,445.3
Oct-22	\$2,191.1	\$0.0	\$2,191.1
Nov-22	\$3,032.8	\$0.0	\$3,032.8
Dec-22	\$3,493.9	\$0.0	\$3,493.9
Jan-23	\$3,534.0	\$37.3	\$3,571.3
Feb-23	\$3,455.3	\$0.0	\$3,455.3
Mar-23	\$3,777.6	\$0.0	\$3,777.6
Apr-23	\$4,024.2	\$0.0	\$4,024.2
May-23	\$4,418.2	(\$22.3)*	\$4,395.8
Jun-23	\$4,350.7	\$0.0	\$4,350.7
<u>FY 2023 - Accrual Basis</u>	<u>\$35,291.2</u>	<u>(\$488.0)</u>	<u>\$34,803.2</u>
<u>Memo: FY 2023 - Cash Basis</u>	<u>\$21,280.0</u>		

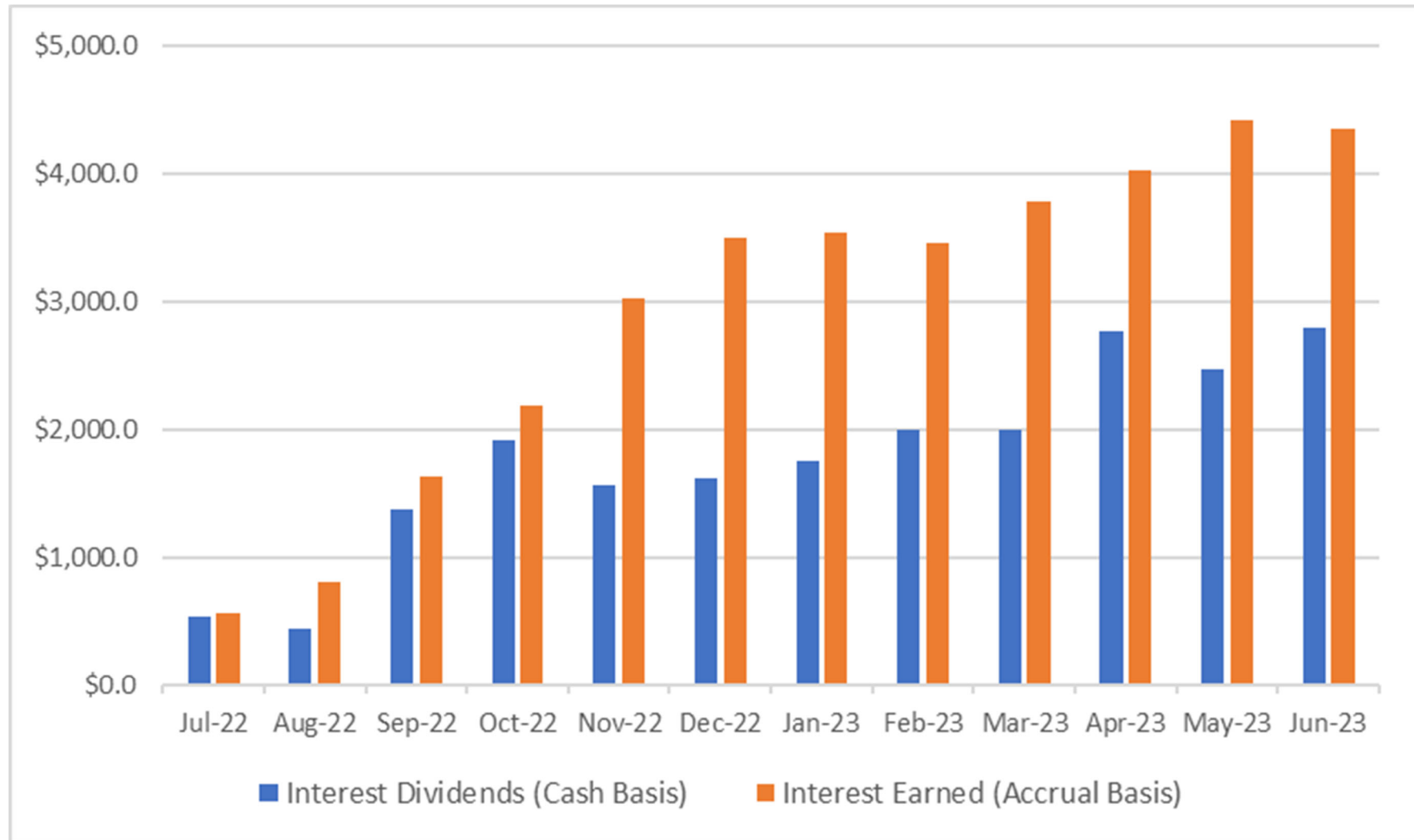
* The realized loss in July of 2022 was due to the sale of investments in the Water I&E account in anticipation of liquidity requirements. The realized loss in September of 2022 was due to the sale of investments to fund the Debt Service Reserve Fund ("DSRF") releases. The realized loss in May of 2023 was due to the sale of Treasuries within the "X-date" period of time as a result of the uncertainty regarding the debt ceiling.

These figures are based upon actual interest earned and posted to the Authority's various accounts via book value and does not include any earnings credit rate tied to the Authority's bank deposits.

Portfolio Snapshot

Monthly Investment Income – Cash Basis vs Accrual Basis (Book Value in 000's)

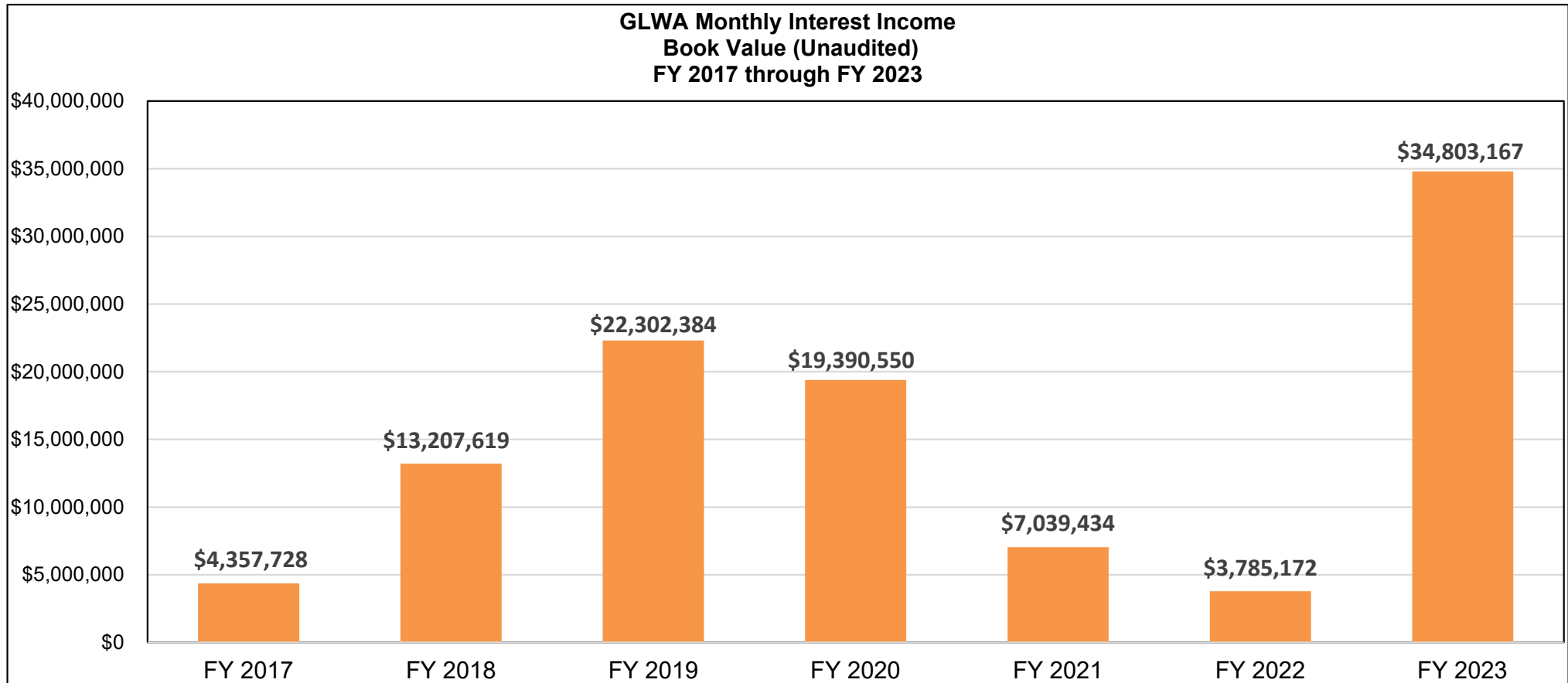
FY 2023 INVESTMENT INCOME BY MONTH (Unaudited)



Portfolio Snapshot

Year-Over-Year Investment Income

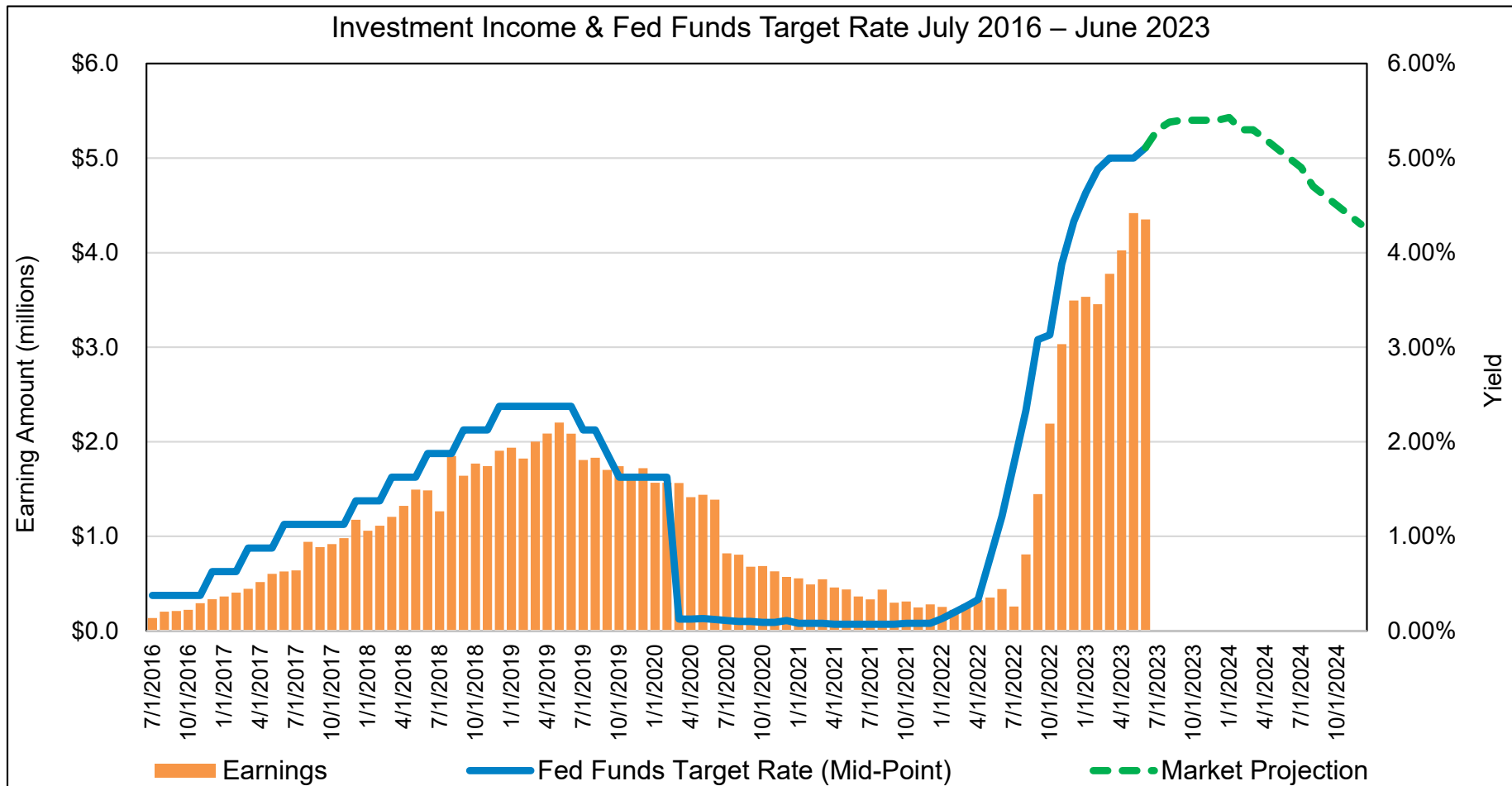
- GLWA earned \$34,803,167 in investment income for fiscal year 2023 on a book value basis compared to \$3,785,172 for fiscal year 2022.
- Projected investment income for fiscal year 2023 was forecasted to be around \$32.5 million. It should be noted that the budgeted total investment income for fiscal year 2024 is projected to be higher than the interest earnings received in FY 2023 based on the market's anticipation of a "higher-for-longer" Fed Funds target rate over the next fiscal year. The Authority is also being mindful of its arbitrage rebate position and yield restriction liability on its 2020AB Water construction funds as well as the 2022AB Water and 2022ABC Sewer bond proceeds due to the recent rise in interest rates. Though there are no payments due to the IRS on any of the bonds at this time, we are working to add value to our investment program by potentially having the 2022 bond issues meet spending exception requirements going forward.



Portfolio Snapshot

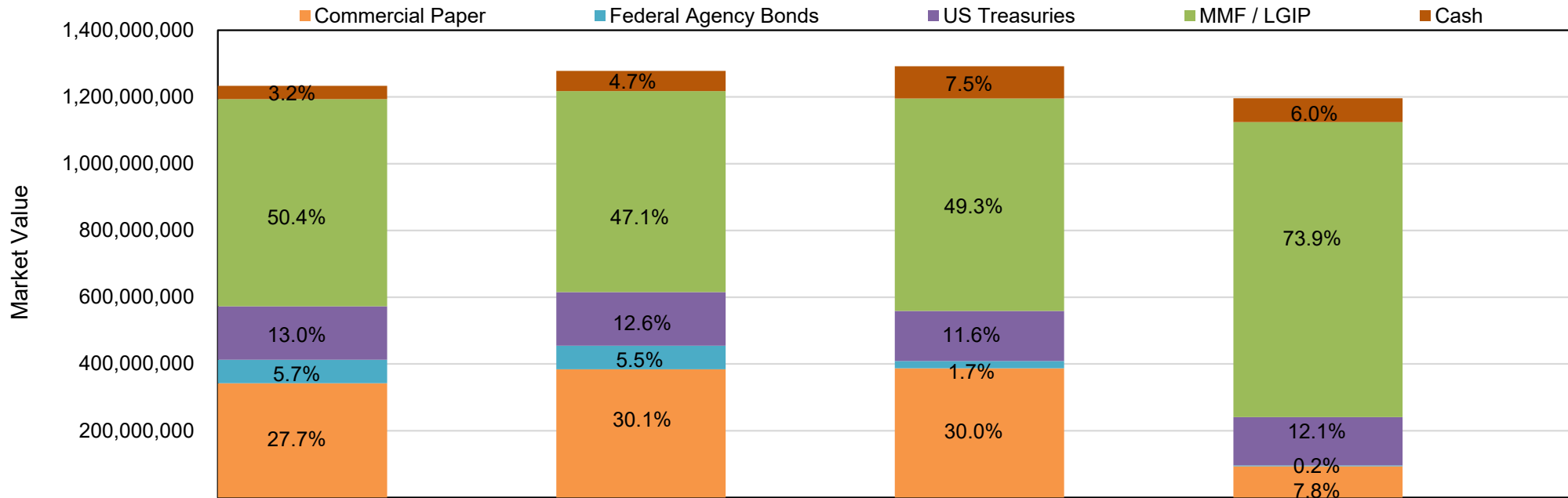
Monthly Investment Income Compared to Fed Funds Rate

- At least 50% or more of the GLWA portfolio is designated for obligations that are 12 months or less. As a result of the short-term duration of GLWA's portfolio, it is heavily impacted by changes in the Fed Funds target rate; the chart below illustrates that GLWA's income has consistently followed the trend of the Fed Funds rate.
- The top end of the Fed Funds rate is at 5.50% and there is a possibility of another hike later this calendar year. With the economy remaining resilient and yields expected to remain at elevated levels, GLWA is expected to have higher interest earnings for fiscal year 2024.



Portfolio Snapshot

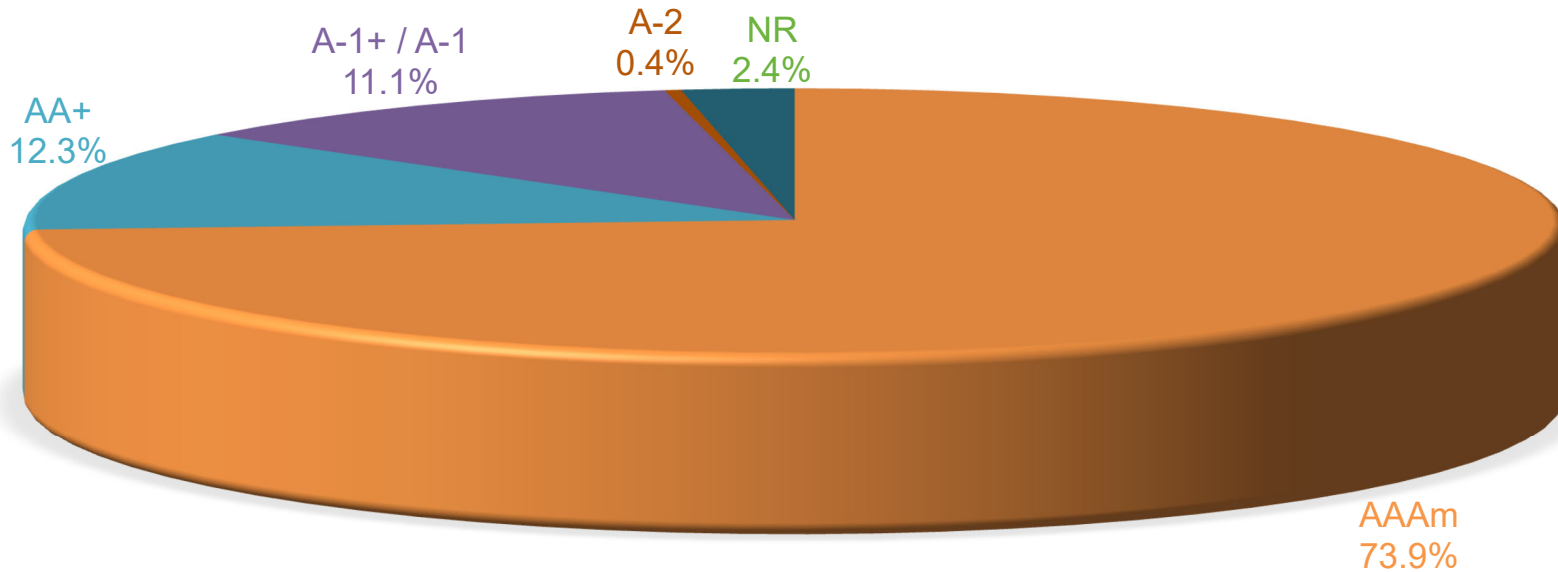
Investments – By Security Type



Security Type	March		April		May		June	
	Market Value	Asset Allocation	Market Value	Asset Allocation	Market Value	Asset Allocation	Market Value	Asset Allocation
Commercial Paper	342,072,816	27.7%	384,090,236	30.1%	386,897,660	30.0%	93,529,261	7.8%
Federal Agencies	70,382,441	5.7%	70,633,802	5.5%	21,759,859	1.7%	2,897,152	0.2%
U.S. Treasuries	160,241,668	13.0%	160,533,428	12.6%	150,370,349	11.6%	144,796,156	12.1%
MMF / LGIP	621,095,249	50.4%	601,950,913	47.1%	636,413,603	49.3%	883,554,877	73.9%
Cash	39,530,568	3.2%	60,585,824	4.7%	96,367,972	7.5%	71,607,183	6.0%
Total	1,233,322,743	100.0%	1,277,794,203	100.0%	1,291,809,443	100.0%	1,196,384,628	100.0%

Portfolio Snapshot

Investments – By Credit Quality

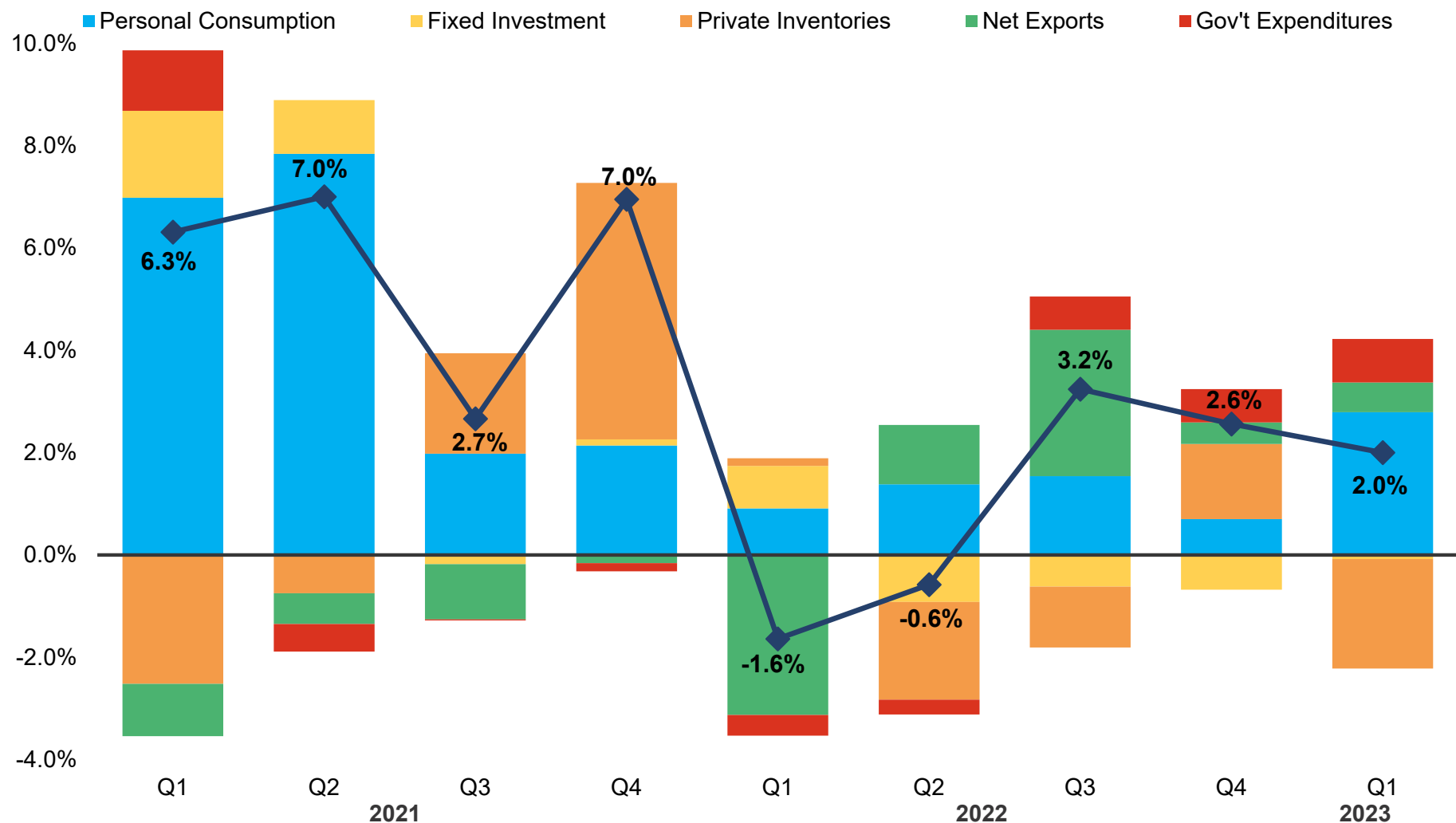


Credit Quality	Market Value	Asset Allocation
Ratings		
AAAm	883,554,877	73.9%
AA+	147,701,420	12.3%
A-1 + / A-1	132,211,260	11.1%
A-2	4,197,217	0.4%
NR	28,719,854	2.4%
Totals	1,196,384,628	100.0%

Appendix I: Economic Update

U.S. 1Q GDP Revised Higher from Stronger Spending

U.S. Real GDP Contributors and Detractors

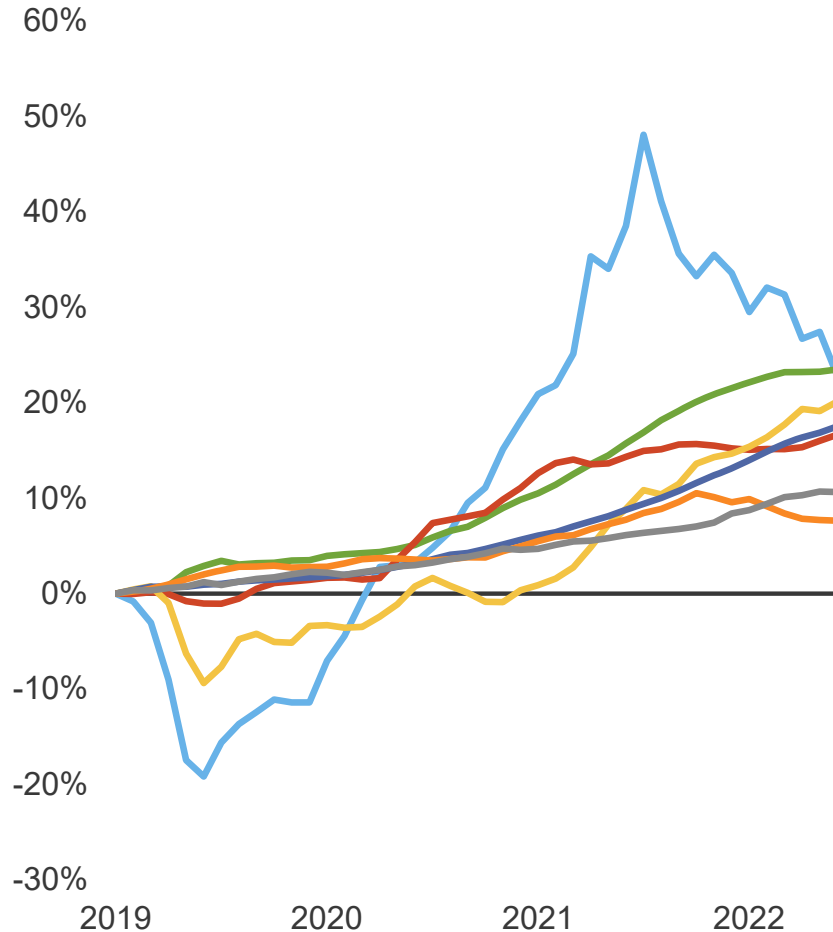


Source: Bloomberg, as of June 2023.

Shelter Is Still The Biggest Contributor to CPI

Price Change of Major CPI Components

Since December 2019



CPI Component	12-mo. Change	Weight ¹	Contribution to YoY CPI
Energy	-11.3%	7.0%	-0.8%
Food	6.7%	13.4%	0.9%
Transportation	10.3%	5.9%	0.6%
Goods	2.0%	21.3%	0.4%
Shelter	8.0%	34.6%	2.8%
Medical services	-0.1%	6.4%	0.0%
Other Services ²	4.2%	11.4%	0.5%
Overall	4.0%		

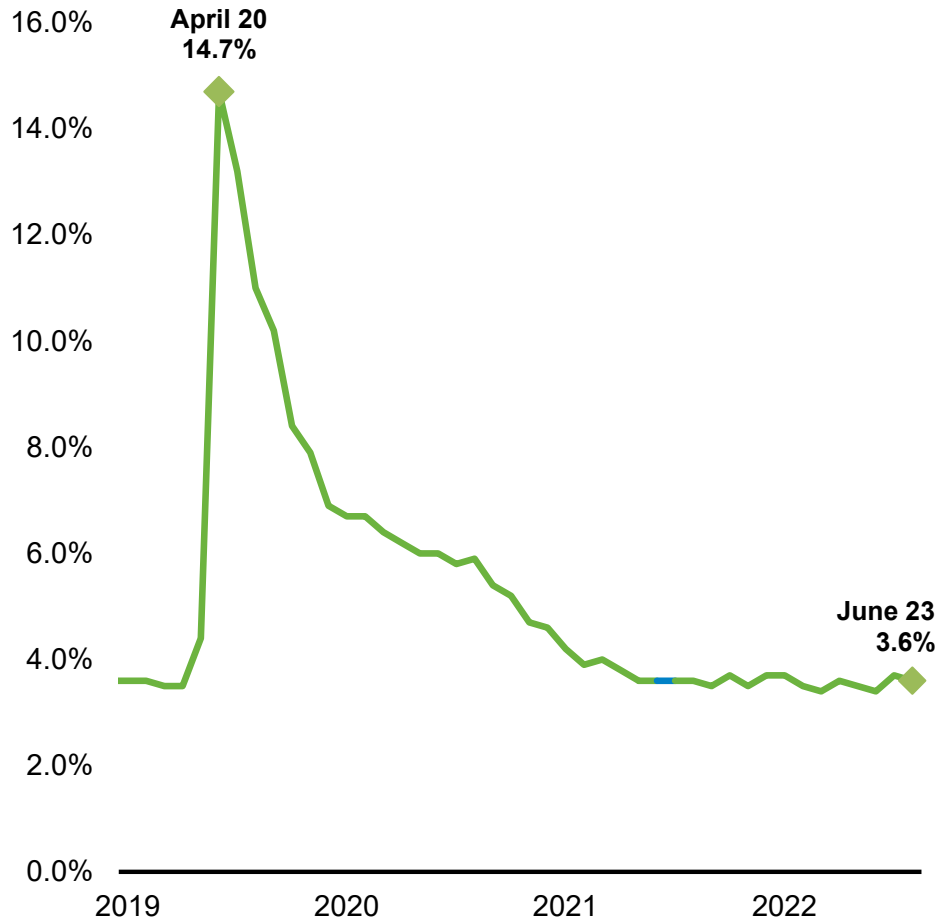
Source: Bloomberg, Bureau of Labor Statistics as of May 2023.

¹ Index weights are as of April 2023 as they are published on a one-month lag.

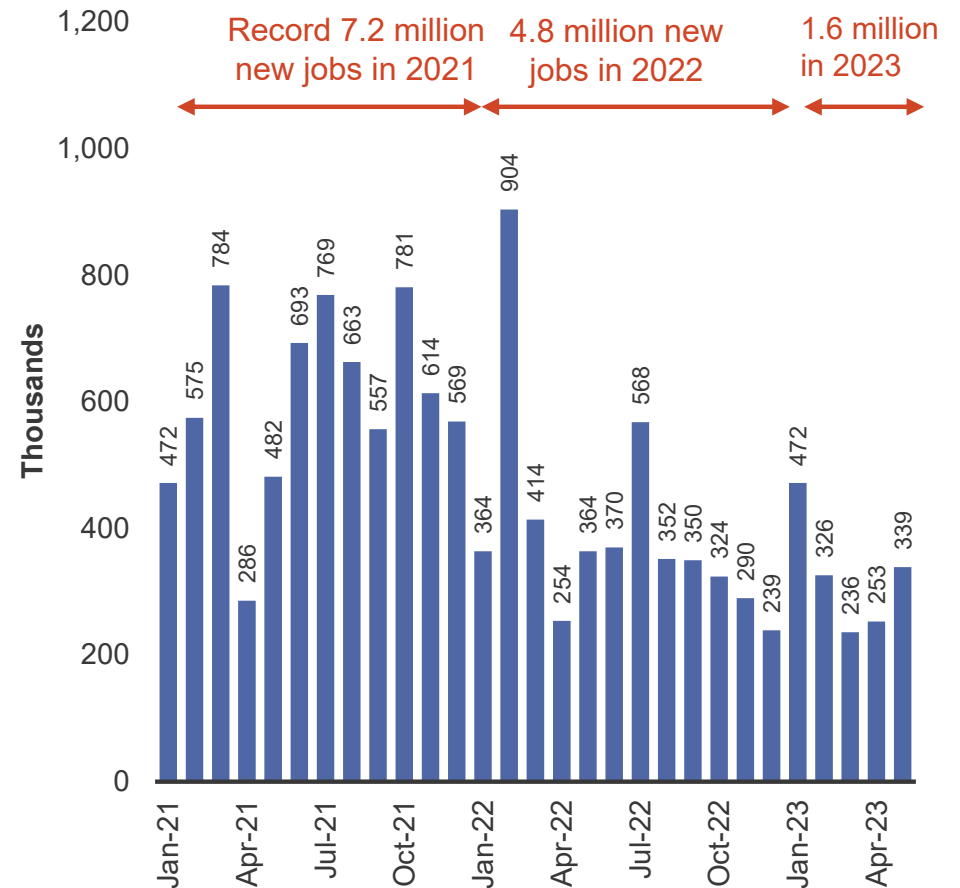
² Other services is a weighted blend of Water/Sewer/Trash, Household Operations, Recreation, and Education and Communication services.

Unemployment Rate Rose to 3.6%

Unemployment Rate



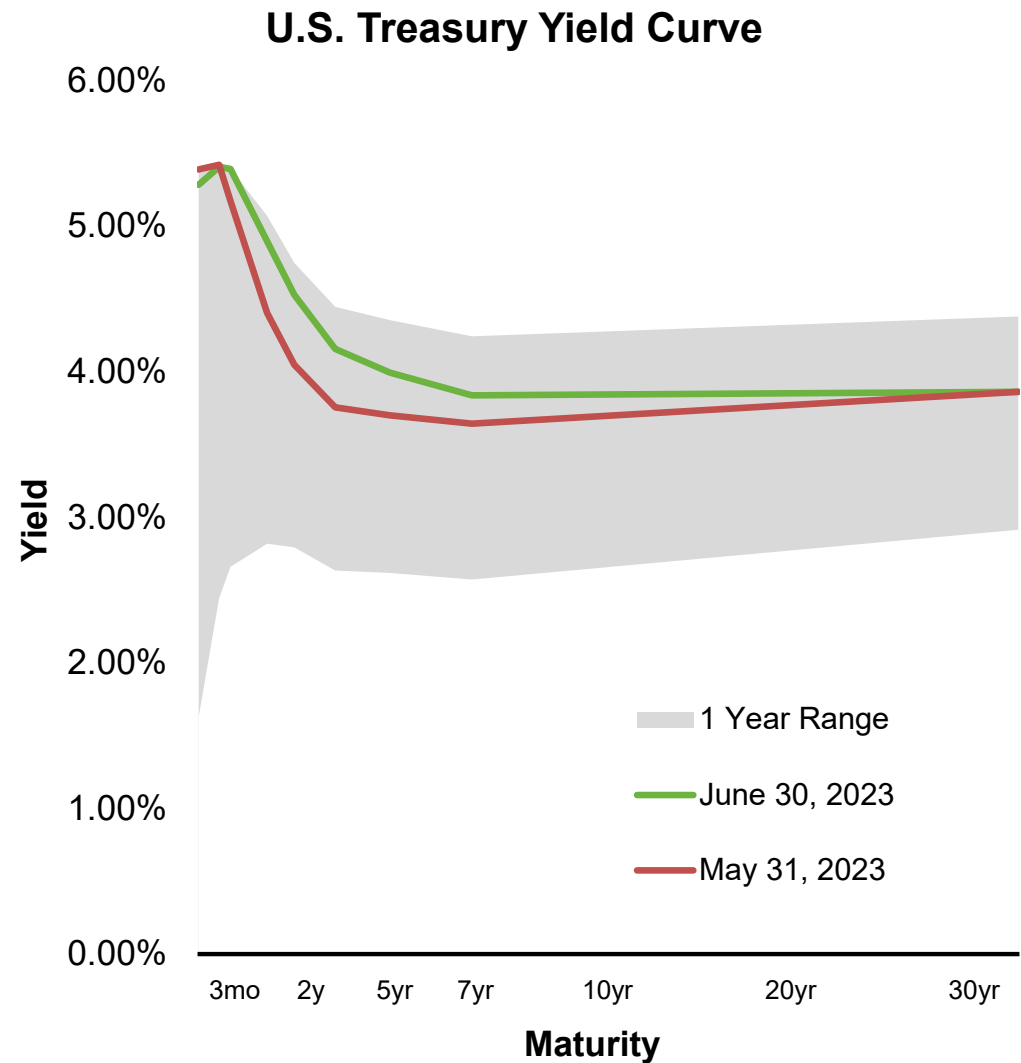
Monthly Change In Nonfarm Payrolls



Source: Bloomberg, as of June 2023 and May 2023. Data is seasonally adjusted.

Treasury Yield Curve

	05/31/2023	06/30/2023	Change
3 month	5.39%	5.28%	-0.11%
6 month	5.42%	5.41%	-0.01%
1 year	5.17%	5.39%	0.22%
2 year	4.40%	4.90%	0.50%
3 year	4.05%	4.53%	0.48%
5 year	3.75%	4.16%	0.41%
10 year	3.64%	3.84%	0.20%
30 year	3.86%	3.86%	0.00%



Source: Bloomberg, as of 05/31/2023 and 06/30/2023, as indicated.

Fixed Income Market Overview and Outlook

FIXED INCOME MARKET – ECONOMIC HIGHLIGHTS

- In the prior quarter, U.S. economic conditions were characterized by a myriad of financial headlines:
 - Investors contended with ongoing recession risks
 - Regional bank concerns
 - The Federal Reserve’s (the “Fed”) historic pace of interest rate hikes
 - Stubbornly high inflation
 - A debt ceiling impasse in Washington
- President Biden signed the bi-partisan debt ceiling bill, avoiding a much-publicized potential default and allowing the U.S. Treasury to fund its obligations
 - The bill suspends the debt ceiling until January 1, 2025 and included some spending cuts
- The Fed followed up the two 25 basis point hikes in the first quarter of calendar year 2023 with one more 25 basis point hike at the May meeting, bringing the overnight rate to a target range of 5.00% to 5.25%
 - At the June FOMC meeting, the Fed paused hiking, breaking the string of consecutive meetings with an increase at ten
 - The Fed held its benchmark interest rate unchanged on June 14th but signaled more rate hikes are still on the table this calendar year
 - The “hawkish pause” was accompanied by new Fed projections (the so called “dot plot”) which indicated the expectation for two more 25 basis point rate hikes in the remaining part of calendar year 2023, underscoring the Fed’s vigilance in fighting inflationary pressures
 - Additionally, the “hawkish pause” pushed Treasury yields higher as markets accepted a higher-for-longer overnight target rate expansion
 - Throughout the quarter, Fed Chair Jerome Powell reiterated that more rate hikes are likely, echoing the Fed’s updated dot plot released in June, which showed two more rate hikes by December

Fixed Income

Market Overview and Outlook

FIXED INCOME MARKET – ECONOMIC HIGHLIGHTS

- U.S. Treasury yields jumped across the yield curve in the second quarter, as economic data came in stronger than expected, and markets capitulated to the Fed’s “higher-for-longer” trajectory for short-term rates
 - Increases in the yield curve were led by the 2-year U.S. Treasury note, which finished the quarter at 4.90%, up 87 basis points from 4.03% on March 31st
- While yields of all tenors increased, the U.S. Treasury yield curve remains steeply inverted
 - The difference between the yield on the U.S. Treasury 2-year (4.90%) and 10-year note (3.84%) ended the quarter at over 100 basis points (1.00%), marking one of the deepest levels of curve inversion in over 40 years
 - There has been a steady ascent of yields over the quarter and steadfast Fed speak indicating higher-for-longer rates
 - The 2-year U.S. Treasury yield surged over 100 basis points from early May lows through the end of June as the yield curve remains near historically extreme levels of inversion
- Pressures in the front end of the yield curve are complicated by uncertainty around future Fed hikes
 - At the same time, money market credit (commercial paper and certificates of deposit) remains quite attractive and offers yield advantages of as much as 50 basis points in longer 6 – 12-month maturities
 - Short credit spreads widened modestly in the 6 – 12-month part of the curve as rate cuts have been taken off the table in addition to the Fed’s projections revising up with two additional hikes if the data continues to surprise on the upside
- Diversification away from U.S. Treasury securities was strongly additive to fixed-income performance during the second quarter of calendar year 2023 as yield spreads across most sectors tightened
 - Although investors began the quarter with heightened concern about market volatility, recent bank failures, credit conditions, and the looming debt ceiling impasse, sentiment eased during the quarter
 - That move to a more “risk on” mentality resulted in strong relative performance from spread sectors

Disclosure

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Bank Deposits are not managed by PFMAM, and therefore we cannot guarantee the accuracy of holdings.



Financial Services Audit Committee Communication

Date: August 25, 2023

To: Great Lakes Water Authority Audit Committee

From: Alicia Schwartz, Manager – Grants and Intergovernmental Relations

Re: Grants, Gifts, and Other Resources 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 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.

Other resources in this context 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.

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

Refer to the Grants, Gifts, and Other Resources Delegation Policy at [Grants, Gifts, and Other Resources Delegation Policy - GLWA \(glwater.org\)](https://www.glwater.org/Grants-Gifts-and-Other-Resources-Delegation-Policy).

Analysis: To ensure transparency and timely communication, this report is provided to the Board, no less than quarterly, documenting activities subject to the policy. The report will, at a minimum, include description, type of activity, dollar amount, compliance and/or performance requirements, if any, and status including, at a minimum, solicitation, acceptance, and close-out.

This report has been updated to align section titles with the grant lifecycle as found in best practice guidance and in the Workday system currently being implemented at GLWA. The

grants lifecycle refers to the process required to secure, administer, and close out grant activity. These steps are broken down in three major phases: pre-award, award, and post award.

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 tables in each section of this report now reflect GLWA grant activity in each phase. As a grant moves through this lifecycle it will be updated in the appropriate section of the report.

Bolded items in the attached tables reflect changes from the prior report.

Highlights of this report through June 30, 2023 includes the following.

- ✓ **FY 2022 EPA Community Grant – Detroit River Interceptor** – The GLWA grants management team has gathered the required documents for the FY 2022 EPA community grant to determine if a National Environmental Policy Act (NEPA) review is necessary. The documents were provided to the Region 5 EPA consultant on July 18, 2023}. We are presently awaiting a response.
- ✓ **FY 2023 EPA Community Grant – PFAS Compounds Remediation Project** – The GLWA grants management team has worked with the operational staff and gathered the required documents for the FY 2023 EPA community grant to determine if there is a National Environmental Policy Act review is necessary. The documents were provided to the Region 5 EPA consultant for review on July 26, 2023. We are presently awaiting a response.

This report presents the Grants, Gifts, and Other Resources across three tables.

Table 1 – Pre-Award Programs reflects open submissions for FY 2020, through FY 2023. The summarized activity provided identifies four programs with six grant reimbursement request submissions, one new application, and two EPA Community Grant applications in process.

Table 2 - Awarded Programs reflects all awarded from FY 2021 through FY 2023. These grants have been awarded by the agency listed. The grant is in process including all required administrative, financial and programmatic requirements.

Table 3 – Post-Award Programs reflects two programs with three reimbursement requests and receipts in FY 2023 updated for activity through June 30, 2023.



Financial Services Audit Committee Communication

Table 1 – Pre-Award Programs reflects open submissions to date. The Programs listed under this section do not yet have grant agreements in place between the awarding agency and GLWA. The summarized activity provided identifies five programs with five grant reimbursement request submissions, one new application, four grants under review, two EPA Community Grant applications in process, and a final item awaiting notice from the State of Michigan regarding the process to draw-down appropriated American Rescue Plan funds.

Table 1 – Pre-Award Programs

Reference Number	Request Date	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status as of June 30, 2023
2023-012	04/04/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660110 – Obligated \$319, 910.87 Fairview PS	Federal pass-through State (Reimbursement Basis)	\$319,911	Federal Audit Requirements	Funds are obligated but have not been received
2023-009	04/04/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660133 – Obligated \$80,128.72 Puritan Fenkell CSO	Federal pass-through State (Reimbursement Basis)	\$80,129	Federal Audit Requirements	Funds are obligated but have not been received
2023-010	04/11/2023	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	Funds are obligated but have not been received
2023-011	08/30/2022	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 668672– Obligated \$43,031.22 System Wide Emergency Protective Measures	Federal pass-through State (Reimbursement Basis)	\$43,031	Federal Audit Requirements	Funds are obligated but have not been received

Reference Number	Request Date	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status as of June 30, 2023
2023-018		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 673958 Detroit River Interceptor	Federal pass-through State (Reimbursement Basis)	\$861,000	Federal Audit Requirements	Grant Amount is Estimated
2023-013		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 714729 Outfalls	Federal pass-through State (Reimbursement Basis)	\$1,400,000	Federal Audit Requirements	Grant Amount is Estimated
2023-014		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 664811 East Side Sewers and Conner Creek	Federal pass-through State (Reimbursement Basis)	\$14,300,000	Federal Audit Requirements	Grant Amount is Estimated
2023-015		Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 670521 CAT-Z – Allocation of Management Costs	Federal pass-through State (Reimbursement Basis)	\$893,303	Federal Audit Requirements	Grant Amount is Estimated
2023-004	12/19/2022	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 697073	Federal pass-through State (Reimbursement Basis)	\$334,193	Federal Audit Requirements	State is reviewing payment
2023-002		FY2022 EPA Community Grant – Detroit River Interceptor	Federal Direct	\$2,000,000 (With 20% Cost Share)	Federal Audit Requirements	Earmark
2023-003		FY2023 EPA Community Grant – PFAS Compounds remediations project	Federal Direct	\$3,452,972 (With 20% Cost Share)	Federal Audit Requirements	Earmark
2023-017		American Rescue Plan PA-53 Clean Water Infrastructure Improvements	Federal pass-through State (Reimbursement Basis)	\$25,000,000	Federal Audit Requirements	Supplemental Budget Appropriation

Table 2 Awarded Programs reflects all awarded grants from FY 2021 through FY 2023. These Projects have been awarded by the agency listed and an agreement is in place. Each grant is in process including compliance checks for all required administrative, financial, and programmatic requirements.

Table 2 – Awarded Programs

Reference Number	Start Date	Grantor/ Program Description	Funding Source	Grant Amount	Compliance and/or Performance Requirements	Status as of June 30, 2023
2022-004	02/23/2022	Macomb Community College Water Technician Registered Apprenticeship Program- \$2,225 per apprentice, 25 apprentices	Nonprofit	\$55,625	None	\$15,910 received Ongoing
2021-012	09/21/2021	Michigan Industrial Cluster Approach (MICA 3.0) Apprenticeship Program- \$1,000 per apprentice, 45 apprentices	Nonprofit	\$45,000	None	\$11,000 received Ongoing
2022-014	07/01/2022	Detroit Employment Solutions Corporation (DESC) Apprentices \$5,000 per apprentice; 8 apprentices	Nonprofit	\$40,000	None	\$40,000 received Ending 06/30/2023
2023-005	04/01/2023	DOE – Hydrothermal Liquefaction Project	Federal Direct	\$1,000,000	Federal Audit Requirements	Awarded Ongoing
2020-002a	09/15/2020	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 144208	Federal pass-through State (Reimbursement Basis)	\$1,858,713	Federal Audit Requirements	Payment was received on 7/3/2023 for full amount of \$1,858,713
2022-005	03/25/2022	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 553713	Federal pass-through State (Reimbursement Basis)	\$573,325	Federal Audit Requirements	Payment was received on 7/3/2023 in the full amount of \$573,325

Reference Number	Start Date	Grantor/ Program Description	Funding Source	Grant Amount	Compliance and/or Performance Requirements	Status as of June 30, 2023
2022-006	03/03/2022	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 149797-Amended	Federal pass-through State (Reimbursement Basis)	\$19,348	Federal Audit Requirements	Payment was received on 7/3/2023 for full amount of \$19,348.06
2023-006	02/24/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660138 – Received \$46,996.16 Seven Mile CSO	Federal pass-through State (Reimbursement Basis)	\$46,996	Federal Audit Requirements	Received Funds on June 6/30/2023
2023-007	04/04/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 660076 – Received \$180,000 Springwells Water Treatment Plant	Federal pass-through State (Reimbursement Basis)	\$180,000	Federal Audit Requirements	Received Funds on June 6/30/2023
2023-008	04/04/2023	Federal Emergency Management Agency (FEMA), June 25-26 Flood, DR-4607 Project 668336 – Received \$180,000 Fairview PS Protective Measures	Federal pass-through State (Reimbursement Basis)	\$180,000	Federal Audit Requirements	Received Funds on June 6/30/2023

Table 3 Post-Award Programs reflects two programs with three reimbursement requests and receipts in FY 2023. These programs have been paid and are in the process of being closed out, including any closeout reporting requirements.

Table 3 – Post-Award Programs

Reference Number	Request Date	Program Description	Type of Activity	Grant Amount	Compliance and/or Performance Requirements	Status
2021-010	02/11/2021	Prestressed concrete cylinder pipe (PCCP) Study on Loss of Preload Contract 2101210	Nonprofit	\$20,000 (Contract amount) (Project worth \$20,000)	None	\$20,000 Received 04/10/23
2022-009	06/26/2022	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 676489	Federal pass-through State (Reimbursement Basis)	\$79,557	Federal Audit Requirements	\$79,557 Received on 2/28/23
2022-010	07/01/2022	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 677321	Federal pass-through State (Reimbursement Basis)	\$70,039	Federal Audit Requirements	\$70,039 Received on 2/28/23
2022-008	06/23/2022	Federal Emergency Management Agency (FEMA) activity related to COVID-19 Project 676268	Federal pass-through State (Reimbursement Basis)	\$470,475	Federal Audit Requirements	Payment was received on May 10th, 2023, in the full amount of \$470,475



Financial Services Audit Committee Communication

Date: August 25, 2023

To: Great Lakes Water Authority Audit Committee

From: Madison Merzlyakov, Affordability & Assistance Manager

Re: Affordability & Assistance Update

Background: In 2021, an Affordability & Assistance Team was created within GLWA's Financial Services Area. The team serves as the internal and external resource for strategic policies and programs related to water affordability and assistance.

Analysis: This month we present an update on the initiatives the Affordability & Assistance Team have been focused on, including efforts related to the Water Residential Assistance Program (WRAP) and sustainable water assistance funding.

WRAP Updates

BS&A has completed building an optional feature within Member Partner's BS&A billing systems that automates the process of apply WRAP payments to the corresponding account. GLWA launched this project as part of our commitment to streamlining administrative processes to reduce the burden on Member Partners and therefore increasing Member Partner engagement. WRAP Service Delivery Partners are updating and testing their internal systems to accommodate this new reporting template. Service delivery partners are engaged with communities to identify who will be in the first wave of rolling out this new feature.

Sustainable Water Assistance Funding

Discussions regarding a framework for a statewide sustainable water assistance program continue. GLWA is actively engaged in the work group led by Michigan State Senator Stephanie Chang that is reviewing and providing feedback. The group continues to meet weekly in anticipation of introducing legislation this fall. The Affordability & Assistance team will continue to update the Audit Committee as this important work progresses.

On Wednesday, August 30, 2023, GLWA, the Southeast Michigan Council of Governments (SEMCOG), and Oakland County Water Resources Commission (WRC) are cohosting a Community Water Legislation Forum for municipalities, public works departments, and local elected officials. The webinar will include updates regarding the statewide water

affordability and shutoff protection bill package that the Senator Chang work group has been drafting, as well as an update on the stormwater utility bill.

Earlier this month, the Michigan Department of Health and Human Services (MDHHS) announced the awardees of a water affordability grant. The purpose of the \$25 million grant is to “assist eligible residents who have a financial burden; have accumulated a balance on their water and/or wastewater utility bill; have had their water and/or wastewater service shut off; and/or are at risk of having their service shut off.”

GLWA and DWSD collaborated with our WRAP Service Delivery Partners to assist with the grant application. Earlier this month, the awardees were announced, Attachment 1 provides a snapshot of the funding each awardee has received. Only Community Action Agencies received funding, and award amounts were limited to \$10 million per awardee. It should be noted that no award was made to a dedicated Flint or Genesee County Community Action Agency. Wayne Metropolitan Community Action Agency received \$10 million for Wayne County, including Detroit. Macomb Community Action Agency received \$1 million for Macomb County. Oakland Livingston Human Services Agency was the awardee for Oakland County and received \$1.5 million.

MDHHS is requiring that all funds awarded through the Low-Income Household Water Assistance Program (LIHWAP) be used before this Water Affordability grant funding can be utilized. Updated information regarding available LIHWAP funding remaining throughout Michigan is not yet available. While LIHWAP was originally set to expire at the end of September 2023, Community Action Agencies are able to request an extension until the end of March 2024.

The Affordability & Assistance Team will continue to update the Audit Committee as additional information regarding the MDHHS Water Affordability grant is made available.

Proposed Action: Receive and file this report.

Community Action Agency	Program	Admin	Total
Alger-Marquette CAB	\$ 97,000	\$ 3,000	\$ 100,000
Community Action of Allegan County	\$ 44,304	\$ 1,370	\$ 45,674
CAA of South Central Michigan	\$ 485,000	\$ 15,000	\$ 500,000
Chippewa-Luce-Mackinac CAHRA	\$ 38,800	\$ 1,200	\$ 40,000
Community Action Agency J,L,H	\$ 569,524	\$ 13,726	\$ 583,250
Dickinson-Iron CSA	\$ 76,000	\$ 2,350	\$ 78,350
EightCAP	\$ 20,000.00	\$ -	\$ 20,000.00
Gogebic-Ontonagon CAA	\$ 78,140	\$ 2,360	\$ 80,500
Macomb Community Action	\$ 970,000	\$ 30,000	\$ 1,000,000
Menominee-Delta-Schoolcraft CA	\$ 150,000	\$ 4,500	\$ 154,500
Mid-Michigan CAA	\$ 352,375	\$ 10,376	\$ 362,751
Northeast Michigan CSA	\$ 336,793.00	\$ 10,103.00	\$ 346,896.00
Oakland-Livingston HSA	\$ 1,455,000	\$ 45,000	\$ 1,500,000
Ottawa County CAA	\$ 97,000	\$ 3,000	\$ 100,000
Southwest MI CAA	\$ 242,500	\$ 7,500	\$ 250,000
Wayne Metropolitan CAA	\$ 9,700,000	\$ 300,000	\$ 10,000,000
	\$ 14,712,436.00	\$ 449,485.00	\$ 15,161,921

8.1.23



Financial Services Audit Committee Communication

Date: July 28, 2023

To: Great Lakes Water Authority Audit Committee

From: Nick Fedewa, CPA, Acting Public Finance Manager

Re: DWSD State Revolving Fund (SRF) Loans 7656-01 and 7657-01 Grant Funded

Background: The resolutions listed below were approved by the Great Lakes Water Authority Board of Directors on June 28, 2023 to provide low cost state revolving fund loan financing for Detroit Water & Sewerage Department (DWSD) in accordance with the terms of the lease agreement between GLWA and the City of Detroit which includes DWSD. Subsequently, DWSD was informed that the Department of Environment, Great Lakes and Energy (EGLE) confirmed entire amount of those SRF loans will be funded by American Rescue Plan (ARP) grant monies and confirmed SRF loans would no longer be necessary for these projects. EGLE and the Municipal Finance Authority (MFA) recognize the funding source as a grant that will be fully administered by DWSD.

- Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Aggregate Amount Not to Exceed \$20,900,000, (Ordinance 2023-03 / Series 2023 SRF-2 / DWSD 7656-01 Water Main Replacement WS-732) [2023-179](#)
- Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Bonds in an Aggregate Amount Not to Exceed \$21,800,000 (Ordinance 2023-04 / Series 2023 SRF-3 / DWSD 7657-01 Water Main Replacement WS-733) [2023-180](#)

Analysis: Since series ordinances related to these projects were approved by the Board it should be noted, as concurred by Bond Counsel, that adoption of a series ordinance by the GLWA Board authorizes GLWA to issue bonds, pursuant to the terms specified in the Series Ordinance. However, it does not obligate GLWA to follow through on the *issuance* of bonds so authorized. For this reason, no further action is required by the Board of Directors.

Proposed Action: Receive and file this report.



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

Procurement Tip of the Month: Attending Pre-Bid/Proposal Meetings for GLWA Solicitations and Submitting Questions in Bonfire

When deciding to submit a response to a GLWA solicitation, Procurement encourages all interested vendors to attend the Pre-Bid or Pre-Proposal meeting for that solicitation for several reasons.

- ✓ Vendors can learn more about the project from the GLWA Project Manager as well as better gauge if it is a fit for their business.
- ✓ Vendors can learn about other vendors who are interested in submitting a response. Prime vendors who are seeking qualified subcontractors, or smaller businesses who seek to partner with a larger firm, may discover “matchmaking” opportunities. An attendance list for all Pre-Bid/Proposal meetings is always published as an addendum in Bonfire.
- ✓ For any solicitation that qualifies for GLWA’s Business Inclusion and Diversity (B.I.D.) Program, a Procurement representative will review the B.I.D. Program requirements and answer any questions vendors may have.

In addition to Pre-Bid/Proposal meetings, each GLWA solicitation also has a “Question and Answer Period.” During this period, vendors may submit questions they have related to the project by the deadline noted in the Bonfire project page. These questions are then answered in an addendum which ensures that all vendors receive the same information, and that the solicitation process remains fair and transparent for all participating.

To learn more about any upcoming Pre-Bid/Proposal meetings, or to submit a question regarding a GLWA solicitation, please visit GLWA’s [Bonfire Procurement Portal](#). Any further questions on these topics may be directed to the GLWA Buyer of Record associated with the solicitation.

Bonfire (“Euna Solutions”) Name Change

Vendors may have received notice recently from Bonfire announcing a rebranding and name change to “Euna Solutions.” While communications from Bonfire will now be sent from the email domain @eunasolutions.com, GLWA wanted to assure the Vendor Community that no additional changes are expected and that the Bonfire Procurement Portal will continue to operate as usual.

GLWA’s Vendor Outreach Event

GLWA is excited to announce that we will be hosting a Vendor Outreach Event on September 25, 2023. This event will be held in-person at Laurel Manor in Livonia, Michigan. Stay tuned for additional information and registration details in future editions of the *Pipeline* newsletter.

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 information on submitting 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 June 2023 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 July 2023

Category	CIP #	Description/Project Title	Budget Estimate
Water System (next four to nine months)			
Construction	122004	96-Inch Water Transmission Main Relocation- Phase III	\$90,000,000.00
Construction- Pre-Purchase	122004	96-Inch Water Transmission Main Relocation- Phase III- Pre-Purchase Pipe	\$2,300,000.00
Construction- Pre-Purchase	122004	96-Inch Water Transmission Main Relocation- Phase III- Pre-Purchase Valves	\$3,000,000.00
Construction	122016	Downriver Transmission Main Loop- Phase I	\$20,700,000.00
Wastewater Systems (next four to nine months)			
Construction	260510	CSO Outfall Rehabilitation Phase VI	\$15,000,000
Construction	211005.2	WRRF Pump Station 2 VFD Replacements	\$12,000,000
Construction	211007	Pump Station No. 2 Bar Racks Replacement and Grit Collection System Improvements	\$96,000,000
Water System (next three months)			
N/A			
Wastewater (next three months)			
Construction	260211	Emergency and Urgent Sewer Repair II	\$6,000,000
Construction	232002	Freud & Connor Creek Pump Station Improvements	\$125,000,000
Design-Bid-Build	261001	WRRF Rehabilitation of Secondary Clarifiers	\$6,000,000
Information Technology (next three months)			
Professional Services	N/A	800MHz Radio Assessment and Solution Implementation	\$3,500,000
Projects moved to Procurement Team (Preparing for solicitation on Bonfire)			
Professional Services	O&M	CSO Facility Accusonic Meter Maintenance	\$3,000,000
Professional Services	O&M	Overhead Door Preventative Maintenance and Repairs	\$892,000
Professional Services	O&M	Snow Removal and De-icing Services	\$2,158106
Professional Services	O&M	Water and Wastewater Services Charges Consultant	\$300,000

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

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



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GLWA's 2023 Vendor Outreach Event

In the July 2023 edition of the *Procurement Pipeline*, we announced that GLWA will be hosting a Vendor Outreach Event on September 25, 2023. GLWA's event will be held in-person at Laurel Manor in Livonia, Michigan and will help both existing and new vendors learn more about doing business with GLWA. Read below for details about GLWA's upcoming outreach event and how to register.

- ✓ The event will be held from 8:30am to 12:30pm. Laurel Manor will open at 7:30am for registration and networking opportunities. Breakfast will be served.
- ✓ Informative presentations by GLWA Leadership will be followed by breakout sessions with GLWA Team Members involved in the procurement process.
- ✓ Dedicated resource rooms will be available throughout the event where vendors can speak one-on-one with members of the GLWA Procurement and Accounts Payable Teams as well network with other Vendor attendees and GLWA partners.

Registration is now open at the event's [Whova Registration page](#). GLWA encourages interested Vendors to pre-register and download the free Whova App which will enable event attendees to create a unique profile and begin connecting and networking with other registered attendees both before and after the September 25th event.

GLWA looks forward to continuing to build relationships with the Vendor Community on whom we rely as an integral partner in our mission to provide water of unquestionable quality to the Southeastern Michigan communities that we serve. Questions about GLWA's Vendor Outreach Event may be directed via email to [Michael Lasley](#) and [Megan Savage](#). We hope to see you there!

Bonfire (Euna Solutions) Multi-User Support Feature Now Available

Multi-user support is now available to vendors with profiles in GLWA's [Bonfire Procurement Portal](#). This means vendors can now add multiple users from within their organization to a single Bonfire account. A new "invite" feature has been created which enables Vendors to merge existing Vendor profiles, removing duplicate records and enabling more effective collaboration. GLWA recommends Vendors review this new enhancement.

Instructions for [creating a profile in Bonfire with multi-user support](#) as well as instructions for [merging existing vendor profiles](#) under a single organizational account are available on Bonfire's [Vendor Support](#) page. Additional questions may be directed to Bonfire [Technical Support](#).

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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 information on submitting a competitive bid or proposal to any GLWA solicitation.

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Upcoming Solicitations August 2023

Category	CIP #	Description/Project Title	Budget Estimate
Water System (next four to nine months)			
Construction	122004	96-Inch Water Transmission Main Relocation - Phase III - Construction	\$90,000,000.00
Construction - Pre-Purchase	122004	96-Inch Water Transmission Main Relocation-Phase III- Pre-Purchase Pipe	\$2,300,000.00
Construction - Pre-Purchase	122004	96-Inch Water Transmission Main Relocation-Phase III- Pre-Purchase Valves	\$3,000,000.00
Construction	122016	Downriver Transmission Main Loop-Phase I	\$20,700,000.00
Wastewater Systems (next four to nine months)			
Construction	260510	CSO Outfall Rehabilitation Phase VI	\$15,000,000
Construction	211005.2	WRRF Pump Station 2 VFD Replacements	\$12,000,000
Construction	211007	Pump Station No. 2 Bar Racks Replacement and Grit Collection System Improvements	\$96,000,000
Water System (next three months)			
N/A			
Wastewater (next three months)			
Construction	260211	Emergency and/or Urgent Sewer Repair II	\$6,000,000
Construction	232002	Freud & Connor Creek Pump Station Improvements	\$125,000,000
Design-Bid-Build	261001	WRRF Rehabilitation of Secondary Clarifiers	\$6,000,000
Professional Services	N/A	800MHz Radio Assessment and Solution Implementation	\$3,500,000
Projects moved to Procurement Team (Preparing for solicitation on Bonfire)			
Professional Services	O&M	CSO Facility Accusonic Meter Maintenance	\$3,000,000
Professional Services	O&M	Overhead Door Preventative Maintenance and Repairs	\$892,000
Professional Services	O&M	Snow Removal and De-icing Services	\$2,158,106
Professional Services	O&M	Water and Wastewater Services Charges Consultant	\$300,000
Professional Services	170506 & O&M	Water Transmission Main, Valves and Other Urgent	\$21,500,000
Construction	260211	Sewer Rehabilitation and Repair II	\$18,000,000

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

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