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**THE FOSTER GROUP**

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**THE FOSTER GROUP, LLC**  
12719 WENONGA LANE  
LEAWOOD, KS 66209

BART FOSTER, PRESIDENT  
CELL: (913) 530-6240  
[BFOSTER@FOSTERGROUPLLC.COM](mailto:BFOSTER@FOSTERGROUPLLC.COM)

MEMORANDUM

Proposed FY 2024 Water and Sewer Charges

December 14, 2022

To: Sue Coffey, Nicolette Bateson

From: Bart Foster

This memorandum is intended to introduce our recommended proposed Water and Sewer Charges for FY 2024. Herewith we provide an executive summary of our recommendations.

**Executive Summary**

1. Proposed FY 2024 Water Charges reflect a detailed cost of service study and the updated units of service resulting from the recently completed Contract Alignment Process (CAP).
  - *For the first time in four years, there is significant diversity in the charge adjustments to individual Water Member Partners as a result of the CAP.*
2. Proposed FY 2024 Sewer Charges reflect a simplified approach that does not require preparation of a FY 2024 Cost of Service Study, since the FY 2022 Sewer SHARES will be continued for the FY 2024 Sewer Charges – they are scheduled to be updated for the FY 2025 Sewer Charges.
  - *Cost of service analyses are ongoing, with a specific focus on detailed review of fixed asset records.*
3. Both the Proposed FY 2024 Water Charges and the Proposed FY 2024 Sewer Charges reflect:
  - *Budgeted Revenue Requirement increase of **4.0%** and a System Charge Adjustment equal to a **2.75%** increase – increased budgeted investment earnings and baseline sales revenues help address the balance of the budget increase.*
4. Neither the proposed Water Charges nor the proposed Sewer Charges contain any amounts to recover bad debt expense associated with Highland Park from other Member Partners.

**Proposed FY 2024 Water Charges****Budgeted Revenue Requirements and System Charge Adjustment:**

- We are proposing a ***System Charge Adjustment*** of a 2.75% increase. As shown in the table below, this adjustment is the product of:
  - *4.0% to address a \$14.2 million revenue requirement increase; offset by . . .*
  - *Approximately 0.9% to reflect a \$3.1 million increase in budgeted investment earnings (See Line 16), and*
  - *Approximately 0.4 % to reflect an increase in budgeted water sales volumes, creating a \$1.3 million positive sales revenue forecast. (See Line 17)*

**Recommended FY 2024 Water Revenue Requirement Summary**

	Approved <u>FY 2023</u> \$	Recommended <u>FY 2024</u> \$	<u>Variance</u> \$	<u>% Variance</u>
<b><u>Revenues</u></b>				
1 Revenues from Charges	354,947,900	366,068,800	11,120,900	3.1%
2 Other Operating Revenue	175,000	175,000	0	0.0%
3 Non-Operating Revenue	948,700	4,070,700	3,122,000	329.1%
4 Total Revenues	<u>356,071,600</u>	<u>370,314,500</u>	<u>14,242,900</u>	4.0%
<b><u>Revenue Requirements</u></b>				
5 Operations & Maintenance (O&M) Expense	144,847,700	152,906,400	8,058,700	5.6%
6 General Retirement System Legacy Pension	6,048,000	0	<b>(6,048,000)</b>	-100.0%
7 Debt Service - Regional System Allocation	150,337,100	159,823,700	9,486,600	6.3%
8 General Retirement System Accelerated Pension	6,268,300	3,395,500	<b>(2,872,800)</b>	-45.8%
9 WRAP Contribution	1,770,500	1,851,600	81,100	4.6%
10 Lease Payment	22,500,000	22,500,000	0	0.0%
11 Deposit to Improvement & Extension (I&E) Fund	24,300,000	29,837,300	5,537,300	22.8%
12 Total Revenue Requirements	<u>356,071,600</u>	<u>370,314,500</u>	<u>14,242,900</u>	4.0%
<b><u>Charge Adjustment Summary</u></b>				
13 Adjustment Index		<b>4.0%</b>		
14 Baseline Revenue		356,265,200		
15 Change in Annual Revenue Requirement			14,242,900	4.00%
16 Change Attributable to Non-Charge Revenue			<b>(3,122,000)</b>	-0.88%
17 Change Attributable to Sales Revenue			<b>(1,317,300)</b>	-0.37%
18 Wholesale Charge Adjustment			9,803,600	<b>2.75%</b>

- The positive budgeted revenue variance is slightly lower than that presented earlier in the charge planning process, including at the November 16 Charge Rollout meeting on proposed Units of Service. Subsequent to that meeting, we have made some minor adjustments to projected sales volumes for specific Member Partners based on review of specific data<sup>1</sup>.

<sup>1</sup> The specific adjustments will be documented in our Cost of Service Study Report Memorandum, to be published under separate cover,

- As a result, the proposed System Charge Adjustment is higher than what was indicated in originally presented material.

**Specific Member Partner Water Charge Proposals:**

As presented at the November 16 Charge Rollout meeting, the CAP process creates significant changes in individual Member Partner units of service. As such there is variability in the impact of the proposed charges on individual Member Partners.

Our recommended charges have been developed by:

- Preparing a detailed Cost of Service Study to allocate the FY 2024 Revenue Requirements to Cost Pools, and subsequently to individual Member Partners based on their updated units of service. That Cost of Service Study will be published under separate cover in the coming days.
- The results of the Cost of Service Study produce allocated wholesale revenue requirement responsibility for each Water Member Partner.
  - *For the FY 2024 Cost of Service Study we are introducing and embracing the concept of SHARES to illustrate the results. This will align the approach followed by the GLWA Sewer Charge Methodology.*
  - *Each Member Partner's SHARE represents their allocated portion of GLWA's budgeted wholesale revenue requirement – based on their individual units of service in proportion to the System total.*
  - *As previously mentioned, the CAP process produces significant variability in the impacts on individual Member Partners.*
- The allocated wholesale costs of service are then adjusted to reflect two required contractual adjustments, both of which are “fixed” and not subject to adjustment in the FY 2024 revenue requirements:
  - *The Detroit Ownership Benefit of \$20.7 million, which is deducted from the Detroit wholesale revenue requirement and proportionally allocated to all other Member Partners based on their wholesale revenue requirements.*
  - *The KWA Debt Service Credit of \$6.65 million, which is deducted from the Flint wholesale revenue requirement and proportionally allocated to all other Member Partners based on their wholesale revenue requirements.*
- The adjusted final revenue requirements are then compared to the projected revenue under existing charges in order to determine the required adjustment to individual Member Partner charges. See Table 1 for the results of that analysis.
  - *This table is identical in format to that included in the hypothetical “units of service” impact summary published on November 16 in connection with Charges Rollout Meeting #2. It now reflects the FY 2024 budgeted revenue requirement and the results of the FY 2024 Cost of Service Study.*

- *The specific charge schedules for each member partner will be published under separate cover. The proposed FY 2024 charges will continue to follow the approach to collect 60% of each Member Partner's Allocated Revenue Requirement via fixed monthly charges and the remaining 40% via Commodity Charges.*

### **Proposed FY 2024 Sewer Charges**

#### **Budgeted Revenue Requirements and System Charge Adjustment:**

- We are proposing a **System Charge Adjustment** of a 2.75% increase. As shown in the table below, this adjustment is the product of:
  - *4.0% to address a \$19.3 million revenue requirement increase; offset by . . .*
  - *Approximately 2.0% to reflect a \$9.7 million increase in budgeted investment earnings (See Line 16), and*
  - *There is also a minor adjustment to budgeted sales revenue from industrial customers. (See Line 17).*

#### Recommended FY 2024 Sewer Revenue Requirement Summary

	Approved <u>FY 2023</u> \$	Recommended <u>FY 2024</u> \$	<u>Variance</u> \$	<u>% Variance</u>
<b><u>Revenues</u></b>				
1 Revenues from Charges	479,816,500	493,156,400	13,339,900	<b>2.8%</b>
2 Other Operating Revenue	400,000	400,000	0	0.0%
3 Non-Operating Revenue	1,155,600	7,070,600	5,915,000	511.9%
4 Total Revenues	481,372,100	500,627,000	19,254,900	4.0%
<b><u>Revenue Requirements</u></b>				
5 Operations & Maintenance (O&M) Expense	184,052,600	205,643,700	21,591,100	11.7%
6 General Retirement System Legacy Pension	10,824,000	0	(10,824,000)	-100.0%
7 Debt Service - Regional System Allocation	205,638,100	225,012,300	19,374,200	9.4%
8 General Retirement System Accelerated Pension	11,620,700	6,479,300	(5,141,400)	-44.2%
9 WRAP Contribution	2,394,200	2,503,100	108,900	4.5%
10 Lease Payment	27,500,000	27,500,000	0	0.0%
11 Deposit to Improvement & Extension (I&E) Fund	39,342,500	33,488,600	(5,853,900)	-14.9%
12 Total Revenue Requirements	481,372,100	500,627,000	19,254,900	4.0%
<b><u>Charge Adjustment Summary</u></b>				
13 Budget Adjustment Index		<b>4.0%</b>		
14 Baseline Revenue		479,976,700		
15 Change in Annual Revenue Requirement			19,254,900	4.01%
16 Change Attributable to Non-Charge Revenue			(5,915,000)	-1.23%
17 Change Attributable to Sales Revenue			(160,200)	-0.03%
18 System Charge Adjustment			13,179,700	<b>2.75%</b>

**Specific Member Partner Sewer Charge Proposals:**

As presented at the November 16 Charge Rollout meeting, the existing SHAREs established for the FY 2022 Charges will remain in effect for FY 2024. Revenues collected via the SHAREs process account for almost 97% of the revenues generated from charges, with Industrial Specific charges and contractual charges to OMID making up the remainder. We believe this dynamic supports a simplified approach to the proposed FY 2024 Sewer Charges to support the stability objectives embraced by the GLWA Charge Methodologies. Our recommended charges have been developed by:

- Determining and recognizing the OMID Specific revenue requirements. Since a material portion of these contractual amounts are related to the legacy pension obligation, and since that element is significantly reduced in the FY 2024 Budget, the FY 2024 OMID Specific revenue requirements represent a 11% reduction from FY 2023.
  - *As a result, the remaining wholesale revenue requirements for all other charge categories must be increased by 2.8% instead of the 2.75% noted above.*
- Increasing the “wholesale revenue requirements from charges” for ALL charge categories by 2.8% to align with the overall budgeted revenue requirement increase.
- Apply the required contractual adjustments related to the Detroit Ownership Benefit.
  - *Since the Detroit Ownership Benefit is fixed, the charge adjustment for Detroit is 2.9% expressed on a “gross” pre credit basis (Compared to the 2.8% budgeted revenue requirement increase).*
- Computing specific Industrial Waste Control and Industrial Surcharge rates for FY 2023 that align with the overall 2.8% increase in budgeted revenue requirements.
- Table 2 summarizes the proposed Sewer Charges for FY 2024.

We are continuing detailed cost of service analyses to support customer class specific charge adjustments for FY 2025. The focus of the ongoing efforts includes a detailed review of fixed asset records to ensure alignment with cost pools supported by the SHAREs methodology, and a comprehensive review of industrial cost pools. This effort will support development of the FY 2025 SHAREs for next year’s charge analysis.

**Highland Park Bad Debt Expense**

It is our understanding that GLWA and the City of Highland Park are in mediation discussions, and that Highland Park is now making regular (although partial) payments to GLWA for sewage disposal services. For purposes of the proposed FY 2024 Water and Sewer Charges, we have assumed that revenue requirements allocable to Highland Park will be fully recovered from Highland Park. ***We have not included any amounts in the proposed charges to other Member Partners to recover bad debt expense associated with Highland Park.***

We believe that the approaches recommended above are consistent with the goals and objectives set forth in the “One Water Charge Initiatives” that were (most recently) presented

at the November 16 Charge Rollout meeting. We have initiated efforts to prepare and provide specific Member Partner charge calculation sheets that embrace and follow these approaches.

We are prepared to present this material to the Audit Committee meeting scheduled for December 16 and to discuss this matter further at your convenience.

Table 1  
GLWA FY 2024 Water Cost of Service Study Result Summary

Illustration of SHARES and Comparison of Allocated Revenue Requirements and Revenue under Existing Charges

<u>Customer</u>	(1)	(2)	(3)	(4)	(5)	<u>County</u>
	Revenue Existing	FY 2024	Allocated	Adjustment	% Adjustment	
	<u>Charges</u>	<u>SHARE</u>	<u>Requirement</u>	<u>Required</u>	<u>Required</u>	
	\$	(a)	\$	\$		
1 Allen Park	2,555,300	<b>0.669%</b>	2,652,900	97,600	3.8%	Wayne
2 Almont Village	256,800	<b>0.067%</b>	266,800	10,000	3.9%	Other
3 Ash Township	893,000	<b>0.241%</b>	956,000	63,000	7.1%	Other
4 Belleville	357,800	<b>0.092%</b>	366,700	8,900	2.5%	Wayne
5 Berlin Township	804,300	<b>0.199%</b>	790,400	(13,900)	-1.7%	Other
6 Brownstown Township	3,959,300	<b>1.059%</b>	4,199,500	240,200	6.1%	Wayne
7 Bruce Township	394,400	<b>0.088%</b>	348,500	(45,900)	-11.6%	Macomb
8 Burtchville Township	387,200	<b>0.110%</b>	435,600	48,400	12.5%	Other
9 Canton Township	11,446,000	<b>2.913%</b>	11,553,700	107,700	0.9%	Wayne
10 Center Line	513,300	<b>0.137%</b>	542,500	29,200	5.7%	Macomb
11 Chesterfield Township	4,702,200	<b>1.235%</b>	4,899,000	196,800	4.2%	Macomb
12 Clinton Township	8,148,300	<b>2.160%</b>	8,564,200	415,900	5.1%	Macomb
13 Commerce Township	3,960,800	<b>0.985%</b>	3,907,100	(53,700)	-1.4%	Oakland
14 Dearborn Heights	3,996,700	<b>1.069%</b>	4,238,700	242,000	6.1%	Wayne
15 Eastpointe	1,690,200	<b>0.458%</b>	1,817,700	127,500	7.5%	Macomb
16 Ecorse	1,392,800	<b>0.334%</b>	1,324,700	(68,100)	-4.9%	Wayne
17 Farmington	1,096,000	<b>0.281%</b>	1,115,000	19,000	1.7%	Oakland
18 Farmington Hills	9,637,700	<b>2.536%</b>	10,056,300	418,600	4.3%	Oakland
19 Ferndale	1,087,500	<b>0.303%</b>	1,199,600	112,100	10.3%	Oakland
20 Flat Rock	1,386,900	<b>0.402%</b>	1,593,300	206,400	14.9%	Wayne
21 <i>Flint</i> *	4,755,200	<b>2.999%</b>	5,036,300	281,100	5.9%	Other
22 Fraser	1,308,100	<b>0.357%</b>	1,416,900	108,800	8.3%	Macomb
23 Garden City	1,770,400	<b>0.489%</b>	1,939,100	168,700	9.5%	Wayne
24 Gibraltar	362,000	<b>0.097%</b>	383,800	21,800	6.0%	Wayne
25 Greenwood Township (DTE)	1,458,200	<b>0.345%</b>	1,369,500	(88,700)	-6.1%	Other
26 Grosse Ile Township	1,194,900	<b>0.320%</b>	1,270,900	76,000	6.4%	Wayne
27 Grosse Pt. Park	1,463,000	<b>0.387%</b>	1,534,200	71,200	4.9%	Wayne
28 Grosse Pt. Shores	706,900	<b>0.185%</b>	734,300	27,400	3.9%	Wayne
29 Grosse Pt. Woods	1,377,300	<b>0.371%</b>	1,473,100	95,800	7.0%	Wayne
30 Hamtramck	862,900	<b>0.233%</b>	925,000	62,100	7.2%	Wayne
31 Harper Woods	909,200	<b>0.249%</b>	988,000	78,800	8.7%	Wayne
32 Harrison Township	1,784,100	<b>0.478%</b>	1,897,200	113,100	6.3%	Macomb
33 Hazel Park	791,100	<b>0.217%</b>	861,500	70,400	8.9%	Oakland
34 Huron Township	1,645,500	<b>0.431%</b>	1,707,100	61,600	3.7%	Wayne
35 Imlay City	1,590,400	<b>0.422%</b>	1,673,500	83,100	5.2%	Other
36 Imlay Township (Single User)	15,500	<b>0.005%</b>	18,900	3,400	21.9%	Other
37 Inkster	1,384,600	<b>0.375%</b>	1,487,800	103,200	7.5%	Wayne
38 Keego Harbor	324,200	<b>0.086%</b>	339,800	15,600	4.8%	Oakland
39 Lapeer	1,673,100	<b>0.439%</b>	1,740,700	67,600	4.0%	Other



Table 1  
GLWA FY 2024 Water Cost of Service Study Result Summary

Illustration of SHAREs and Comparison of Allocated Revenue Requirements and Revenue under Existing Charges

	(1)	(2)	(3)	(4)	(5)	
<u>Customer</u>	Revenue Existing <u>Charges</u>	<b>FY 2024</b> <b>SHARE</b>	Allocated Revenue <u>Requirement</u>	Adjustment <u>Required</u>	% Adjustment <u>Required</u>	<u>County</u>
	\$	(a)	\$	\$		
40 Lenox Township	312,500	<b>0.086%</b>	341,600	29,100	9.3%	Macomb
41 Lincoln Park	2,561,000	<b>0.652%</b>	2,585,000	24,000	0.9%	Wayne
42 Livonia	12,370,600	<b>3.339%</b>	13,239,300	868,700	7.0%	Wayne
43 Macomb Township	13,818,900	<b>3.506%</b>	13,901,800	82,900	0.6%	Macomb
44 Madison Heights	2,059,700	<b>0.570%</b>	2,260,800	201,100	9.8%	Oakland
45 Mayfield Township (KAMAX)	41,800	<b>0.014%</b>	53,500	11,700	28.0%	Other
46 Melvindale	709,000	<b>0.183%</b>	727,400	18,400	2.6%	Wayne
47 New Haven, Village of	413,100	<b>0.123%</b>	489,500	76,400	18.5%	Macomb
48 NOCWA	23,913,600	<b>6.322%</b>	25,068,700	1,155,100	4.8%	Oakland
49 Northville	830,200	<b>0.223%</b>	883,200	53,000	6.4%	Wayne
50 Northville Township	6,155,800	<b>1.569%</b>	6,221,400	65,600	1.1%	Wayne
51 Novi	9,967,800	<b>2.622%</b>	10,397,500	429,700	4.3%	Oakland
52 Oak Park	1,498,600	<b>0.406%</b>	1,611,600	113,000	7.5%	Oakland
53 Oakland GWK Drain District	85,600	<b>0.026%</b>	101,600	16,000	18.7%	Oakland
54 Plymouth	1,186,700	<b>0.317%</b>	1,255,200	68,500	5.8%	Wayne
55 Plymouth Township	4,828,300	<b>1.295%</b>	5,134,200	305,900	6.3%	Wayne
56 Redford Township	3,419,000	<b>0.853%</b>	3,382,600	(36,400)	-1.1%	Wayne
57 River Rouge	748,600	<b>0.148%</b>	587,800	(160,800)	-21.5%	Wayne
58 Riverview	960,600	<b>0.254%</b>	1,005,400	44,800	4.7%	Wayne
59 Rockwood	302,100	<b>0.072%</b>	285,500	(16,600)	-5.5%	Wayne
60 Romeo	281,000	<b>0.075%</b>	298,600	17,600	6.3%	Macomb
61 Romulus	4,611,500	<b>1.083%</b>	4,292,900	(318,600)	-6.9%	Wayne
62 Roseville	2,867,300	<b>0.749%</b>	2,969,000	101,700	3.5%	Macomb
63 Royal Oak Township	208,200	<b>0.059%</b>	235,900	27,700	13.3%	Oakland
64 Shelby Township	15,887,600	<b>3.236%</b>	12,834,000	(3,053,600)	-19.2%	Macomb
65 SOCWA	25,021,300	<b>6.771%</b>	26,852,600	1,831,300	7.3%	Oakland
66 South Rockwood	124,900	<b>0.034%</b>	132,900	8,000	6.4%	Other
67 Southgate	2,386,300	<b>0.589%</b>	2,335,400	(50,900)	-2.1%	Wayne
68 St. Clair Shores	3,409,300	<b>0.898%</b>	3,561,200	151,900	4.5%	Macomb
69 Sterling Heights	16,848,200	<b>4.267%</b>	16,920,500	72,300	0.4%	Macomb
70 Sumpter Township	773,500	<b>0.204%</b>	809,800	36,300	4.7%	Wayne
71 Sylvan Lake	259,100	<b>0.067%</b>	265,000	5,900	2.3%	Oakland
72 Taylor	5,054,100	<b>1.309%</b>	5,189,100	135,000	2.7%	Wayne
73 Trenton	1,852,200	<b>0.520%</b>	2,060,900	208,700	11.3%	Wayne
74 Troy	14,759,200	<b>3.994%</b>	15,840,000	1,080,800	7.3%	Oakland
75 Utica	601,300	<b>0.166%</b>	657,900	56,600	9.4%	Macomb
76 Van Buren Township	3,834,000	<b>0.995%</b>	3,947,300	113,300	3.0%	Wayne
77 Walled Lake	855,500	<b>0.228%</b>	904,400	48,900	5.7%	Oakland
78 Warren	11,220,500	<b>2.745%</b>	10,885,900	(334,600)	-3.0%	Macomb



Table 1  
GLWA FY 2024 Water Cost of Service Study Result Summary

Illustration of SHARES and Comparison of Allocated Revenue Requirements and Revenue under Existing Charges

	(1)	(2)	(3)	(4)	(5)	
<u>Customer</u>	Revenue Existing Charges	FY 2024 SHARE	Allocated Revenue Requirement	Adjustment Required	% Adjustment Required	County
	\$	(a)	\$	\$		
79 Washington Township	2,606,600	<b>0.670%</b>	2,657,300	50,700	1.9%	Macomb
80 Wayne	3,487,400	<b>0.519%</b>	2,056,600	(1,430,800)	-41.0%	Wayne
81 West Bloomfield Township	11,560,900	<b>3.038%</b>	12,046,000	485,100	4.2%	Oakland
82 Westland	6,766,000	<b>1.763%</b>	6,991,900	225,900	3.3%	Wayne
83 Wixom	2,736,000	<b>0.711%</b>	2,819,400	83,400	3.0%	Oakland
84 Woodhaven	1,828,700	<b>0.427%</b>	1,694,200	(134,500)	-7.4%	Wayne
85 Ypsilanti Comm Util Auth	11,338,300	<b>2.972%</b>	11,785,800	447,500	3.9%	Other
86 Subtotal Master Metered	321,405,500	<b>84.492%</b>	328,203,900	6,798,400	2.1%	
87 Dearborn	10,775,100	<b>2.779%</b>	11,021,700	246,600	2.3%	Wayne
88 Highland Park	1,249,800	<b>0.330%</b>	1,308,300	58,500	4.7%	Wayne
89 <b>Detroit **</b>	<u>22,834,800</u>	<b>12.399%</b>	<u>25,535,200</u>	<u>2,700,400</u>	<b>11.8%</b>	Detroit
90 Non-Master Metered	34,859,700	<b>15.508%</b>	37,865,200	3,005,500	8.6%	
91 TOTAL	356,265,200	<b>100.000%</b>	366,069,100	9,803,900	2.8%	
92 Detroit Gross **	43,534,800	<b>12.399%</b>	46,235,200	2,700,400	6.2%	
93 less: Ownership Benefit	(20,700,000)		(20,700,000)	0		
94 Detroit Net ** (see Line 89)	22,834,800		25,535,200	2,700,400	11.8%	
95 NMM Gross (adjusts Line 92)	55,559,700		58,565,200	3,005,500	5.4%	
96 Flint Gross *	11,407,000	<b>2.999%</b>	11,688,100	281,100	2.5%	
97 less: KWA Credit	(6,651,800)		(6,651,800)	0		
98 Flint Net * (see Line 21)	4,755,200		5,036,300	281,100	5.9%	
<u>Summary by County</u>						
99 Macomb	86,806,900	<b>21.434%</b>	85,003,300	(1,803,600)	-2.1%	
100 Oakland	109,822,800	<b>29.222%</b>	115,882,800	6,060,000	5.5%	
101 Wayne	113,462,000	<b>29.098%</b>	115,387,900	1,925,900	1.7%	
102 Other	23,338,700	<b>7.847%</b>	24,259,900	921,200	3.9%	
103 Detroit	22,834,800	<b>12.399%</b>	25,535,200	2,700,400	11.8%	
104 Total	356,265,200	<b>100.000%</b>	366,069,100	9,803,900	2.8%	

(a) Represents each Member Partner's Allocated SHARE of the GLWA Wholesale Revenue Requirement. The final "Allocated Revenue Requirement" reflects recognition of the Detroit Ownership Benefit and the Flint KWA Debt Service Adjustment.

Table 2  
GLWA FY 2024 Sewer Charge Study Summary  
Comparison of Allocated Revenue Requirements and Revenue under Existing Charges

	(1)	(2)	(3)	(4)	(5)	
	Revenue Existing <u>Charges</u> \$	<b>FY 2024</b> <b>SHARE</b> (a)	Allocated Revenue <u>Requirement</u> \$	Adjustment <u>Required</u> \$	% Adjustment <u>Required</u>	
<u>Suburban Wholesale</u>						
1	OMID (b)	71,312,700	<b>14.589%</b>	72,971,800	1,659,100	2.3%
2	Rouge Valley	55,930,400	<b>11.804%</b>	57,471,300	1,540,900	2.8%
3	Oakland GWK	46,378,000	<b>9.788%</b>	47,655,700	1,277,700	2.8%
4	Evergreen Farmington	36,195,600	<b>7.639%</b>	37,192,800	997,200	2.8%
5	SE Macomb San Dist	25,070,100	<b>5.291%</b>	25,760,800	690,700	2.8%
6	Dearborn	20,298,700	<b>4.284%</b>	20,857,900	559,200	2.8%
7	Grosse Pointe Farms	2,748,200	<b>0.580%</b>	2,823,900	75,700	2.8%
8	Grosse Pointe Park	1,904,800	<b>0.402%</b>	1,957,300	52,500	2.8%
9	Melvindale	1,573,200	<b>0.332%</b>	1,616,500	43,300	2.8%
10	Farmington	1,198,800	<b>0.253%</b>	1,231,800	33,000	2.8%
11	Center Line	1,042,400	<b>0.220%</b>	1,071,100	28,700	2.8%
12	Allen Park	848,200	<b>0.179%</b>	871,600	23,400	2.8%
13	Highland Park	5,420,500	<b>1.144%</b>	5,569,800	149,300	2.8%
14	Hamtramck	4,041,700	<b>0.853%</b>	4,153,000	111,300	2.8%
15	Grosse Pointe	900,300	<b>0.190%</b>	925,100	24,800	2.8%
16	Harper Woods	218,000	<b>0.046%</b>	224,000	6,000	2.8%
17	Redford Township	270,100	<b>0.057%</b>	277,500	7,400	2.7%
18	Wayne County #3	52,200	<b>0.011%</b>	53,600	1,400	2.7%
19	Subtotal Suburban Wholesale	275,403,900	<b>57.662%</b>	282,685,500	7,281,600	2.6%
20	Detroit Customers	191,042,900	<b>42.338%</b>	196,569,600	5,526,700	2.9%
21	Total Wholesale	466,446,800	<b>100.000%</b>	479,255,100	12,808,300	2.7%
<u>Industrial Specific Charges</u>						
22	Industrial Waste Control	8,349,400		8,584,200	234,800	2.8%
23	Industrial Surcharges	5,180,500		5,328,300	147,800	2.9%
24	Subtotal	13,529,900		13,912,500	382,600	2.8%
25	Grand Total	479,976,700		493,167,600	13,190,900	2.7%
26	Detroit Gross	196,558,900	<b>42.338%</b>	202,085,600	5,526,700	2.8%
27	less: Ownership Benefit	<u>(5,516,000)</u>		<u>(5,516,000)</u>	<u>0</u>	
28	Detroit Net (see Line 89)	191,042,900		196,569,600	5,526,700	2.9%

(a) Represents each Member Partner's Allocated SHARE of the GLWA Wholesale Revenue Requirement. The final "Allocated Revenue Requirement" reflects recognition of the Detroit Ownership Benefit.

(b) Includes directly assigned revenue requirements in addition to wholesale SHARES.

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