

GLWA

Great Lakes Water Authority



Monthly Financial Report Binder

January 2019

**Presented to the
Great Lakes Water Authority
Audit Committee
on April 24, 2019**

TABLE OF CONTENTS

Executive Summary.....	1
Budget to Actual	2
Basic Financial Statements.....	8
Financial Activity Charts.....	16
Financial Operations Key Performance Indicator.....	19
Budget to Financial Statements Crosswalk.....	20
Construction Work in Progress Summary	23
Master Bond Ordinance Transfers	25
Cash and Investment Report.....	30
Retail Revenues, Receivables, & Collections.....	34
Wholesale Billings, Collections, and Receivables.....	38
Trust Receipts and Disbursements Report.....	45
Appendix	
Aged Accounts Receivable Report.....	A-1
Highland Park Life-to-Date Billings & Collections	A-2

Revenue and Expense Budget to Actual¹ – Pro-rata Benchmark of 58.3%

Most categories are within 5% of the pro-rata benchmark.

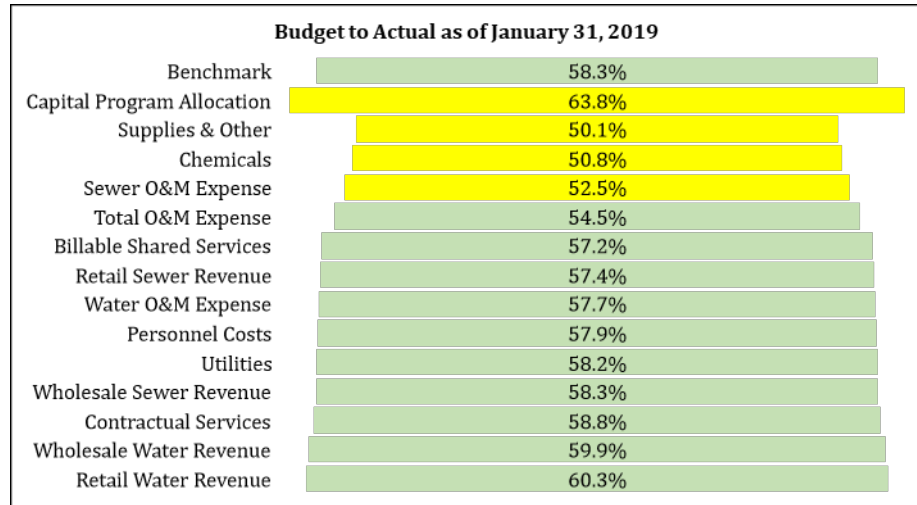
Capital Program

Allocation: The launch of a new software program in early FY 2019 has significantly improved capital project time reporting.

Supplies & Other: Due to timing of one-time or annual purchases in this category, expenses will not occur evenly throughout the fiscal year.

Chemicals: Expected variance as usage does not follow a consistent monthly budget pattern.

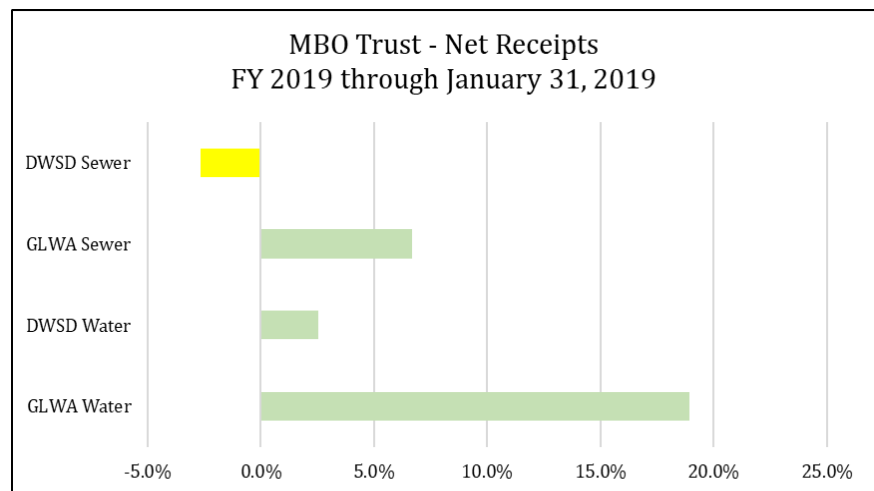
Sewer Operations & Maintenance (O&M) Expense: The positive variances in Supplies & Other and Chemicals, noted above, also positively impact the overall Sewer O&M Expense.



Master Bond Ordinance (MBO) Trust Net Receipts

Overall net cash flow (receipts) is positive. This means that all legal commitments of the MBO Trust and the lease payment are fully funded to date. The net positive variance contributes to an improving financial position.

One area under review is a DWSD net sewer receipts budgetary shortfall (\$5.8 million through January 31, 2019 for FY 2019).



Capital Spending Ratio The water system incurred over \$37.3 million of construction costs to date which is 97% of the FY 2019 prorated, budgeted spend. The Sewer system spent \$47.9 million which is 78%.

Questions? Contact the Office of the Chief Financial Officer at CFO@glwater.org

¹ All amounts are GLWA entity-wide unless noted as water, sewer, and/or retail.

The Monthly Budget to Actual Analysis report includes the following three sections.

1. Revenue Requirement Budget Basis Analysis
2. Operations & Maintenance Budget – Major Budget Categories
3. Alignment of Operations & Maintenance Budget Priorities – Expense Variance Analysis

Revenue Requirement Budget Basis Analysis

GLWA's annual revenue requirement represents the basis for calculating Member Partner charges. The analysis is presented in a manner that largely aligns with the Master Bond Ordinance flow of funds. The budget basis is not the same as the full accrual basis used for financial reporting although the revenues and operations and maintenance expense are largely reported on an accrual basis. The primary deviation between the revenue requirement budget basis to the financial reporting basis is the treatment of debt service, legacy pension obligations, and lease related activities. The Revenue Requirement Basis is foundational to GLWA's daily operations, financial plan, and of most interest to key stakeholders.

Table 1A – Water Revenue Requirement Budget and **Table 1B – Sewer Revenue Requirement Budget** presents a year-over-year budget to actual performance report. The revenue requirement budget is accounted for in the operations and maintenance fund for each system. Since this report is for January 2019, the pro-rata benchmark is 58.3% (7 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, FY 2019 revenues are at or above target and are consistent with the prior year (FY 2018) at the same time. Detailed schedules related to revenues are provided in the *Wholesale Billings, Collections, and Receivables* section of this financial report binder.
2. **Investment Earnings:** For *both* systems are at or above target for FY 2019. 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 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. For example, in FY 2018 the variance reported for the *sewer* system was due, in large part, to fire remediation insurance proceeds received.

4. **Operations & Maintenance Expense:** Actual expenses¹ for *both* systems are less than the pro-rata benchmark; the *water* system is slightly under the pro-rata benchmark for FY 2019 at 57.7%, while the *sewer* system O&M expense is at 52.5%.
5. **Debt Service:** *Both* systems are slightly lower than the pro-rata benchmark; the *water* system is at 58.1%, while the *sewer* system is at 57.4%. The activity is based on the payment schedules that have been adjusted for the State Revolving Fund loans that are still being drawn down. In October 2018, the GLWA had a successful bond sale which will provide a positive budget variance for *both* systems. The budget amendment for this transaction was recorded in January 2019.
6. **Improvement & Extension (I&E) Fund Transfer Pending:** The contribution to the I&E Fund is for improvements, enlargements, extensions or betterment of the Water System. Transfers to the I&E Fund from net revenues typically occur later in the year or after year end close when net revenues are verified. The amount of the transfer is positively impacted by net revenues. To the extent that there are budgetary shortfalls, for the local or regional system, the amount of funds available for transfer to the I&E fund would be negatively impacted.
Through January 31, 2019, the DWSD *sewer* system shortfall is approximately \$5.8 million. No adjustment has been reflected in this analysis in anticipation of a cashflow projection from DWSD demonstrating that this shortfall will be cured by June 30, 2019.
7. **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.
8. **Overall:** Total revenue requirements for *both* systems are in line with the benchmark.

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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.

Table 1A – Water Revenue Requirement Budget (year-over-year)

	FY 2018 BOARD ADOPTED BUDGET	FY 2018 THRU 1/31/2018	Percent Year-to- Date	FY 2019 BOARD ADOPTED BUDGET	FY 2019 AMENDED BUDGET	FY 2019 THRU 1/31/2019	Percent Year-to- Date
Water System							
Revenues							
Wholesale Customer Charges	\$ 310,019,800	\$192,008,500	61.9%	\$307,382,500	\$307,382,500	\$ 186,154,800	60.6%
Retail Services Agreement	15,130,600	8,826,200	58.3%	20,181,400	20,181,400	11,856,900	58.8%
Investment Earnings	2,968,900	2,086,700	70.3%	3,802,300	9,425,400	5,501,700	58.4%
Other Revenues	-	12,200	0.0%	34,300	-	25,200	0.0%
Total Revenues	\$ 328,119,300	\$202,933,600	61.8%	\$331,400,500	\$336,989,300	\$ 203,538,600	60.4%
Revenue Requirements							
Operations & Maintenance Expense	\$ 121,562,600	\$ 59,418,900	48.9%	\$121,562,600	\$121,562,600	\$ 70,124,200	57.7%
O&M Legacy Pension	6,048,000	3,528,000	58.3%	6,048,000	6,048,000	3,528,000	58.3%
Debt Service	135,464,400	77,654,943	57.3%	134,214,600	131,241,800	76,217,526	58.1%
Accelerated Legacy Pension	6,268,300	3,656,508	58.3%	6,268,300	6,268,300	3,656,508	58.3%
Extraordinary Repair & Replacement							
Deposit	645,700	376,658	58.3%	-	-	-	0.0%
Lease Payment	22,500,000	13,125,000	58.3%	22,500,000	22,500,000	13,125,000	58.3%
Operating Reserve Deposit	1,097,900	640,442	58.3%	-	-	-	0.0%
Water Residential Assistance Program	1,711,200	998,200	58.3%	1,673,400	1,673,400	976,150	58.3%
Improvement & Extension Fund							
Transfer Pending	32,821,200	19,145,700	58.3%	39,133,600	47,695,200	27,822,200	58.3%
Total Revenue Requirements	\$ 328,119,300	\$178,544,351	54.4%	\$331,400,500	\$336,989,300	\$ 195,449,584	58.0%
Net Variance		\$ 24,389,249				\$ 8,089,016	
<i>Revenue Variance</i>		\$ 11,530,675				\$ 6,961,508	
<i>Revenue Requirement Variance</i>		12,858,574				1,127,507	
<i>Overall Variance</i>		<u>\$ 24,389,249</u>				<u>\$ 8,089,016</u>	

Table 1B – Sewer Revenue Requirement Budget (year-over-year)

	FY 2018 BOARD ADOPTED BUDGET	FY 2018 THRU 1/31/2018	Percent Year-to- Date	FY 2019 BOARD ADOPTED BUDGET	FY 2019 AMENDED BUDGET	FY 2019 THRU 1/31/2019	Percent Year-to- Date
Sewer System							
Revenues							
Wholesale Customer Charges	\$ 267,033,800	\$158,335,100	59.3%	\$271,296,300	\$271,296,300	\$ 160,389,600	59.1%
Retail Services Agreement	178,969,200	104,398,700	58.3%	181,159,300	181,159,300	106,754,400	58.9%
Industrial Waste Control Charges	14,457,700	8,367,500	57.9%	15,005,800	15,000,800	5,356,200	35.7%
Pollutant Surcharges	5,099,000	3,593,600	70.5%	-	-	3,399,200	0.0%
Investment Earnings	2,751,000	2,190,100	79.6%	4,085,700	6,878,800	5,067,700	73.7%
Other Revenues	-	3,645,300	0.0%	480,200	-	298,600	0.0%
Total Revenues	\$ 468,310,700	\$280,530,300	59.9%	\$472,027,300	\$474,335,200	\$ 281,265,700	59.3%
Revenue Requirements							
Operations & Maintenance Expense	\$ 191,079,400	88,122,900	46.1%	\$191,079,400	\$191,079,400	\$ 100,275,400	52.5%
O&M Legacy Pension	10,824,000	6,314,000	58.3%	10,824,000	10,824,000	6,314,000	58.3%
Debt Service	207,615,500	117,647,081	56.7%	214,600,700	208,389,300	119,706,205	57.4%
Accelerated Legacy Pension	11,620,700	6,778,742	58.3%	11,620,700	11,620,700	6,778,742	58.3%
Extraordinary Repair & Replacement							
Deposit	813,600	474,600	58.3%	-	-	-	0.0%
Lease Payment	27,500,000	16,041,667	58.3%	27,500,000	27,500,000	16,041,667	58.3%
Operating Reserve Deposit	1,733,000	1,010,917	58.3%	-	-	-	0.0%
Water Residential Assistance Program	2,391,800	1,395,217	58.3%	2,374,100	2,374,100	1,384,892	58.3%
Improvement & Extension Fund							
Transfer Pending	14,732,700	8,594,075	58.3%	14,028,400	22,547,700	13,152,825	58.3%
Total Revenue Requirements	\$ 468,310,700	\$246,379,198	52.6%	\$472,027,300	\$474,335,200	\$ 263,653,730	55.6%
Net Variance		\$ 34,151,102				\$ 17,611,970	
<i>Revenue Variance</i>		\$ 7,349,058				\$ 4,570,167	
<i>Revenue Requirement Variance</i>		26,802,044				13,041,803	
<i>Overall Variance</i>		<u>\$ 34,151,102</u>				<u>\$ 17,611,970</u>	

Operations & Maintenance Budget – Major Budget Categories

The year-over-year benchmark ratio as of January 31, 2019, is 58.3% (seven months). When comparing FY 2019 to FY 2018 in **Table 2 – Operations & Maintenance Budget – Major Budget Categories**, it appears spending has increased. This is true in some instances; however, the greater impact is that the Financial Reporting & Accounting Team has implemented a full accrual basis for interim financial statements during the latter half of FY 2018. This variance anomaly will decrease as we proceed through FY 2019.

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

Major Operations & Maintenance Budget Categories	FY 2018 AMENDED BUDGET	FY 2018 ACTIVITY THRU 1/31/2018	Percent Year-to-Date	FY 2019 BOARD ADOPTED BUDGET	FY 2019 AMENDED BUDGET	FY 2019 ACTIVITY THRU 1/31/2019	Percent Year-to-Date
Water	\$ 73,510,500	\$ 34,417,100	46.8%	\$ 66,596,200	\$ 66,596,200	\$ 43,058,700	64.7%
Sewer	124,106,400	55,921,400	45.1%	118,318,900	118,318,900	63,166,600	53.4%
Centralized	82,628,700	43,422,300	52.6%	99,044,500	99,044,500	50,826,100	51.3%
Administrative	32,304,900	15,716,700	48.7%	28,682,400	28,682,400	14,771,800	51.5%
Employee Benefits	-	(1,935,700)	0.0%	-	-	(1,423,600)	0.0%
Total O&M Budget	\$312,550,500	\$ 147,541,800	47.2%	\$312,642,000	\$312,642,000	\$170,399,600	54.5%

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 O&M expenses are at 54.5% which is reasonably close to the pro-rata benchmark of 58.3%. This positive variance equates to a dollar amount of \$12.0 million. The expense category commentary is provided below for items highlighted on Table 3.

Personnel Costs: The overall category is slightly lower than the benchmark; coming in at 57.9% through January 2019.

Utilities: The overall category is on target at 58.2% through January 2019. Variances in this category are not unexpected given the seasonality of the operations. In comparing FY 2019 to FY 2018 the expenses appear more in line with the budget in FY 2019. This is due in large part to the month-end closing process improvements implemented during the latter half of FY 2018.

Chemicals: This category is lower than the benchmark; coming in at 50.8% through January 2019. This variance is not unexpected as usage varies throughout the year. Staff is working on enhancements to future monthly financial and operational reports to correlate spending with operational metrics.

Supplies & Other: This category is lower than the benchmark; coming in at 50.1% through January 2019. An internal review is underway to better understand the causes for this variance. Given that the nature of the items in this category are subject to one-time expenses that do not occur evenly throughout the year, this variance is not a concern at this time.

Contractual Services: The overall category is on target at 58.8% through January 2019.

Capital Program Allocation: This category is higher than the benchmark; coming in at 63.8% through January 2019. In July 2018, GLWA launched a time keeping software (including an app), BigTime, to make it easier for team members to report their time spent on direct capital delivery.

Shared Services: This category is slightly lower than the benchmark; coming in at 57.2% through January 2019. 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. In December 2018, adjustments were made to both the billings and accounting accruals to bring them in line with the amended shared services budget.

Table 3 – Operations & Maintenance Expense Variance Analysis

Expense Categories	FY 2018 AMENDED BUDGET	FY 2018 ACTIVITY THRU 1/31/2018	Percent Year-to- Date at 1/31/2018	FY 2018 ACTIVITY THRU 6/30/2018	Percent Year-to- Date at 6/30/2018	FY 2019 AMENDED BUDGET	FY 2019 PRORATED AMENDED BUDGET (7 MONTHS)	FY 2019 ACTIVITY THRU 1/31/2019	Percent Year-to- Date	FY 2019 PRORATED BUDGET LESS FY 2019 ACTIVITY
Entity-wide										
2.1 Salaries & Wages	\$ 57,113,800	\$ 31,006,300	54.3%	\$ 55,174,400	56.2%	\$ 63,100,800	\$ 36,808,800	\$ 35,099,500	55.6%	\$ 1,709,300
2.2 Workforce Development	661,500	328,300	49.6%	604,900	54.3%	723,300	421,925	434,900	60.1%	(12,975)
2.3 Overtime	6,516,600	3,864,400	59.3%	6,161,600	62.7%	7,196,500	4,197,958	4,503,500	62.6%	(305,542)
2.4 Employee Benefits	20,998,900	13,192,400	62.8%	20,432,200	64.6%	22,281,600	12,997,600	14,488,400	65.0%	(1,490,800)
2.5 Transition Services	13,865,100	4,763,900	34.4%	13,152,800	36.2%	6,442,400	3,758,067	4,696,700	72.9%	(938,633)
2.6 Personnel Transition Adjustment	(1,557,200)	-	0.0%	-	0.0%	-	-	-	0.0%	-
8.0 Employee Benefits Fund	-	(1,935,700)	0.0%	-	0.0%	-	-	(1,423,600)	0.0%	1,423,600
Personnel Costs	<u>97,598,700</u>	<u>51,219,600</u>	<u>52.5%</u>	<u>95,525,900</u>	<u>53.6%</u>	<u>99,744,600</u>	<u>58,184,350</u>	<u>57,799,400</u>	<u>57.9%</u>	<u>384,950</u>
3.1 Electric	42,324,400	18,902,000	44.7%	40,873,800	46.2%	39,800,700	23,217,075	24,672,700	62.0%	(1,455,625)
3.2 Gas	7,029,500	1,922,600	27.4%	6,611,500	29.1%	6,619,600	3,861,433	3,490,400	52.7%	371,033
3.3 Sewage Service	2,030,500	864,200	42.6%	1,715,600	50.4%	2,588,100	1,509,725	1,312,000	50.7%	197,725
3.4 Water Service	4,587,600	2,512,300	54.8%	4,493,100	55.9%	5,716,700	3,334,742	2,355,800	41.2%	978,942
Utilities	<u>55,972,000</u>	<u>24,201,100</u>	<u>43.2%</u>	<u>53,694,000</u>	<u>45.1%</u>	<u>54,725,100</u>	<u>31,922,975</u>	<u>31,830,900</u>	<u>58.2%</u>	<u>92,075</u>
4.1 Chemicals	13,340,600	7,797,500	58.4%	12,877,700	60.6%	14,694,600	8,571,850	7,467,100	50.8%	1,104,750
4.2 Supplies & Other	41,770,900	16,335,000	39.1%	29,846,200	54.7%	34,287,200	20,000,867	17,171,600	50.1%	2,829,267
4.3 Contractual Services	113,680,100	53,116,200	46.7%	104,980,900	50.6%	107,491,000	62,703,083	63,227,700	58.8%	(524,617)
5.1 Capital Program Allocation	(2,012,900)	(761,000)	37.8%	(1,683,300)	45.2%	(2,806,400)	(1,637,008)	(1,791,200)	63.8%	154,192
5.2 Shared Services	(10,109,500)	(4,366,600)	43.2%	(9,908,100)	44.1%	(9,271,500)	(5,408,375)	(5,305,900)	57.2%	(102,475)
7.0 Unallocated Reserve	2,310,600	-	0.0%	-	0.0%	13,777,400	8,036,817	-	0.0%	8,036,817
Total Expenses	<u>\$312,550,500</u>	<u>\$147,541,800</u>	<u>47.2%</u>	<u>\$285,333,300</u>	<u>51.7%</u>	<u>\$312,642,000</u>	<u>\$182,374,559</u>	<u>\$170,399,600</u>	<u>54.5%</u>	<u>\$ 11,974,959</u>

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 Bond Fund, and Capital Asset Fund*.

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 January 31, 2019
\$(000)

	Water	Sewage Disposal	Total Business-type Activities	Comparative June 30, 2018
Assets				
Cash (a)	\$ 160,022	\$ 195,385	\$ 355,407	\$ 671,753
Investments (a)	376,955	295,026	671,981	343,235
Accounts Receivable	113,502	98,314	211,816	191,359
Due from Other Funds (b)	10,739	-	10,739	32,255
Other Assets (c)	607,412	456,025	1,063,437	985,888
Cash Held FBO DWSD Advance (d)	-	24,312	24,312	18,468
Capital Assets, net of depreciation	1,710,389	2,510,146	4,220,536	4,402,212
Construction Work in Process	179,210	194,214	373,424	288,052
Total Assets	3,158,230	3,773,423	6,931,653	6,933,222
Deferred Inflow (e)	89,230	172,474	261,704	332,992
Liabilities				
Liabilities – Short-Term (f)	127,463	141,784	269,248	270,446
Due to Other Funds (b)	-	10,739	10,739	32,255
Other Liabilities (g)	2,860	6,288	9,148	8,638
Cash Held FBO DWSD (d)	10,195	-	10,195	8,902
Liabilities – Long-Term (h)	3,103,283	3,842,443	6,945,725	6,998,296
Total Liabilities	3,243,801	4,001,255	7,245,055	7,318,537
Deferred Outflow (e)	66,506	57,370	123,877	126,432
Net Assets (Deficit) (i)	\$ (62,847)	\$ (112,729)	\$ (175,576)	\$ (178,755)

Totals may be off due to rounding

In general, the Statement of Net Position reflects a mature organization with no unexpected trends. Cash balances as of January 31, 2019 are lower when compared to June 30, 2018 (highlighted in gold on Table 1). This is because of the high liquidity needs at June 30, 2018 to meet annual debt and interest payments, legacy pension obligation payments, and annual operational requirements.

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 2030 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* include restricted amounts and are reported at book value. Investments at June 30, 2018 are reported at market value.
- b. *Due from Other Funds* and *Due to Other Funds* is shown at the gross level 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. *Deferred Inflow* and *Deferred Outflow* relate to financing activity and GLWA's share of the legacy General Retirement System (GRS) pension obligation.
- f. *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 are only adjusted on an interim basis if there is a material change.
- g. *Other Liabilities* account for the cash receipts set aside for the Budget Stabilization Fund and the Water Residential Assistance Program.
- h. *Liabilities - Long-term* include bonds payable, lease payable, and legacy General Retirement System pension liabilities.
- i. *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 as a result 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 January 2019 Financial Report Binder. Prior year ending balances are provided in the June 30, 2018 column as a reference for comparative purposes. Explanatory notes follow this statement.

**Table 2 – Statement of Revenues, Expenses and Changes in Net Position
– All Funds Combined
For the Seven Months ended January 31, 2019
\$(000)**

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business- type Activities	Comparative June 30, 2018
Revenue						
Wholesale customer charges	\$ 190,473	94.1%	\$ 160,390	58.1%	\$ 350,862	\$ 592,096
Local system charges	11,857	5.9%	106,754	38.7%	118,611	194,100
Industrial waste charges	-	0.0%	5,356	1.9%	5,356	14,335
Other revenue	25	0.0%	299	0.1%	324	4,455
Pollutant surcharges	-	0.0%	3,399	1.2%	3,399	6,908
Bad Debt Recovery	-	0.0%	-	0.0%	-	-
Total Revenues	\$ 202,355	100.0%	\$ 276,198	100.0%	\$ 478,553	\$ 811,895
Operating Expenses						
Operations and Maintenance Expenses	70,124	34.7%	100,276	36.3%	170,399	284,910
Depreciation	84,406	41.7%	102,840	37.2%	187,245	331,242
Total Operating Expenses	154,530	76.4%	203,115	73.5%	357,645	616,152
Operating Income	47,825	23.6%	73,083	26.5%	120,908	195,743
Total Nonoperating (Revenue)/Expense						
	50,237	24.8%	67,492	24.4%	117,729	271,662
Increase/(decrease) in Net Position	(2,412)	-1.2%	5,591	2.0%	3,179	(75,920)
Net Position Deficit, beginning of year	(60,435)		(118,319)		(178,755)	(102,835)
Net Position Deficit, end of year	\$ (62,847)		\$ (112,729)		\$ (175,576)	\$ (178,755)

Totals may be off due to rounding

Water Fund

- ✓ The decrease in Water Fund Net Position is \$2.4 million.
- ✓ Wholesale water customer charges of \$190.4 million account for 94.1% of Water System revenues.
- ✓ Operating expenses of \$154.5 million represent 76.4% of total operating revenue. Depreciation is the largest operating expense at \$84.4 million or 54.6% of operating expense.
- ✓ Operating income after operating expenses (including depreciation) equals \$47.8 million or 23.6% of operating revenue. This represents an increase of \$4.4 million over December year-to-date.
- ✓ The largest category within nonoperating activities is interest expense of \$66.4 million (this equates to the bonded debt interest less the offset from DWSD contractual obligation income).

Sewage Disposal Fund

- ✓ The increase in Sewer Net Position was \$5.6 million.
- ✓ Wholesale customer charges of \$160.3 million account for 58.1% 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 \$106.7 million account for 38.7% of total operating revenues. These are also billed at one-twelfth of the annual revenue requirement.
- ✓ Operating expenses of \$203.1 million represent 73.5% of total operating revenue. Depreciation is the largest operating expense at \$102.8 million or 50.6% of total operating expense.
- ✓ Operating income after operating expenses (including depreciation) equals \$73.1 million or 26.5% of operating revenue. This represents an increase of \$11.8 million over December year-to-date.
- ✓ The largest category within nonoperating activities is interest expense of \$84.1 million (this equates to the bonded debt interest 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 January 2019 Financial Report Binder. Explanatory notes follow this schedule.

**Table 3 – Supplemental Schedule of Operations & Maintenance Expenses
– All Funds Combined
For the Seven Months ended January 31, 2019
\$(000)**

	Water	Percent of Total	Sewage Disposal	Percent of Total	Total Business- type Activities	Percent of Total
Expenditure						
Personnel						
Salaries & Wages	14,262	20.3%	25,968	25.9%	40,231	23.6%
Overtime	2,480	3.5%	2,023	2.0%	4,503	2.6%
Benefits	7,486	10.7%	5,578	5.6%	13,064	7.7%
Total Personnel	\$ 24,228	34.6%	\$ 33,570	33.5%	\$ 57,799	33.9%
Utilities						
Electric	16,441	23.4%	8,232	8.2%	24,673	14.5%
Gas	385	0.5%	3,106	3.1%	3,491	2.0%
Sewage	467	0.7%	845	0.8%	1,312	0.8%
Water	1	0.0%	2,355	2.3%	2,356	1.4%
Total Utilities	\$ 17,294	24.7%	\$ 14,537	14.5%	\$ 31,831	18.7%
Chemicals	2,902	4.1%	4,565	4.6%	7,467	4.4%
Supplies and other	5,755	8.2%	11,417	11.4%	17,172	10.1%
Contractual services	26,122	37.3%	37,106	37.0%	63,227	37.1%
Capital program allocation	(1,123)	-1.6%	(668)	-0.7%	(1,791)	-1.1%
Shared services allocation	(5,054)	-7.2%	(251)	-0.3%	(5,305)	-3.1%
Operations and Maintenance						
Expenses	\$ 70,124	100.0%	\$ 100,276	100.0%	\$ 170,399	100.0%

Totals may be off due to rounding

- ✓ Core expenses for water and sewage disposal systems are utilities (18.7% of total O&M expenses) and chemicals (4.4%).

- ✓ Personnel (33.9%) 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 (37.1%) includes:
 - Water System costs of sludge removal and disposal services at the Northeast, Southwest and Springwells Water Treatment Plants (approximately \$8.1 million);
 - Sewage Disposal System costs for the operation and maintenance of the biosolids dryer facility (approximately \$7.5 million); and
 - Centralized and administrative contractual costs allocated to both systems for information technology, building maintenance, and other services.

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 Seven Months ended January 31, 2019
\$(000)

	Water	Sewage Disposal	Total Business- type Activities	Comparative June 30, 2018
Nonoperating (Revenue)/Expense				
Interest income contractual obligation	\$ (13,329)	\$ (8,760)	\$ (22,089)	\$ (38,857)
Investment earnings	(7,502)	(6,438)	(13,941)	(11,396)
Other nonoperating revenue (expense)	(334)	6,023	5,689	(430)
Interest expense				
Bonded debt	66,774	79,824	146,598	255,868
Lease obligation	10,331	12,627	22,958	39,702
Other obligations	2,639	359	2,998	4,825
Total interest expense	79,744	92,810	172,554	300,395
Other nonoperating expense	438	932	1,370	1,684
Amortization, issuance costs, debt	(4,846)	(6,310)	(11,157)	(8,684)
Amortization, raw water rights	2,081	-	2,081	2,081
(Gain) loss on disposal of capital assets	-	-	-	(2,463)
Loss on impairment of capital assets	-	-	-	654
Water Residential Assistance Program	-	-	-	3,756
Legacy pension expense (income)	(6,014)	(10,764)	(16,778)	24,922
Total Nonoperating (Revenue)/Expense	\$ 50,237	\$ 67,492	\$ 117,729	\$ 271,662

Totals may be off due to rounding

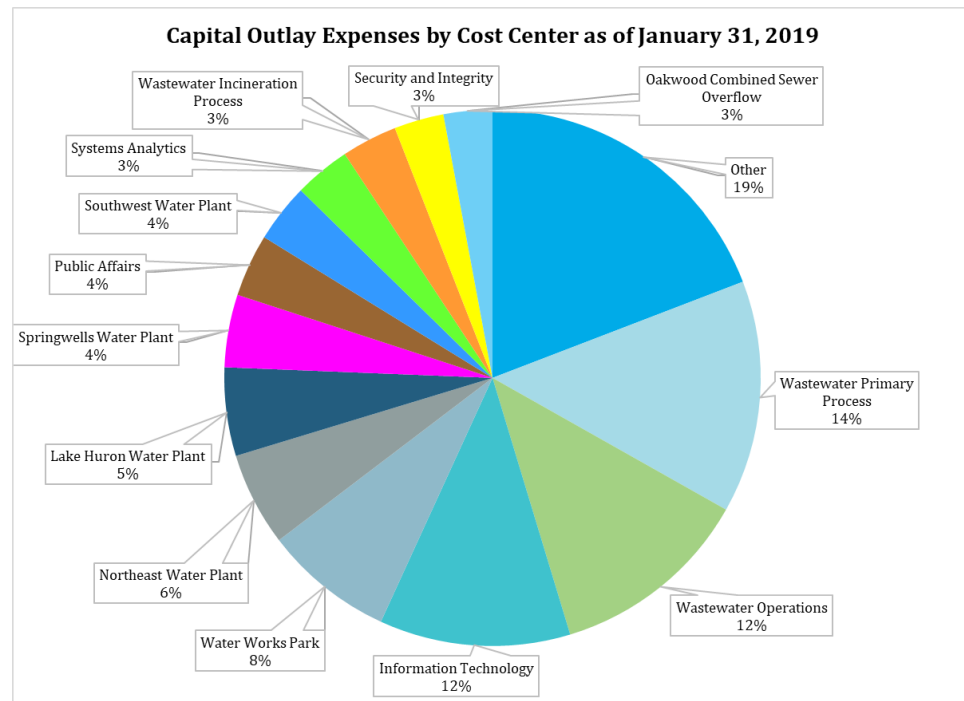
- ✓ Interest income on contractual obligation relates to the portion of the total GLWA debt obligation attributable to DWSD. This interest income offsets the total debt interest expense paid by GLWA on behalf of both entities monthly.
- ✓ Investment earnings in this report are reflected on a cost basis and may therefore not agree with the Cash and Investment Income section of this Financial Report Binder and the Quarterly Debt Report which present balances at market value.
- ✓ 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 KWA Pipeline.

- ✓ Legacy Pension expense for FY 2019 is currently being calculated as income due to changes in actuarial assumptions and rates from the June 30, 2018 City of Detroit General Retirement System Component II audited financial statement.
- ✓ Sewer Other Non-operating expense includes the 2018 Memorandum of Understanding (MOU) Item 8 a from June 27, 2018 for a final bad debt lookback adjustment for DWSD of \$6.5 million.

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 January 31, 2019, the capital outlay spend is \$8.8 million which includes the following.

Water Operations: filter upgrade at Water Works Park (\$124k) and ozone orbispheres (\$90k)

Wastewater Operations: grit crane (\$563k), chiller replacement at Water Resource Recovery Facility (\$632k), booster pump and expansion tank for scum building (\$196k), screw conveyor (\$113k) and a water blasting machine (\$77k)

Information Technology: software (\$424k) and low voltage wiring (\$305k)

Security: Infrastructure improvements (\$265k)

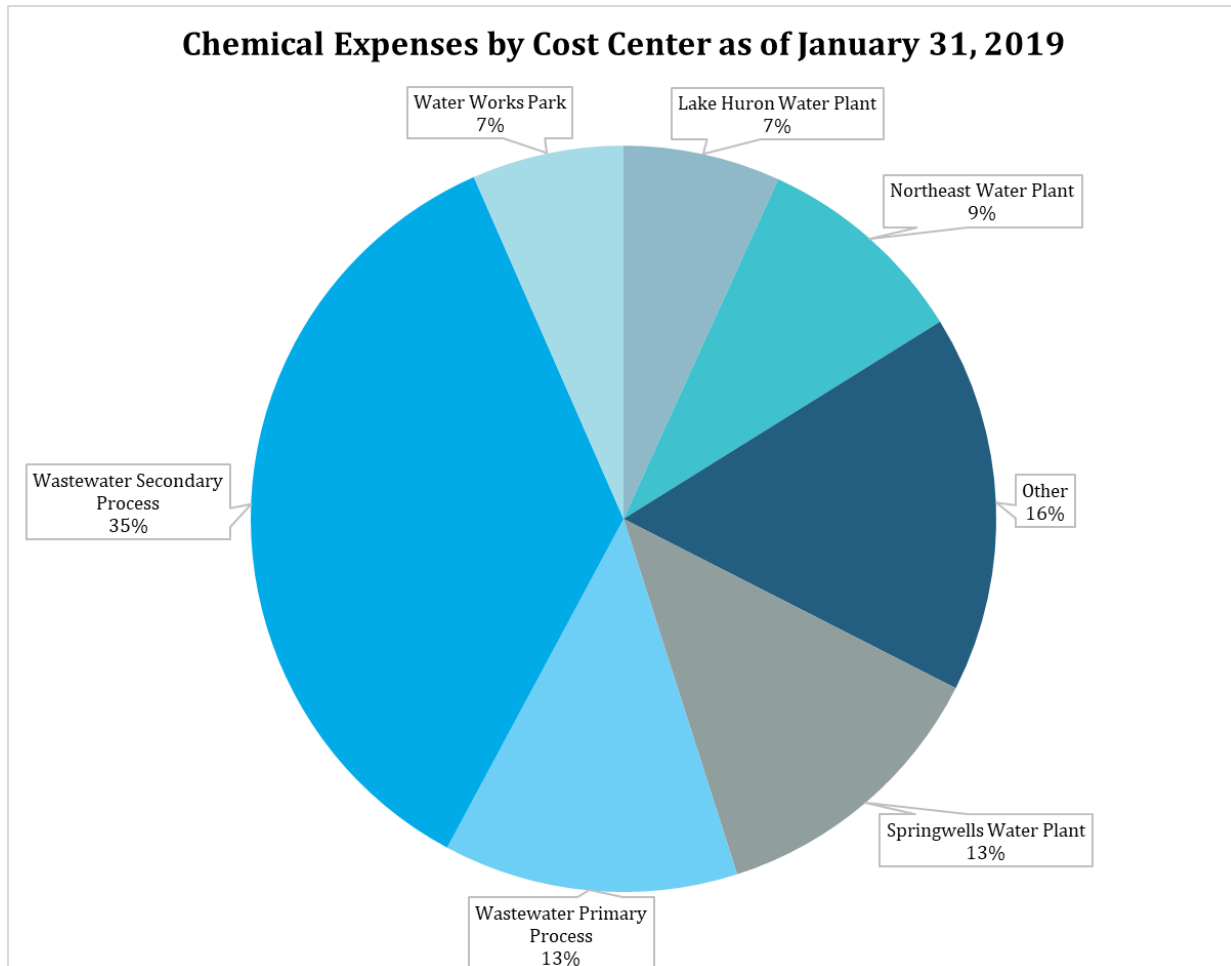
System Analytics: flow meters (\$193k) and transmitters (\$103k)

CSO Facilities: chopper pump (\$81k) and chemical pump (\$178k)

Centralized & Administrative Facilities: underground storage tanks, dispenser and management system (\$2.2M) and Public Affairs & 13 Floor renovation, furniture, and Equipment (\$334k)

Chart 2 – Chemical Spend

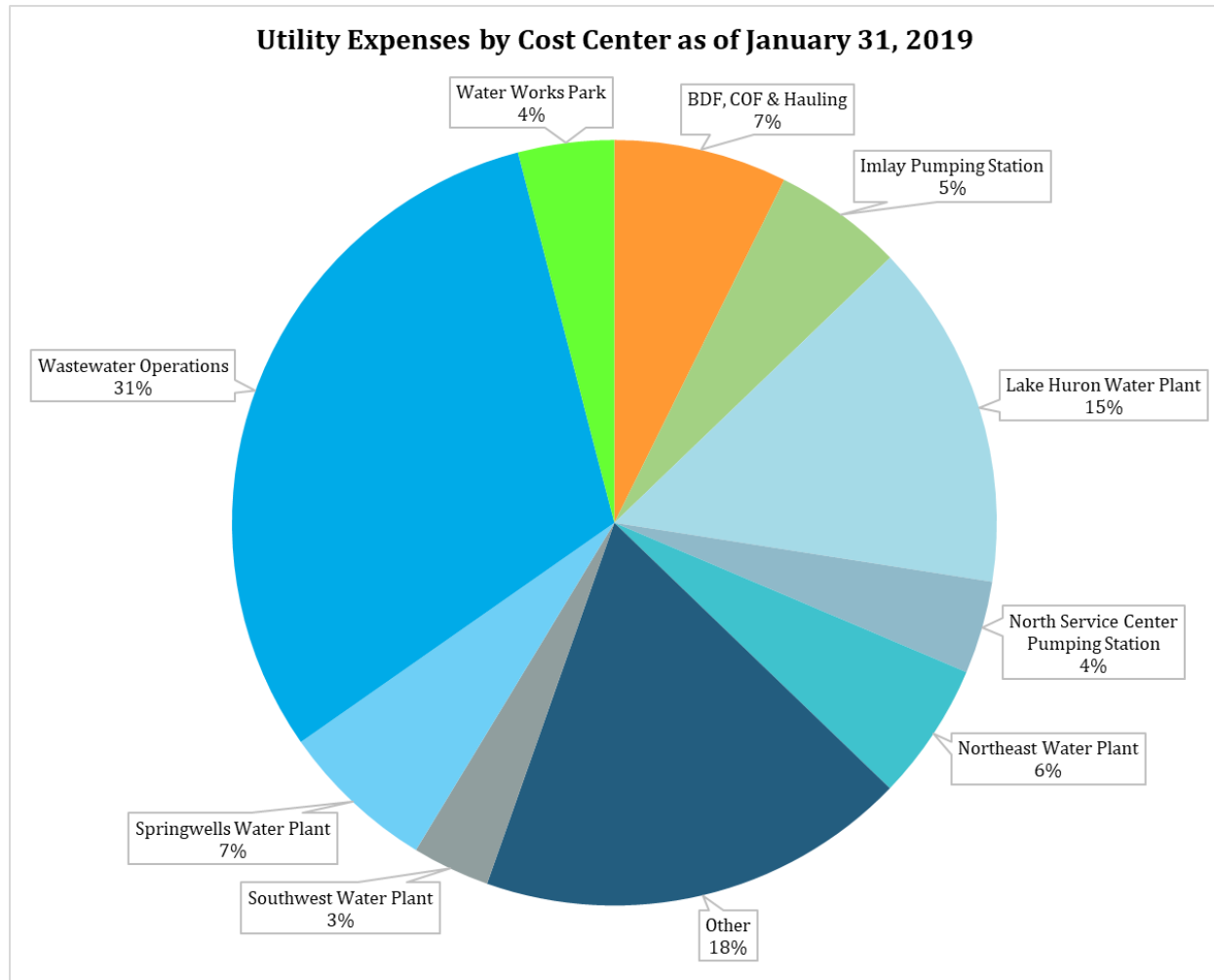
Chemical spend is \$7.4 million through January 31, 2019. The allocation is shown in the chart below.



Note: "Other" includes Combined Sewer Overflow (CSO), portions of the Wastewater process and two cost centers from Water Operations.

Chart 3 – Utility Spend

Utility spend is \$31.8 million through January 31, 2019. The allocation is shown in the chart below.

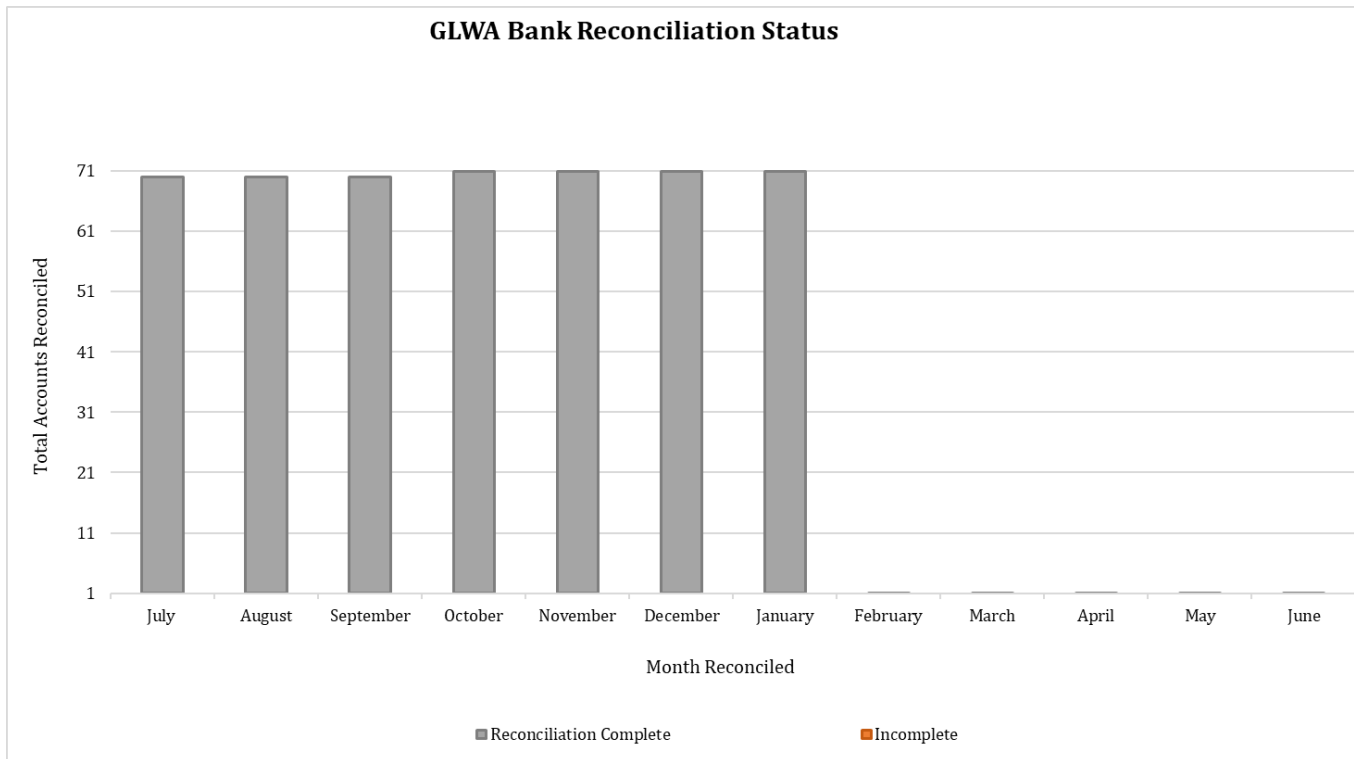


Note: "Other" includes additional Combined Sewer Overflow (CSO) facilities and pumping stations.

Financial Operations Key Performance Indicator

This key performance indicator shown in Chart 1 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.

Chart 1 – Bank Reconciliation Completion Status



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 customer service charges. 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 Revenue Requirement Basis” from the Budget to Actual Analysis (Table 1A and Table 2A) 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 budget. 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 2A 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 2A 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

	Water	Sewer	Total
Net Revenue Requirement Budget Variance (a)	\$ 8,089,016	\$ 17,611,970	\$ 25,700,986
Budgetary categories adjustments to financial reporting basis			
Pension delayed accounting election adjustments			
Current year pension transfers/payments recorded as deferral (d)	6,673,800	11,943,981	18,617,781
Prior year pension contribution accounted for in current year (e)	6,014,441	10,763,940	16,778,381
Administrative prepaid adjustment (f)	-	-	-
Debt service (g)	22,772,359	48,642,096	71,414,455
Accelerated pension B&C notes obligation portion (h)	351,140	789,840	1,140,980
Lease payment (i)	2,793,735	3,414,563	6,208,298
WRAP (j)	976,150	1,384,887	2,361,037
Improvement & Extension Fund (k)	27,822,200	13,152,825	40,975,025
Nonbudgeted financial reporting categories adjustments			
Depreciation (l)	(84,405,839)	(102,839,568)	(187,245,407)
Amortization (l)	2,765,628	6,310,498	9,076,126
Other nonoperating income (l)	334,214	(6,022,599)	(5,688,385)
Other nonoperating expense (l)	(438,108)	(932,062)	(1,370,170)
Raw water rights (m)	1,838,744	-	1,838,744
Investment earnings construction fund (n)	2,000,520	1,370,629	3,371,149
Net Position Increase/(Decrease) per Financial Statements (b)	\$ (2,412,000)	\$ 5,591,000	\$ 3,179,000

Table 2- Explanatory Notes for Crosswalk

- (a) Source: Budget to Actual Table 1A and Table 2A in Monthly Financial Binder
- (b) Source: Basic Financial Statements Table 2 in Monthly Financial Binder
- (c) Not used
- (d) Current year pension payments are an expense for budget purposes but not for financial reporting purposes.
- (e) Prior year pension payments are accounted for in the current year financial statements.
- (f) 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.

- (g) Debt service is budgeted (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.
- (h) The accelerated pension payment includes the obligation payable for the B&C notes is budgeted on a cash basis. The pension portion is included in item (d) above. The 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.
- (i) The lease payment is included as an expense for budget and includes both principal and interest payments. Most of the adjustment relates to the principal payments which are not an expense for financial reporting purposes. A portion of the adjustment relates to interest expense which is recorded on an accrual basis for financial reporting which is different from the cash basis.
- (j) 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.
- (k) Budgeted Improvement & Extension Fund deposits are shown as an expense for budget purposes but not for financial reporting purposes.
- (l) Certain nonoperating income and expenses are reported in financial statements only.
- (m) 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 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 basis the Flint wholesale charges are recorded at 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.
- (n) 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.

The Monthly Construction Work in Progress (CWIP) Summary includes the following.

1. Water System Construction Work in Progress costs incurred to date
2. Sewer System Construction Work in Progress costs incurred to date

Construction Work in Progress

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 adopts a biennial budget that establishes allowable amounts for construction spending during that period to support a five-year capital improvement plan (CIP). The CIP is a five-year, rolling plan which is updated annually, reviewed, and formally adopted by the GLWA Board of Directors.

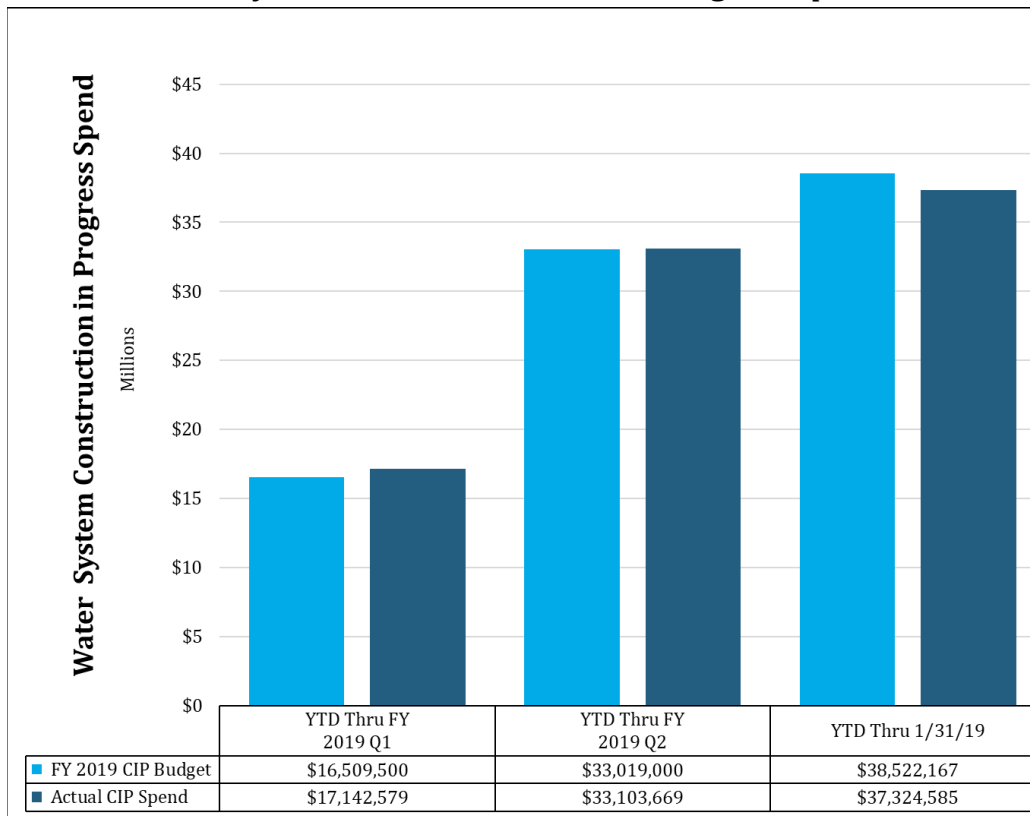
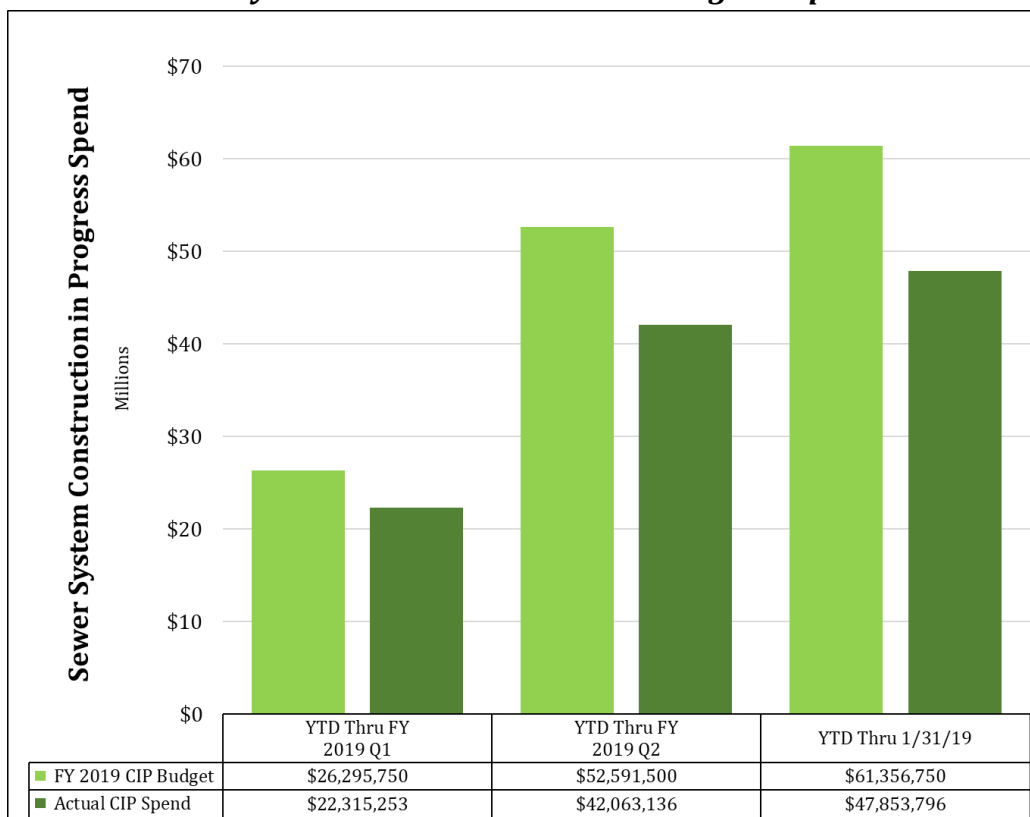
This report presents quarterly and monthly CWIP spending trends against a prorated budget amount. The prorated budget amount is calculated by dividing the total fiscal year 2019 board-approved CIP plan by twelve equal months. It should be noted that these interim reports are prepared on a modified cash basis. Known expenses, where material in nature, have been accrued.

Chart 1 – Water System Construction in Work in Progress Spend

As of January 2019, the Water system incurred over \$37.3 million of construction costs to date. This is 97% of the total fiscal year 2019 prorated, budgeted spend and continues a trend of on-target spend.

Chart 2 – Sewer System Construction in Work in Progress Spend

As of January 2019, the Sewer system incurred over \$47.9 million of construction costs to date. This is 78% of the total fiscal year 2019 prorated, budgeted spend and a slight decrease over the prior period.

Chart 1 – Water System Construction Work in Progress Spend

Chart 2 – Sewer System Construction Work in Progress Spend


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 Department completes required MBO transfers on the first business day of each month. Treasury completes these transfers 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 April 2018 Memorandum of Understanding but is included to reflect historical activity. Treasury completes annual Extraordinary Repair & Replacement (ER&R) transfers as directed based on budget and year-end fund status.

Table 1 – GLWA FY 2019 Water MBO Transfers reflects the required transfers for FY 2019 completed through January 2, 2019. The December O&M transfer amount is less than the previous months due to correction to bring fiscal year to date transfers to the approved FY 2019 year to date budget. The January transfer amount reflects one-twelfth of the approved annual budget. For FY 2019, through January 2, 2019, MBO transfers for Water totaling \$81.0 million have been transferred to accounts held by GLWA.

Table 2 – GLWA FY 2019 Sewer MBO Transfers reflects the required transfers for FY 2019 completed through January 2, 2019. The December O&M transfer amount is less than the previous months due to correction to bring fiscal year to date transfers to the approved FY 2019 year to date budget. The January transfer amount reflects one-twelfth of the approved annual budget. For FY 2019, through January 2, 2019, MBO transfers for Water totaling \$128.0 million have been transferred to accounts held by GLWA.

Table 3 – GLWA MBO Transfer History The total transfers for FY 2016, FY 2017, and FY 2018 are included below to reflect historical activity.

Table 1 – GLWA FY 2019 Water MBO Transfers

WATER							
	Operations & <u>Maintenance</u>	Pension <u>Sub Account</u>	Pension <u>Obligation</u>	<u>WRAP</u>	Budget Stabilization <i>(For Benefit of DWSD)</i>	Extraordinary Repair & Replacement <i>(ER&R)</i>	Total Water
FY 2019							
July 2018	10,393,475	504,000	891,308	171,683	-	-	11,960,466
August 2018	10,393,475	504,000	891,308	171,683	-	-	11,960,466
September 2018	10,393,475	504,000	891,308	171,683	-	-	11,960,466
October 2018	10,393,475	504,000	891,308	171,683	-	-	11,960,466
November 2018	10,393,475	504,000	891,308	171,683	-	-	11,960,466
December 2018	8,813,927	504,000	891,308	171,683	-	-	10,380,918
January 2019	10,130,217	504,000	891,308	171,683	-	-	11,697,208
Total FY 2019	\$70,911,519	\$3,528,000	\$6,239,156	\$1,201,781	\$0	\$0	\$81,880,456

Table 2 – GLWA FY 2019 Sewer MBO Transfers

SEWER							
	Operations & <u>Maintenance</u>	Pension <u>Sub Account</u>	Pension <u>Obligation</u>	<u>WRAP</u>	Budget Stabilization <i>(For Benefit of DWSD)</i>	Extraordinary Repair & Replacement <i>(ER&R)</i>	Total Water
FY 2019							
July 2018	16,093,500	902,000	1,223,958	238,483	-	-	18,457,941
August 2018	16,093,500	902,000	1,223,958	238,483	-	-	18,457,941
September 2018	16,093,500	902,000	1,223,958	238,483	-	-	18,457,941
October 2018	16,093,500	902,000	1,223,958	238,483	-	-	18,457,941
November 2018	16,093,500	902,000	1,223,958	238,483	-	-	18,457,941
December 2018	15,072,198	902,000	1,223,958	238,483	-	-	17,436,639
January 2019	15,923,283	902,000	1,223,958	238,483	-	-	18,287,724
Total FY 2019	\$111,462,981	\$6,314,000	\$8,567,706	\$1,669,381	\$0	\$0	\$128,014,068

Table 3 – GLWA MBO Transfer History

GLWA MBO Transfer History							
WATER							
	Operations & <u>Maintenance</u>	Pension <u>Sub Account</u>	Pension <u>Obligation</u>	<u>WRAP</u>	Budget Stabilization <i>(For Benefit of DWSD)</i>	Extraordinary Repair & Replacement <i>(ER&R)</i>	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
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

MBO Required and Lease Payment Transfers to DWSD

DWSD Transfers: GLWA Treasury executes the MBO transfers and lease payment 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 respectively. 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 2019 Water MBO Transfers reflects the required transfers for FY 2019 completed through January 2, 2019. For FY 2019, \$3,949,200 of the lease payment will be directed to offset a portion of debt service. This offset will be recognized over the year as a reduction in the monthly transfer amount. For FY 2019, through January 2, 2019, MBO transfers for Water totaling \$34.0 million have been transferred to accounts held by DWSD.

Table 5 – DWSD FY 2019 Sewer MBO Transfers reflects the required transfers for FY 2019 completed through January 2, 2019. For FY 2019, \$4,864,000 of the lease payment will be directed to offset a portion of debt service. This offset will be recognized over the year as a reduction in the monthly transfer amount. For FY 2019, through January 2, 2019, MBO transfers for Water totaling \$54.6 million have been transferred to accounts held by DWSD.

Table 6 – DWSD MBO and Lease Payment Transfer History reflects historical transfers for FY 2016, FY 2017, FY 2018 and FY 2019 to date.

Table 4 – DWSD FY 2019 Water MBO Transfers

WATER					
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Water</u>	
FY 2019 to Date					
July 2018	\$ 2,957,025	\$ 356,000	\$ 1,545,900	\$	4,858,925
August 2018	2,957,025	356,000	1,545,900		4,858,925
September 2018	2,957,025	356,000	1,545,900		4,858,925
October 2018	2,957,025	356,000	1,545,900		4,858,925
November 2018	2,957,025	356,000	1,545,900		4,858,925
December 2018	2,957,025	356,000	1,545,900		4,858,925
January 2019	2,957,025	356,000	1,545,900		4,858,925
Total FY 2019	\$ 20,699,175	\$ 2,492,000	\$ 10,821,300	\$	34,012,475

Table 5 – DWSD FY 2019 Sewer MBO Transfers

SEWER					
	<u>Operations & Maintenance</u>	<u>Pension</u>	<u>Lease Payment (I&E Fund)</u>	<u>Total Sewer</u>	
FY 2019 to Date					
July 2018	\$ 5,676,792	\$ 238,000	\$ 1,886,333	\$	7,801,125
August 2018	5,676,792	238,000	1,886,333		7,801,125
September 2018	5,676,792	238,000	1,886,333		7,801,125
October 2018	5,676,792	238,000	1,886,333		7,801,125
November 2018	5,676,792	238,000	1,886,333		7,801,125
December 2018	5,676,792	238,000	1,886,333		7,801,125
January 2019	5,676,792	238,000	1,886,333		7,801,125
Total FY 2019	\$ 39,737,544	\$ 1,666,000	\$ 13,204,331	\$	54,607,875

Table 6 – DWSD 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 (7 months)				
MBO/Lease Requirement	20,699,175	2,492,000	13,125,000	36,316,175
Offset to Debt Service	-	-	(2,303,700)	(2,303,700)
Net MBO Transfer	20,699,175	2,492,000	10,821,300	34,012,475
Life-to-Date				
MBO/Lease Requirement	115,540,879	15,289,100	80,625,000	211,454,979
Offset to Debt Service	-	-	(6,505,600)	(6,505,600)
Total Water	\$ 115,540,879	\$ 15,289,100	\$ 74,119,400	\$ 204,949,379
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 to Date (7 months)				
MBO/Lease Requirement	45,414,336	1,904,000	16,041,667	63,360,003
Offset to Debt Service	-	-	(2,837,336)	(2,837,336)
Total MBO Transfer	45,414,336	1,904,000	13,204,331	60,522,667
Life-to-Date				
MBO Requirement	167,242,228	10,483,800	98,541,667	276,267,695
Offset to Debt Service	-	-	(31,995,500)	(31,995,500)
Total Sewer	\$ 167,242,228	\$ 10,483,800	\$ 66,546,167	\$ 244,272,195

This report includes the following:

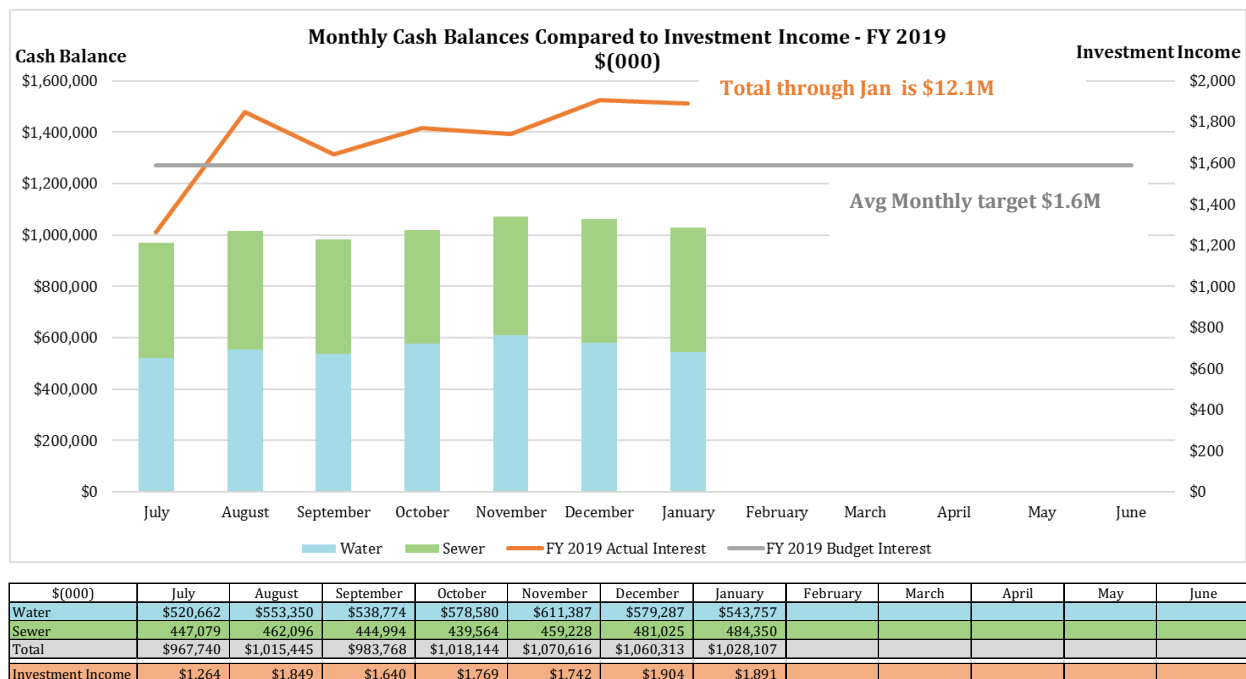
1. Monthly Cash Balances Compared to Investment Income
2. Cash Balance Detail

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. The cumulative investment earnings through January 2019 of \$12.1 million is 63% of the FY 2019 budget. Based on these earnings to date, GLWA is on target to meet the projection of \$19.0 million for the fiscal year (Chart 1).

Chart 1 – Monthly Cash Balances Compared to Investment Income – Through January 31, 2019.



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

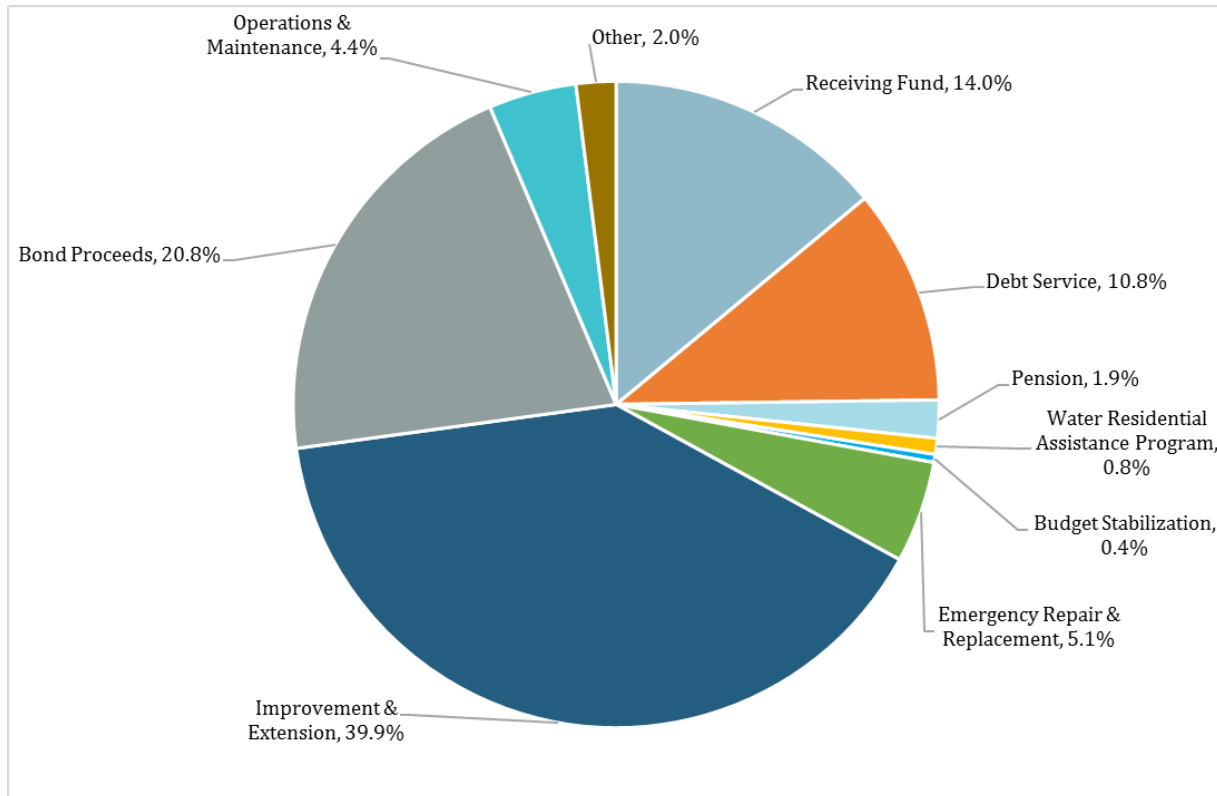
Funds Held Outside Trust:

- 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 January 31, 2019

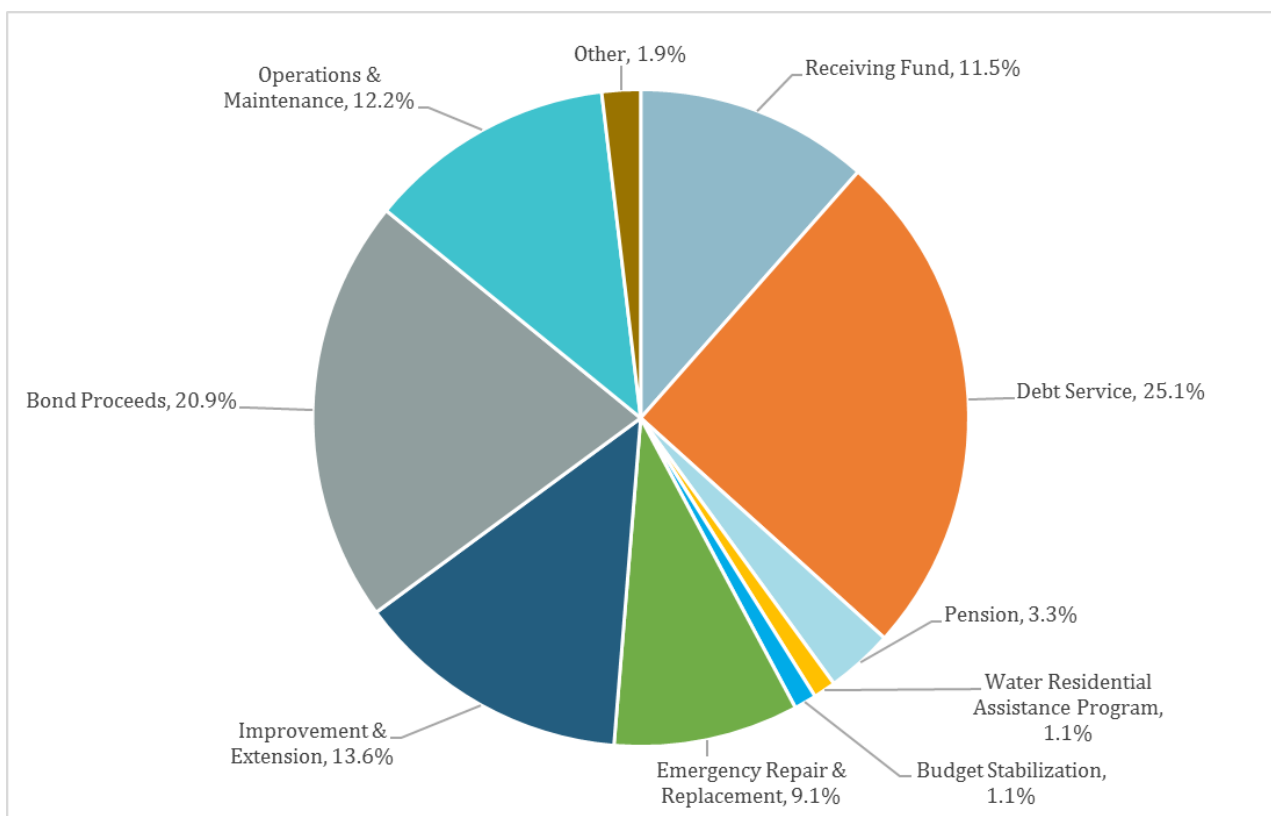
The chart below shows the allocation of the balance among the different categories defined in the section above. The total cash balance for Water Funds as of January 31, 2019 is \$543.8 million. The allocation of balances among the I&E, bond proceeds, and debt service reserve funds reflects GLWA's commitment 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.



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

Chart 3 – Cash Balances - Sewer Funds as of January 31, 2019

The chart below shows the allocation of the balance among the different funds defined in the section above. The total cash balance for Sewer Funds as of January 31, 2019 is \$484.3 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. The pace for Sewer Funds I&E deposits has been less than budget to address a budget shortfall over multiple years by DWSD. Beginning in February 2019, DWSD began making payments which will replenish the I&E Fund.



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 2019 water usage and billed revenue which are provided by DWSD staff. As of January 31, 2019, the DWSD usage was at 99.93% of the budget and billed revenue was at 103.13% 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.

Note: DWSD is working on the additional, billings to collections rolling average report requested by the GLWA Audit Committee at the December 21, 2018 meeting. That will be included in this report when made available by DWSD.

Table 1 – DWSD Retail Water Billings

RETAIL WATER CUSTOMERS								
Month (1)	FY 2019 - Budget/Goal			FY 2019 - Actual			FY 2019 - Variance	
	Volume	Revenue	Unit Revenue	Volume	Revenue (2)	Unit Revenue	Volume	Revenue
	Mcf	\$	\$/Mcf	Mcf	\$	\$/Mcf	Mcf	\$
July	269,000	9,424,500	35.04	300,613	10,203,409	33.94	31,613	778,909
August	273,100	9,377,700	34.34	302,476	9,833,149	32.09	29,376	455,449
September	270,500	8,494,300	31.40	221,531	8,996,692	40.61	(48,969)	502,392
October	233,800	8,165,900	34.93	215,104	8,010,524	37.24	(18,696)	(155,376)
November	224,500	7,750,100	34.52	232,770	8,325,013	35.76	8,270	574,913
December	206,500	8,224,900	39.83	202,686	7,659,930	37.79	(3,814)	(564,970)
January	226,600	7,978,800	35.21	227,697	8,250,078	36.23	1,097	271,278
February	216,400	7,980,200	36.88					
March	213,300	8,163,900	38.27					
April	223,100	7,856,900	35.22					
May	211,000	9,109,200	43.17					
June	240,200	9,063,600	37.73					
Total	2,808,000	101,590,000	36.18	1,702,877	61,278,795	35.99	(1,123)	1,862,595
Subtotals ytd	1,704,000	59,416,200	34.87	1,702,877	61,278,795	35.99	(1,123)	1,862,595
Achievement of Budget				99.93%	103.13%			

(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
February	6,432,245	7,682,509	(1,250,265)	-16.27%
March	8,280,635	8,218,506	62,129	0.76%
April	9,226,675	6,977,199	2,249,477	32.24%
May	8,969,019	8,568,632	400,387	4.67%
June	7,940,939	7,141,568	799,371	11.19%
July	7,375,402	8,357,505	(982,103)	-11.75%
August	8,692,784	9,509,488	(816,704)	-8.59%
September	9,766,449	8,949,906	816,543	9.12%
October	9,015,400	9,528,528	(513,128)	-5.39%
November	7,938,517	8,049,328	(110,811)	-1.38%
December	7,297,698	8,265,636	(967,938)	-11.71%
January	8,158,817	8,066,448	92,369	1.15%
Rolling, 12-Month Total	99,094,580	99,315,253		
Rolling, 12-Month Average	8,257,882	8,276,271		

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 2019 sewer billed revenue which are provided by DWSD staff. As of January 31, 2019, the DWSD usage was at 103.21% of the budget and billed revenue was at 98.61% 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.

Note: DWSD is working on the additional, billings to collections rolling average report requested by the GLWA Audit Committee at the December 21, 2018 meeting. That will be included in this report when made available by DWSD.

Table 3 - DWSD Retail Sewer Billings

RETAIL SEWER CUSTOMERS						
Month (1)	FY 2019 - Budget/Goal		FY 2019 - Actual		FY 2019 - Variance	
	Volume	Revenue	Volume	Revenue (2)	Volume	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$
July	242,100	27,423,400	273,862	27,711,606	31,762	288,206
August	244,200	27,232,200	262,525	27,263,163	18,325	30,963
September	239,600	25,367,500	221,660	25,413,790	(17,940)	46,290
October	211,000	25,177,200	205,267	24,092,209	(5,733)	(1,084,991)
November	197,600	23,861,000	205,806	24,176,849	8,206	315,849
December	182,400	25,293,500	193,791	23,787,394	11,391	(1,506,106)
January	198,600	24,852,800	201,171	24,269,509	2,571	(583,291)
February	191,600	25,329,400				
March	191,000	25,474,500				
April	197,300	24,789,700				
May	187,300	26,205,200				
June	210,300	26,730,700				
Total	2,493,000	307,737,100	1,564,082	176,714,520	48,582	(2,493,080)
<i>Subtotals ytd</i>	<i>1,515,500</i>	<i>179,207,600</i>	<i>1,564,082</i>	<i>176,714,520</i>	<i>48,582</i>	<i>(2,493,080)</i>
<i>Achievement of Budget/Goal</i>			<i>103.21%</i>	<i>98.61%</i>		

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

(2) Retail Revenues include Miscellaneous Revenues and Penalties

Table 4 – DWSD Retail Sewer Collections

Sewer				
Month	Current Year	Prior Year	Variance	Ratio
February	17,495,563	18,149,650	(654,087)	-3.60%
March	23,015,525	18,711,974	4,303,552	23.00%
April	16,159,844	17,219,106	(1,059,262)	-6.15%
May	18,341,298	20,046,357	(1,705,059)	-8.51%
June	27,591,834	18,005,548	9,586,286	53.24%
July	21,461,926	18,582,964	2,878,962	15.49%
August	21,746,714	24,263,141	(2,516,427)	-10.37%
September	23,727,505	21,320,358	2,407,147	11.29%
October	23,938,933	23,786,903	152,030	0.64%
November	20,624,039	19,485,270	1,138,769	5.84%
December	19,612,154	19,522,952	89,203	0.46%
January	21,140,835	18,308,458	2,832,377	15.47%
Rolling 12-Month Total	254,856,170	237,402,680		
Rolling, 12-Month Average	21,238,014	19,783,557		

Note: June current year receipts includes \$5.06 million in annual tax lien collections.

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 total, current and non-current Water and Sewer receivables by category as of January 31, 2019.

Table 5 – DWSD Retail Accounts Receivable Aging Report – Water & Sewer Combined

Sales Class	# of Accounts	Avg. Balance	Current	> 30 Days	> 60 Days	> 180 Days	Accounts Receivable Balance
Residential	284,308	\$ 320.28	\$ 12,453,143 13.7%	\$ 6,677,830 7.3%	\$ 18,996,068 20.9%	\$ 52,931,303 58.1%	\$ 91,058,344 100.0%
Commercial	27,562	1,158.88	7,521,869 23.5%	2,706,059 8.5%	7,297,919 22.8%	14,415,167 45.1%	31,941,014 100.0%
Industrial	4,659	3,049.47	4,353,260 30.6%	1,507,130 10.6%	2,594,867 18.3%	5,752,234 40.5%	14,207,492 100.0%
Tax Exempt Entities	6,841	1,256.38	1,409,143 16.4%	938,574 10.9%	1,770,888 20.6%	4,476,287 52.1%	8,594,891 100.0%
Government Entities	7,722	1,552.19	1,411,976 11.8%	1,164,264 9.7%	2,518,613 21.0%	6,891,164 57.5%	11,986,016 100.0%
Subtotal - Active Accounts	331,092	\$ 476.57	\$ 27,149,391 17.2%	\$ 12,993,857 8.2%	\$ 33,178,354 21.0%	\$ 84,466,155 53.5%	\$ 157,787,757 100.0%
Inactive Accounts	255,757	65.34	57,839 0.3%	147,849 0.9%	948,477 5.7%	15,556,981 93.1%	16,711,146 100.0%
Total	586,849	\$ 297.35	\$ 27,207,230	\$ 13,141,706	\$ 34,126,831	\$ 100,023,136	\$ 174,498,903
% of Total A/R			15.6%	7.5%	19.6%	57.3%	100.0%
Water Fund	209,564	178.52	\$ 6,158,514	\$ 2,865,564	\$ 6,553,985	\$ 21,832,330	\$ 37,410,393
Sewer Fund	269,076	509.48	\$ 21,048,716	\$ 10,276,142	\$ 27,572,845	\$ 78,190,806	\$ 137,088,510
Total	586,849	297.35	\$ 27,207,230	\$ 13,141,706	\$ 34,126,831	\$ 100,023,136	\$ 174,498,903

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	82
Emergency	1
Older Contracts	4
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 2019 water billed usage and revenues. As of January 31, 2019, the billed usage was at 101.25% of budget and billed revenue at 102.96% of budget. Billings and usage from the City of Flint are included as they were assumed in the FY 2019 Budget.

Slight adjustments were made to both volume and revenues year-to-date on this report to reflect billing adjustments generated during the year not previously reflected here. These changes resulted in a small, positive increase in volume, revenue and performance in comparison to 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. Variability in collection patterns is primary attributable to timing of payments received from customers.

Table 1 – FY 2019 Wholesale Water Billings Report

WHOLESALE WATER CUSTOMERS (2)								
Month (1)	FY 2019 - Budget/Goal			FY 2019 - Actual			FY 2019 - Variance	
	Volume	Revenue	Unit Revenue	Volume	Revenue	Unit Revenue	Volume	Revenue
	Mcf	\$	\$/Mcf	Mcf	\$	\$/Mcf	Mcf	\$
July	1,632,120	30,347,500	18.59	1,800,256	32,754,760	18.19	168,136	2,407,260
August	1,518,130	29,405,800	19.37	1,490,896	29,776,242	19.97	(27,234)	370,442
September	1,354,440	27,424,800	20.25	1,380,514	28,039,719	20.31	26,074	614,919
October	1,091,580	24,826,000	22.74	1,027,086	24,866,975	24.21	(64,494)	40,975
November	912,260	23,273,500	25.51	938,511	24,145,548	25.73	26,251	872,048
December	1,002,110	23,912,600	23.86	997,281	24,545,455	24.61	(4,829)	632,855
January	1,019,240	24,133,400	23.68	1,001,885	24,622,107	24.58	(17,355)	488,707
February	885,170	23,021,600	26.01					
March	1,000,060	23,933,100	23.93					
April	952,450	23,568,200	24.74					
May	1,116,620	25,296,500	22.65					
June	1,557,060	29,624,900	19.03					
Total	14,041,240	308,767,900	21.99	8,636,428	188,750,807	21.86	106,548	5,427,207
<i>Subtotals ytd</i>	<i>8,529,880</i>	<i>183,323,600</i>	<i>21.49</i>	<i>8,636,428</i>	<i>188,750,807</i>	<i>21.86</i>	<i>106,548</i>	<i>5,427,207</i>
<i>Achievement of Budget</i>				101.25%	102.96%			

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

(2) Includes Revenues and Usage from the City of Flint

Table 2 - Wholesale Water Collections

Water				
Month	Current Year	Prior Year	Variance	Ratio
February	21,352,903	25,840,517	(4,487,613)	-17.37%
March	27,715,696	28,339,011	(623,315)	-2.20%
April	18,489,754	24,583,235	(6,093,480)	-24.79%
May	30,447,581	22,312,189	8,135,392	36.46%
June	21,815,013	24,337,730	(2,522,716)	-10.37%
July	21,923,590	28,138,726	(6,215,136)	-22.09%
August	31,920,586	25,280,453	6,640,133	26.27%
September	26,037,313	26,757,992	(728,038)	-2.72%
October	27,827,722	38,336,777	(10,509,055)	-27.41%
November	29,238,260	27,261,391	1,976,869	7.25%
December	27,720,646	22,125,972	5,594,674	25.29%
January	23,469,290	32,002,334	(8,533,044)	-26.66%
Rolling 12-Month Total	307,958,355	325,316,326		
Rolling, 12-Month Average	25,663,196	27,109,694		

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 2019 sewer billed revenue. Consistent with expectations as a result of sewer rate simplification, billed revenue is at 100.00% of budget through January 31, 2019.

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. Variability in collections in the current year are associated with timing of the billing cycle.

The shift in wholesale sewer collection patterns is largely attributable to the variability of payments received from Wayne County (Rouge Valley, NE Wayne and Wayne County #3). Wayne County typically pays within 45 days of billing. Given the payment amount of \$6.8 million, this produces noticeable swings in collection volumes by month.

Table 3 – FY 2019 Wholesale Sewer Billings Report

WHOLESALE SEWER CUSTOMERS						
Month (1)	FY 2019 - Budget/Goal		FY 2019 - Actual		FY 2019 - Variance	
	Volume (2)	Revenue	Volume (2)	Revenue	Volume (2)	Revenue
	Mcf	\$	Mcf	\$	Mcf	\$
July	N/A	22,912,800	N/A	22,912,800	N/A	-
August	N/A	22,912,800	N/A	22,912,800	N/A	-
September	N/A	22,912,800	N/A	22,912,800	N/A	-
October	N/A	22,912,800	N/A	22,912,800	N/A	-
November	N/A	22,912,800	N/A	22,912,800	N/A	-
December	N/A	22,912,800	N/A	22,912,800	N/A	-
January	N/A	22,912,800	N/A	22,912,800	N/A	-
February	N/A	22,912,800	N/A		N/A	
March	N/A	22,912,800	N/A		N/A	
April	N/A	22,912,800	N/A		N/A	
May	N/A	22,912,800	N/A		N/A	
June	N/A	22,912,800	N/A		N/A	
Total		274,953,600		160,389,600		-
<i>Subtotals ytd</i>		160,389,600		160,389,600		0
<i>Achievement of Budget</i>				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
January	22,057,972	21,835,338	222,634	1.02%
February	30,280,800	21,659,900	8,620,900	39.80%
March	15,552,000	21,878,700	(6,326,700)	-28.92%
April	27,812,417	22,502,725	5,309,692	23.60%
May	15,342,700	21,620,300	(6,277,600)	-29.04%
June	28,810,500	21,645,500	7,165,000	33.10%
July	16,179,117	22,732,006	(6,552,889)	-28.83%
August	28,384,600	21,949,300	6,435,300	29.32%
September	22,672,400	21,040,913	1,631,487	7.75%
October	16,105,200	21,902,800	(5,797,600)	-26.47%
November	28,633,300	22,662,700	5,970,600	26.35%
December	24,440,000	23,643,400	796,600	3.37%
January	26,874,927	22,057,972	4,816,955	21.84%
Rolling 12-Month Total	303,145,933	287,131,554		
Rolling, 12-Month Average	25,262,161	23,927,629		

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 January 31, 2019, Highland Park had a delinquent balance of \$40.1 million, including \$31.6 million for wastewater treatment services, \$1.7 million for industrial waste control services, and \$6.8 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 2019 through January 31, 2019. 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.

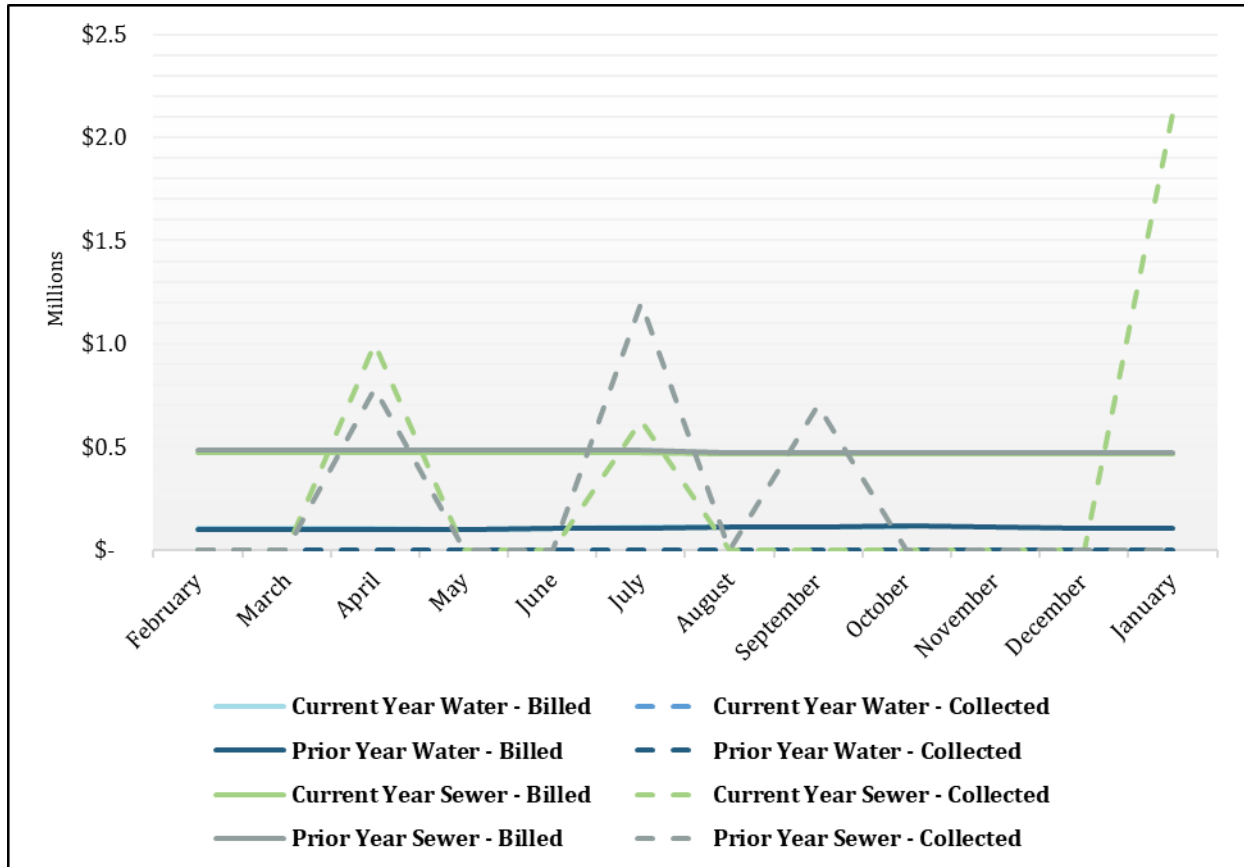
Chart 1 - City of Highland Park Billings and Collections - Past Twelve Months is provided to depict Highland Park's most current performance specific to Water and Sewer. Payments received-to-date are applied to Sewer at this time.

Table 5 - City of Highland Park Billings and Collections

City of Highland Park Billings and Payments

	Water	Sewer	IWC	Total
June 30, 2018 Balance	\$ 6,112,248	\$ 31,097,327	\$ 1,624,023	\$ 38,833,598
July 2018 Billing	\$ 109,568	\$ 470,200	\$ 6,754	586,521
July 2018 Payments	-	(629,017)	-	(629,017)
July 31, 2018 Balance	6,221,815	30,938,511	1,630,776	38,791,102
August 2018 Billing	108,651	467,900	4,233	580,784
August 2018 Payments	-	-	-	-
August 31, 2018 Balance	6,330,467	31,406,411	1,635,009	39,371,887
September 2018 Billing	109,780	467,900	4,261	581,941
September 2018 Payments	-	-	-	-
September 30, 2018 Balance	6,440,247	31,874,311	1,639,270	39,953,828
October 2018 Billing	109,298	467,900	4,281	581,479
October 2018 Payments	-	-	-	-
October 31, 2018 Balance	6,549,545	32,342,211	1,643,551	40,535,307
November 2018 Billing	104,007	467,900	3,963	575,869
November 2018 Payments	-	-	-	-
November 30, 2018 Balance	6,653,552	32,810,111	1,647,514	41,111,176
December 2018 Billing	101,944	467,900	3,961	573,805
December 2018 Payments	-	-	-	-
December 31, 2018 Balance	\$ 6,755,496	\$ 33,278,011	\$ 1,651,474	41,684,981
January 2019 Billing	98,430	467,900	3,961	570,290
January 2019 Payments	-	(2,116,727)	-	(2,116,727)
January 31, 2019 Balance	\$ 6,853,926	\$ 31,629,183	\$ 1,655,435	40,138,544

Chart 1 - City of Highland Park Water & Sewer Billings and Collections – Past Twelve Months



Note: Current and prior year water billing amounts are very close so the two lines are nearly overlapping when reviewed at this high-level.

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. (Note: percentages vary from 100% due to rounding.) It should be noted that the wholesale water aging schedule reports delinquent payment status from the City of Dearborn as of January 31, 2019. During February 2019, the City of Dearborn returned to current status.

Table 6 - Wholesale Accounts Receivable Aging Report Summary is a summary of the total, current and non-current receivables by category as of January 31, 2019.

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 WTUA is a summary *without* the past due balances for the City of Highland Park and net of pending credits for certain Western Township Utilities Authority (WTUA). Credits for billed services are pending receipt of a final agreement from Wayne County to effectuate a transfer retroactive to July 1, 2018.

Table 6 - Wholesale Accounts Receivable Aging Report Summary

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 39,356,755.24	\$ 30,825,687.16	\$ 1,027,908.16	\$ 1,062,912.89	\$ 6,440,247.03
Sewer	\$ 42,940,182.87	\$ 7,294,699.50	\$ 4,952,100.00	\$ 467,900.00	\$ 30,225,483.37
IWC	\$ 3,090,684.77	\$ 558,285.68	\$ 82,893.02	\$ -	\$ 2,449,506.07
Pollutant Surcharge	\$ 1,382,454.42	\$ 775,494.04	\$ 59,613.55	\$ 60,814.85	\$ 486,531.98
Total	\$ 86,770,077.30	\$ 39,454,166.38	\$ 6,122,514.73	\$ 1,591,627.74	\$ 39,601,768.45
	100.00%	45.47%	7.06%	1.83%	45.64%

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

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 32,502,829.62	\$ 30,625,313.55	\$ 923,901.39	\$ 953,614.68	\$ -
Sewer	\$ 11,310,999.50	\$ 6,826,799.50	\$ 4,484,200.00	\$ -	\$ -
IWC	\$ 1,435,249.56	\$ 550,364.06	\$ 78,930.44	\$ -	\$ 805,955.06
Pollutant Surcharge	\$ 1,382,454.42	\$ 775,494.04	\$ 59,613.55	\$ 60,814.85	\$ 486,531.98
Total	\$ 46,631,533.10	\$ 38,777,971.15	\$ 5,546,645.38	\$ 1,014,429.53	\$ 1,292,487.04
	100.00%	83.16%	11.89%	2.18%	2.77%

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

	Total	Current	46-74 Days	75-104 Days	>105 Days
Water	\$ 32,502,829.62	\$ 30,625,313.55	\$ 923,901.39	\$ 953,614.68	\$ -
Sewer	\$ 11,310,999.50	\$ 6,826,799.50	\$ 4,484,200.00	\$ -	\$ -
IWC	\$ 519,844.44	\$ 477,620.54	\$ 42,558.68	\$ -	\$ (334.78)
Pollutant Surcharge	\$ 1,382,454.42	\$ 775,494.04	\$ 59,613.55	\$ 60,814.85	\$ 486,531.98
Total	\$ 45,716,127.98	\$ 38,705,227.63	\$ 5,510,273.62	\$ 1,014,429.53	\$ 486,197.20
	100.00%	84.66%	12.05%	2.22%	1.06%

The Monthly Trust Receipts & Disbursements Report includes the following.

1. GLWA Trust Receipts & Disbursements – Net Cash Flows and Receipts
2. DWSD Trust Receipts & Disbursements – Net Cash Flows and Receipts
3. Combined System Trust Receipts & Disbursements – Net Cash Flows

GLWA Trust Receipts & Disbursements

Net Cash Flows and Receipts Basis: The trusts established pursuant to the Master Bond Ordinance (MBO) outline a flow of funds that governs the priority of the application of cash receipts from both the regional wholesale (i.e. Great Lakes Water Authority or GLWA) and local retail (i.e. Detroit Water & Sewerage Department or DWSD) activities which are further separated by the water system and the sewage disposal system.

This report provides an ongoing status of the net cash flow of both organizations (GLWA and DWSD) to fund their allocated share of Master Bond Ordinance requirements in accordance with the leases for the regional systems. This report begins with the operational effective date of the GLWA on January 1, 2016.

Table 1 – GLWA Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year as well as a total of all activity for GLWA since inception at January 1, 2016. Fiscal year 2019 reflects seven months of activity to date.

Through January 31, 2019 the water fund cash receipts exceeded MBO disbursements by 21% with a ratio of 13% since January 1, 2016. Through January 31, 2019, the sewer fund cash receipts exceeded MBO disbursements by 8% and by a ratio of 4% since January 1, 2016.

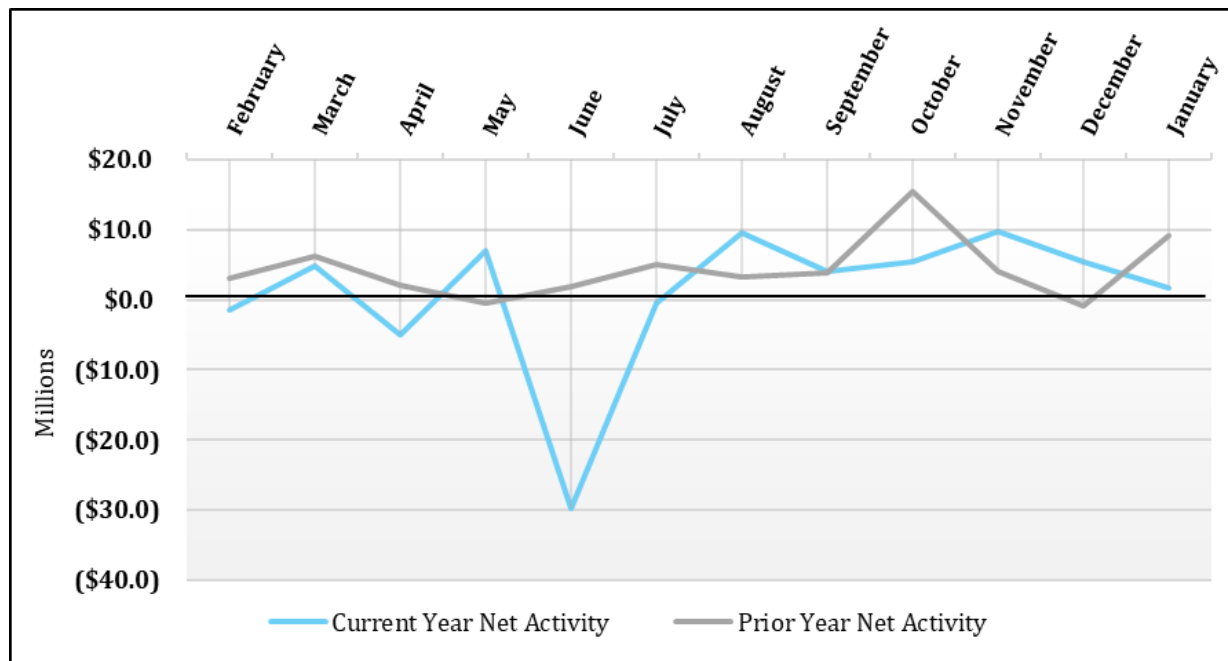
Chart 1 – GLWA 12-Month Net Receipts – Water outlines monthly cash receipt trends across two points of reference for the regional water system—current year and prior year. The black line at the zero highlights the minimum goal for net receipts.

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.

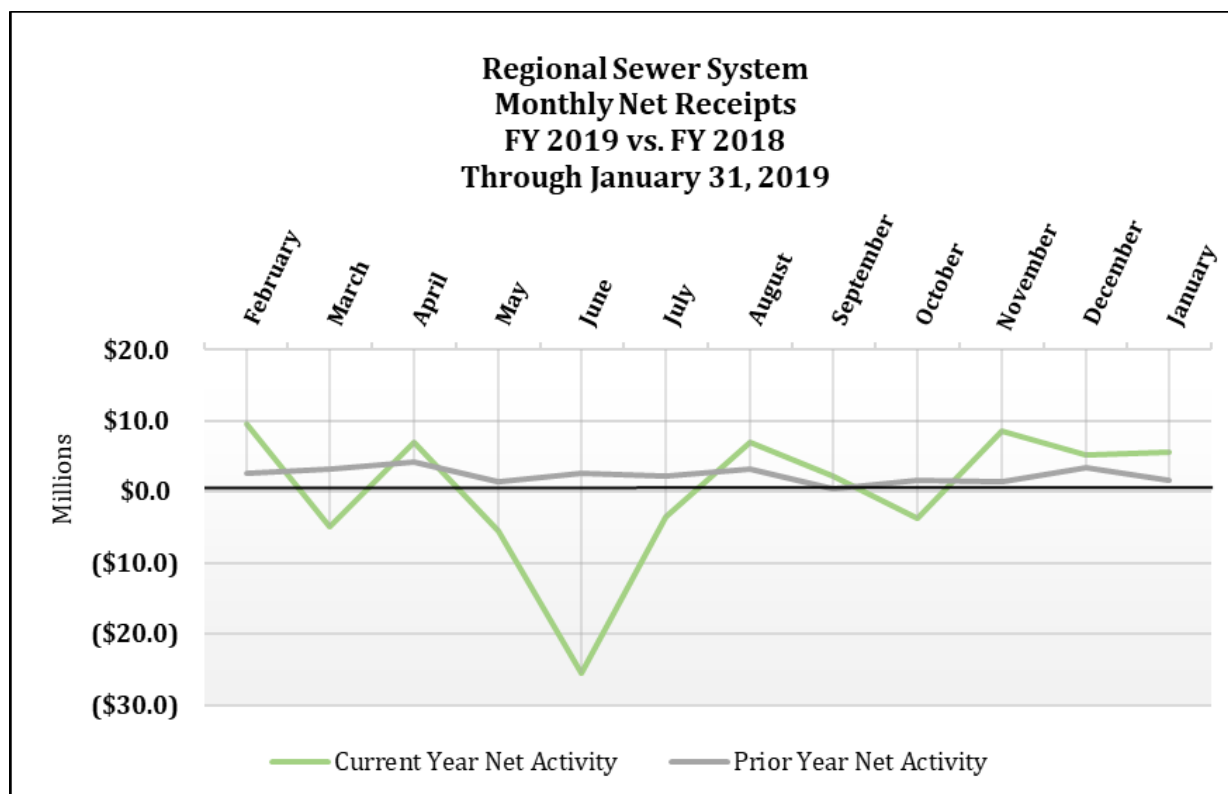
Table 1 – GLWA Net Cash Flows from Trust Receipts & Disbursements

	FY 2016	FY 2017	FY 2018	FY 2019-to-Date	Life-to-Date Total
Water					
1 Receipts	\$ 149,624,282	352,432,096	337,488,663	203,183,679	1,042,728,720
2 MOU Adjustments	-	-	-	-	-
3 Adjusted Receipts	149,624,282	352,432,096	337,488,663	203,183,679	1,042,728,720
4 Disbursements	146,191,756	288,268,172	321,841,171	167,784,574	924,085,673
5 Net Receipts	\$ 3,432,526	64,163,924	15,647,492	35,399,105	118,643,047
6 <i>Ratio of Receipts to Disbursements</i>	102%	122%	105%	121%	113%
Sewer					
7 Receipts	\$ 232,310,973	469,205,156	474,946,332	282,204,573	1,458,667,034
8 MOU Adjustments	-	-	-	-	-
9 Adjusted Receipts	232,310,973	469,205,156	474,946,332	282,204,573	1,458,667,034
10 Disbursements	219,471,583	440,859,613	480,278,006	260,680,658	1,401,289,860
11 Net Receipts	\$ 12,839,390	28,345,543	(5,331,674)	21,523,915	57,377,174
12 <i>Ratio of Receipts to Disbursements</i>	106%	106%	99%	108%	104%
Combined					
13 Receipts	\$ 381,935,255	821,637,252	812,434,995	485,388,252	2,501,395,754
14 MOU Adjustments	-	-	-	-	-
15 Adjusted Receipts	381,935,255	821,637,252	812,434,995	485,388,252	2,501,395,754
16 Disbursements	365,663,339	729,127,785	802,119,177	428,465,232	2,325,375,533
17 Net Receipts	\$ 16,271,916	92,509,467	10,315,818	56,923,020	176,020,221
18 <i>Ratio of Receipts to Disbursements</i>	104%	113%	101%	113%	108%

MOU Adjustments applies to DWSD and is shown here for consistency.

Chart 1 – GLWA 12-Month Net Receipts - Water


Note: June 2018 net activity reflects a year-end improvement and extension fund transfer.

Chart 2 – GLWA 12-Month Net Receipts - Sewer


Note: June 2018 net activity reflects a year-end improvement and extension fund transfer.

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. This report begins with the operational effective date of the GLWA on January 1, 2016.

Table 2 – DWSD Net Cash Flows from Trust Receipts & Disbursements provides a summary of cash receipt collections and required MBO transfers by fiscal year as well as a total of all activity for DWSD since inception at January 1, 2016. Fiscal year 2019 reflects seven months of activity to date.

Through January 31, 2019 the local water fund cash receipts exceeded MBO disbursements by 2% with a historical ratio of cash receipts exceeding MBO disbursements at 4% since January 1, 2016.

Through January 31, 2019, the local sewer fund cash receipts fell short of MBO disbursements by -4% with a historic shortfall of -7% since January 1, 2016. FY 2019 activity to date reflects a \$6.5 million sewer lookback adjustment completed in December 2018. This was due from GLWA to DWSD as part of the April 2018 MOU.

The Reconciliation Committee also monitors this balance as part of its quarterly meetings and formal repayment terms for recommendation to the GLWA Board of Directors are currently under discussion.

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.

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

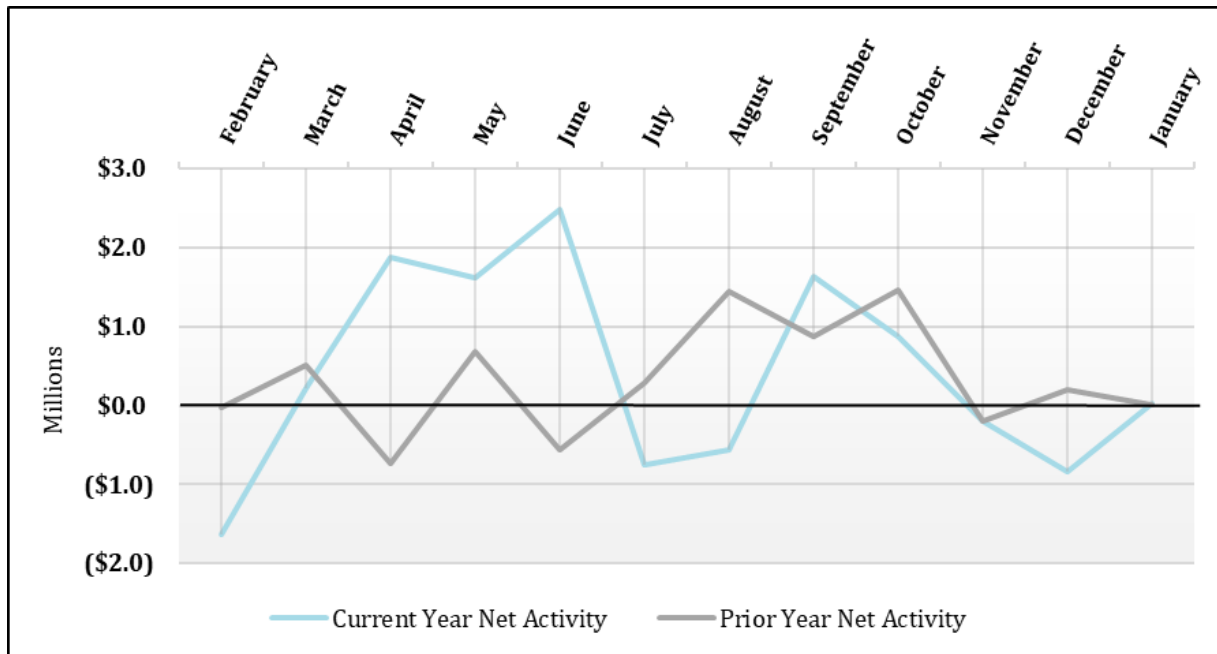
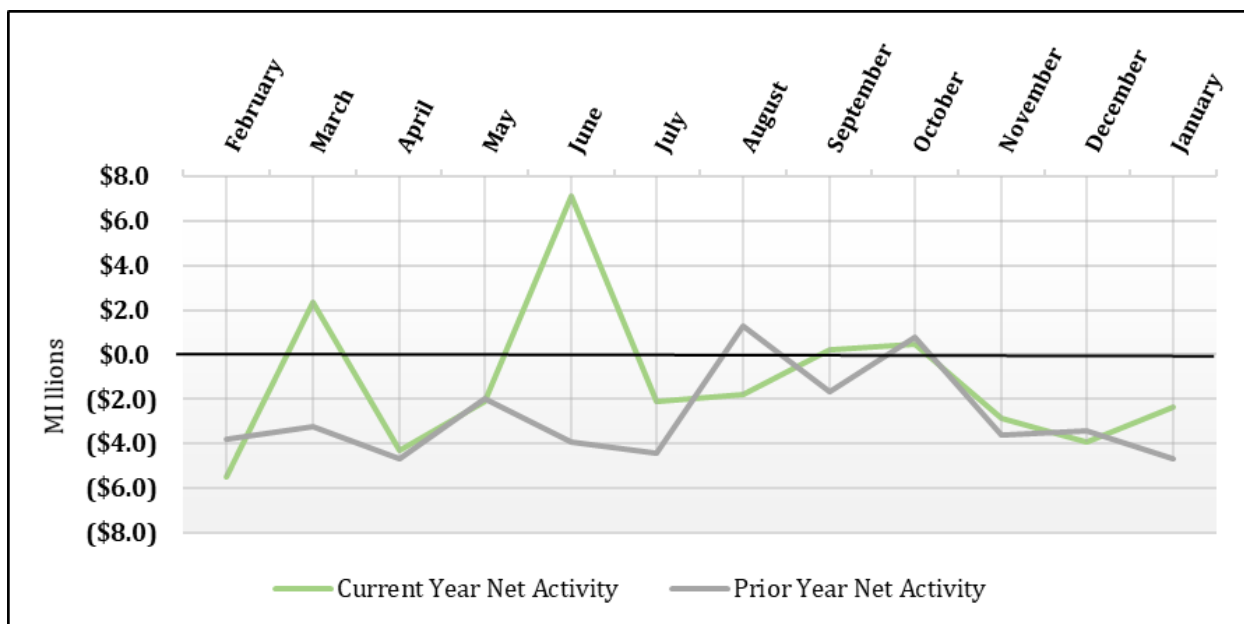
	FY 2016	FY 2017	FY 2018	FY 2019-to-Date	Life-to-Date Total
Water					
1 Receipts	\$ 26,201,881	96,451,105	101,716,017	58,280,950	282,649,953
2 MOU Adjustments	18,446,100	-	-	-	18,446,100
3 Adjusted Receipts	44,647,981	96,451,105	101,716,017	58,280,950	301,096,053
4 Disbursements	47,809,552	93,066,144	93,049,457	56,988,575	290,913,728
5 Net Receipts	\$ (3,161,571)	3,384,961	8,666,560	1,292,375	10,182,325
6 Ratio of Receipts to Disbursements	93%	104%	109%	102%	104%
Sewer					
7 Receipts	\$ 65,256,734	233,723,367	247,975,470	152,417,265	699,372,836
8 MOU Adjustments	55,755,100	-	-	6,527,200	62,282,300
9 Adjusted Receipts	121,011,834	233,723,367	247,975,470	158,944,465	761,655,136
10 Disbursements	122,297,300	261,963,973	266,217,825	164,788,461	815,267,559
11 Net Receipts	\$ (1,285,466)	(28,240,606)	(18,242,355)	(5,843,996)	(53,612,423)
12 Ratio of Receipts to Disbursements	99%	89%	93%	96%	93%
Combined					
13 Receipts	\$ 91,458,615	330,174,472	349,691,487	210,698,215	982,022,789
14 MOU Adjustments	74,201,200	-	-	6,527,200	80,728,400
15 Adjusted Receipts	165,659,815	330,174,472	349,691,487	217,225,415	1,062,751,189
16 Disbursements	170,106,852	355,030,117	359,267,282	221,777,036	1,106,181,287
17 Net Receipts	\$ (4,447,037)	(24,855,645)	(9,575,795)	(4,551,621)	(43,430,098)
18 Ratio of Receipts to Disbursements	97%	93%	97%	98%	96%

Note 1: The \$29,300,000 for the DWSD loan receivable balance is calculated as follows.

(1,285,466)	FY 2016 Shortfall
(28,240,606)	FY 2017 Shortfall
(29,526,072)	Subtotal
238,264	June IWC not due until July
(29,287,808)	FY 2017 Shortfall-to-Date

29,300,000 FY 2017 Shortfall-to-Date, Rounded

Note 2: During the preparation of this report DWSD made payments totaling approximately \$7 million in principal towards this loan receivable balance. This payment activity will be reflected in the February 2019 TRD report.

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 as well as a total of all activity for GLWA since inception at January 1, 2016. Fiscal year 2019 reflects seven months of activity to date.

Through January 31, 2019 the combined water system cash receipts exceeded MBO disbursements by 16% with a ratio of 11% since January 1, 2016. Through January 31, 2019, the combined sewer system cash receipts exceeded MBO disbursements by 4% and is functioning at a breakeven status since January 1, 2016.

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

	FY 2016	FY 2017	FY 2018	FY 2019-to-Date	Life-to-Date Total
Water					
1 Receipts	\$ 175,826,163	\$ 448,883,201	\$ 439,204,680	\$ 261,464,629	1,325,378,673
2 MOU Adjustments	\$ 18,446,100	\$ -	\$ -	\$ -	18,446,100
3 Adjusted Receipts	194,272,263	448,883,201	439,204,680	261,464,629	1,343,824,773
4 Disbursements	194,001,308	381,334,316	414,890,628	224,773,149	1,214,999,401
5 Net Receipts	\$ 270,955	67,548,885	24,314,052	36,691,480	128,825,372
6 <i>Ratio of Receipts to Disbursements</i>	100%	118%	106%	116%	111%
Sewer					
7 Receipts	\$ 297,567,707	\$ 702,928,523	\$ 722,921,802	\$ 434,621,838	2,158,039,870
8 MOU Adjustments	\$ 55,755,100	\$ -	\$ -	\$ 6,527,200	62,282,300
9 Adjusted Receipts	353,322,807	702,928,523	722,921,802	441,149,038	2,220,322,170
10 Disbursements	341,768,883	702,823,586	746,495,831	425,469,119	2,216,557,419
11 Net Receipts	\$ 11,553,924	\$ 104,937	\$ (23,574,029)	\$ 15,679,919	3,764,751
12 <i>Ratio of Receipts to Disbursements</i>	103%	100%	97%	104%	100%
Combined					
13 Receipts	\$ 473,393,870	\$ 1,151,811,724	\$ 1,162,126,482	\$ 696,086,467	3,483,418,543
14 MOU Adjustments	\$ 74,201,200	\$ -	\$ -	\$ 6,527,200	80,728,400
15 Adjusted Receipts	547,595,070	1,151,811,724	1,162,126,482	702,613,667	3,564,146,943
16 Disbursements	535,770,191	1,084,157,902	1,161,386,459	650,242,268	3,431,556,820
17 Net Receipts	\$ 11,824,879	\$ 67,653,822	\$ 740,023	\$ 52,371,399	132,590,123
18 <i>Ratio of Receipts to Disbursements</i>	102%	106%	100%	108%	104%

APPENDIX

GLWA Aged Accounts Receivable- WATER ACCOUNTS

1/4

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$177,690.44	\$177,690.44	\$0.00	\$0.00	\$0.00
ASH TOWNSHIP	\$65,586.70	\$65,586.70	\$0.00	\$0.00	\$0.00
BELLEVILLE	\$25,738.27	\$25,738.27	\$0.00	\$0.00	\$0.00
BERLIN TOWNSHIP	\$58,275.30	\$58,275.30	\$0.00	\$0.00	\$0.00
BROWNSTOWN TOWNSHIP	\$281,898.76	\$281,898.76	\$0.00	\$0.00	\$0.00
BRUCE TOWNSHIP	\$ (1,810.09)	\$ (1,810.09)	\$0.00	\$0.00	\$0.00
BURTCHVILLE TOWNSHIP	\$22,182.54	\$22,182.54	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$761,666.63	\$761,666.63	\$0.00	\$0.00	\$0.00
CENTER LINE	\$36,825.97	\$36,825.97	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$330,551.14	\$330,551.14	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$640,441.25	\$640,441.25	\$0.00	\$0.00	\$0.00
COMMERCE TOWNSHIP	\$276,232.75	\$276,232.75	\$0.00	\$0.00	\$0.00
DEARBORN	\$3,737,738.21	\$1,862,807.84	\$921,315.69	\$953,614.68	\$0.00
DEARBORN HEIGHTS	\$286,077.59	\$286,077.59	\$0.00	\$0.00	\$0.00
EASTPOINTE	\$123,517.74	\$123,517.74	\$0.00	\$0.00	\$0.00
ECORSE	\$128,394.51	\$128,394.51	\$0.00	\$0.00	\$0.00
FARMINGTON	\$78,553.00	\$78,553.00	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$683,668.59	\$683,668.59	\$0.00	\$0.00	\$0.00
FERNDAL	\$83,092.42	\$83,092.42	\$0.00	\$0.00	\$0.00
FLAT ROCK	\$96,665.15	\$96,665.15	\$0.00	\$0.00	\$0.00
FLINT	\$333,270.51	\$333,270.51	\$0.00	\$0.00	\$0.00
FRASER	\$93,492.54	\$93,492.54	\$0.00	\$0.00	\$0.00
GARDEN CITY	\$133,454.99	\$133,454.99	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

2/4

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
GIBRALTAR	\$26,777.04	\$26,777.04	\$0.00	\$0.00	\$0.00
GREENWOOD TOWNSHIP	\$ (27,755.78)	\$ (27,755.78)	\$0.00	\$0.00	\$0.00
GROSSE ILE TOWNSHIP	\$102,053.50	\$102,053.50	\$0.00	\$0.00	\$0.00
GROSSE POINTE PARK	\$101,584.83	\$101,584.83	\$0.00	\$0.00	\$0.00
GROSSE POINTE SHORES	\$46,293.38	\$46,293.38	\$0.00	\$0.00	\$0.00
GROSSE POINTE WOODS	\$125,070.01	\$125,070.01	\$0.00	\$0.00	\$0.00
HAMTRAMCK	\$58,230.10	\$58,230.10	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$67,450.93	\$67,450.93	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$118,370.04	\$118,370.04	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$58,332.90	\$58,332.90	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$6,853,925.62	\$200,373.61	\$104,006.77	\$109,298.21	\$6,440,247.03
HURON TOWNSHIP	\$118,071.22	\$118,071.22	\$0.00	\$0.00	\$0.00
IMLAY CITY	\$82,014.91	\$82,014.91	\$0.00	\$0.00	\$0.00
IMLAY TOWNSHIP	\$1,039.97	\$1,039.97	\$0.00	\$0.00	\$0.00
INKSTER	\$104,098.42	\$104,098.42	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$24,212.13	\$24,212.13	\$0.00	\$0.00	\$0.00
LAPEER	\$116,263.78	\$116,263.78	\$0.00	\$0.00	\$0.00
LENOX TOWNSHIP	\$53,258.10	\$53,258.10	\$0.00	\$0.00	\$0.00
LINCOLN PARK	\$204,634.09	\$204,634.09	\$0.00	\$0.00	\$0.00
LIVONIA	\$2,154,703.66	\$2,154,703.66	\$0.00	\$0.00	\$0.00
MACOMB TWP	\$813,386.48	\$813,386.48	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$156,853.53	\$156,853.53	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- WATER ACCOUNTS

3/4

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MAYFIELD TOWNSHIP	\$5,331.60	\$5,331.60	\$0.00	\$0.00	\$0.00
MELVINDALE	\$56,095.04	\$56,095.04	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$30,192.15	\$30,192.15	\$0.00	\$0.00	\$0.00
NOCWA	\$3,612,179.37	\$3,612,179.37	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$122,422.60	\$122,422.60	\$0.00	\$0.00	\$0.00
NORTHVILLE TOWNSHIP	\$417,740.02	\$417,740.02	\$0.00	\$0.00	\$0.00
NOVI	\$682,933.86	\$682,933.86	\$0.00	\$0.00	\$0.00
OAK PARK	\$111,953.34	\$111,953.34	\$0.00	\$0.00	\$0.00
OAKLAND CO DR COM	\$5,018.01	\$5,018.01	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$84,445.78	\$84,445.78	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$329,084.22	\$329,084.22	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$247,716.46	\$247,716.46	\$0.00	\$0.00	\$0.00
RIVER ROUGE	\$46,326.14	\$46,326.14	\$0.00	\$0.00	\$0.00
RIVERVIEW	\$73,175.52	\$73,175.52	\$0.00	\$0.00	\$0.00
ROCKWOOD	\$24,940.52	\$24,940.52	\$0.00	\$0.00	\$0.00
ROMEO	\$20,662.77	\$20,662.77	\$0.00	\$0.00	\$0.00
ROMULUS	\$323,827.04	\$323,827.04	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$217,395.89	\$217,395.89	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$18,045.55	\$18,045.55	\$0.00	\$0.00	\$0.00
SHELBY TOWNSHIP	\$1,019,210.45	\$1,019,210.45	\$0.00	\$0.00	\$0.00
SOCWA	\$3,557,208.06	\$3,557,208.06	\$0.00	\$0.00	\$0.00
SOUTH ROCKWOOD	\$8,581.33	\$8,581.33	\$0.00	\$0.00	\$0.00
SOUTHGATE	\$182,172.56	\$182,172.56	\$0.00	\$0.00	\$0.00

Appendix A-3

GLWA Aged Accounts Receivable- WATER ACCOUNTS

4 / 4

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ST. CLAIR SHORES	\$236,480.22	\$236,480.22	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$1,134,374.82	\$1,134,374.82	\$0.00	\$0.00	\$0.00
SUMPTER TOWNSHIP	\$55,104.57	\$55,104.57	\$0.00	\$0.00	\$0.00
SYLVAN LAKE	\$21,169.16	\$21,169.16	\$0.00	\$0.00	\$0.00
TAYLOR	\$353,692.04	\$353,692.04	\$0.00	\$0.00	\$0.00
TRENTON	\$178,601.70	\$178,601.70	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$1,060,695.62	\$1,060,695.62	\$0.00	\$0.00	\$0.00
UTICA	\$45,912.43	\$45,912.43	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$288,558.57	\$288,558.57	\$0.00	\$0.00	\$0.00
VILLAGE OF ALMONT	\$19,132.70	\$19,132.70	\$0.00	\$0.00	\$0.00
WALLED LAKE	\$154,853.76	\$152,268.06	\$2,585.70	\$0.00	\$0.00
WARREN	\$822,004.10	\$822,004.10	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$109,479.00	\$109,479.00	\$0.00	\$0.00	\$0.00
WAYNE	\$238,077.50	\$238,077.50	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (C-O)	\$1,636,705.63	\$1,636,705.63	\$0.00	\$0.00	\$0.00
WESTLAND	\$1,027,935.18	\$1,027,935.18	\$0.00	\$0.00	\$0.00
WIXOM	\$186,729.67	\$186,729.67	\$0.00	\$0.00	\$0.00
WOODHAVEN	\$ (38,854.91)	\$ (38,854.91)	\$0.00	\$0.00	\$0.00
YCUA	\$817,371.43	\$817,371.43	\$0.00	\$0.00	\$0.00
TOTAL WATER ACCOUNTS	\$39,356,755.24	\$30,825,687.16	\$1,027,908.16	\$1,062,912.89	\$6,440,247.03

GLWA Aged Accounts Receivable- SEWER ACCOUNTS

1/1

Balances as of 01/31/19

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	\$85,599.50	\$85,599.50	\$0.00	\$0.00	\$0.00
DEARBORN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EVERGREEN-FARMINGTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FARMINGTON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSSE POINTE	\$74,100.00	\$74,100.00	\$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	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$31,629,183.37	\$467,900.00	\$467,900.00	\$467,900.00	\$30,225,483.37
MELVINDALE	\$126,900.00	\$126,900.00	\$0.00	\$0.00	\$0.00
OAKLAND COUNTY GWK DD	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
OMID	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
REDFORD TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ROUGE VALLEY	\$8,960,200.00	\$4,480,100.00	\$4,480,100.00	\$0.00	\$0.00
WAYNE COUNTY N.E.	\$2,056,000.00	\$2,056,000.00	\$0.00	\$0.00	\$0.00
WAYNE COUNTY-AREA #3	\$8,200.00	\$4,100.00	\$4,100.00	\$0.00	\$0.00
TOTAL SEWER ACCOUNTS	\$42,940,182.87	\$7,294,699.50	\$4,952,100.00	\$467,900.00	\$30,225,483.37

GLWA Aged Accounts Receivable- IWC ACCOUNTS

1/4

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
ALLEN PARK	\$1,612.35	\$1,612.35	\$0.00	\$0.00	\$0.00
AUBURN HILLS (C-O)	\$20,241.76	\$20,241.76	\$0.00	\$0.00	\$0.00
AUBURN HILLS (E-F)	\$375.19	\$375.19	\$0.00	\$0.00	\$0.00
BERKLEY	\$2,901.33	\$2,901.33	\$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)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BIRMINGHAM (SEOC)	\$16,771.52	\$11,182.80	\$5,588.72	\$0.00	\$0.00
BLOOMFIELD HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BLOOMFIELD TOWNSHIP	\$7,161.14	\$7,161.14	\$0.00	\$0.00	\$0.00
CANTON TOWNSHIP	\$479,804.52	\$38,132.92	\$19,066.46	\$0.00	\$422,605.14
CENTER LINE	\$3,683.10	\$3,683.10	\$0.00	\$0.00	\$0.00
CHESTERFIELD TOWNSHIP	\$12,122.27	\$12,122.27	\$0.00	\$0.00	\$0.00
CITY OF FARMINGTON (E-F)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
CITY OF FERNDALE	\$5,323.49	\$5,323.49	\$0.00	\$0.00	\$0.00
CITY OF ROCHESTER	\$3,725.23	\$3,725.23	\$0.00	\$0.00	\$0.00
CLARKSTON	\$ (334.78)	\$0.00	\$0.00	\$0.00	\$ (334.78)
CLAWSON	\$2,763.45	\$2,763.45	\$0.00	\$0.00	\$0.00
CLINTON TOWNSHIP	\$25,399.65	\$25,399.65	\$0.00	\$0.00	\$0.00
DEARBORN	\$110,909.88	\$73,939.92	\$36,969.96	\$0.00	\$0.00
DEARBORN HEIGHTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
DETROIT METRO WC AIRPORT	\$106.64	\$106.64	\$0.00	\$0.00	\$0.00
EASTPOINTE	\$6,404.90	\$6,404.90	\$0.00	\$0.00	\$0.00

Appendix A-6

GLWA Aged Accounts Receivable- IWC ACCOUNTS

2 / 4

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
FARMINGTON	\$4,046.54	\$4,046.54	\$0.00	\$0.00	\$0.00
FARMINGTON HILLS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FRASER	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GARDEN CITY	\$6,113.93	\$6,113.93	\$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	\$1,182.65	\$1,182.65	\$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	\$4,175.13	\$4,175.13	\$0.00	\$0.00	\$0.00
HARPER WOODS	\$1,921.08	\$1,921.08	\$0.00	\$0.00	\$0.00
HARRISON TWP	\$3,166.76	\$3,166.76	\$0.00	\$0.00	\$0.00
HAZEL PARK	\$3,156.12	\$3,156.12	\$0.00	\$0.00	\$0.00
HIGHLAND PARK	\$1,655,435.21	\$7,921.62	\$3,962.58	\$0.00	\$1,643,551.01
HUNTINGTON WOODS	\$286.18	\$286.18	\$0.00	\$0.00	\$0.00
INDEPENDENCE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
INKSTER	\$5,559.87	\$5,559.87	\$0.00	\$0.00	\$0.00
KEEGO HARBOR	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LAKE ORION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LATHRUP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LENOX TOWNSHIP	\$325.36	\$325.36	\$0.00	\$0.00	\$0.00
LIVONIA	\$40,109.96	\$40,109.96	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- IWC ACCOUNTS

3/4

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MACOMB TWP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MADISON HEIGHTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MELVINDALE	\$3,629.99	\$3,629.99	\$0.00	\$0.00	\$0.00
NEW HAVEN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTHVILLE	\$2,107.64	\$2,107.64	\$0.00	\$0.00	\$0.00
NORTHVILLE TOWNSHIP	\$115,132.02	\$9,148.06	\$4,574.03	\$0.00	\$101,409.93
NOVI	\$17,372.17	\$17,372.17	\$0.00	\$0.00	\$0.00
OAK PARK	\$6,844.39	\$6,844.39	\$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)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
OXFORD TOWNSHIP	\$2,086.92	\$2,086.92	\$0.00	\$0.00	\$0.00
OXFORD VILLAGE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PLEASANT RIDGE	\$273.77	\$273.77	\$0.00	\$0.00	\$0.00
PLYMOUTH	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PLYMOUTH TOWNSHIP	\$320,468.58	\$25,462.54	\$12,731.27	\$0.00	\$282,274.77
REDFORD TOWNSHIP	\$12,440.95	\$12,440.95	\$0.00	\$0.00	\$0.00
ROCHESTER HILLS	\$18,251.61	\$18,251.61	\$0.00	\$0.00	\$0.00
ROMULUS	\$926.07	\$926.07	\$0.00	\$0.00	\$0.00
ROSEVILLE	\$14,750.16	\$14,750.16	\$0.00	\$0.00	\$0.00
ROYAL OAK	\$13,593.61	\$13,593.61	\$0.00	\$0.00	\$0.00
ROYAL OAK TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SHELBY TOWNSHIP	\$12,295.63	\$12,295.63	\$0.00	\$0.00	\$0.00

Appendix A-8

GLWA Aged Accounts Receivable- IWC ACCOUNTS

4 / 4

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
SOUTHFIELD (E-F)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SOUTHFIELD (SEOC)	\$3,770.45	\$3,770.45	\$0.00	\$0.00	\$0.00
ST. CLAIR SHORES	\$12,102.46	\$12,102.46	\$0.00	\$0.00	\$0.00
STERLING HEIGHTS	\$31,370.50	\$31,370.50	\$0.00	\$0.00	\$0.00
TROY (E-F)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TROY (SEOC)	\$37,176.99	\$37,176.99	\$0.00	\$0.00	\$0.00
UTICA	\$2,938.01	\$2,938.01	\$0.00	\$0.00	\$0.00
VAN BUREN TOWNSHIP	\$2,044.19	\$2,044.19	\$0.00	\$0.00	\$0.00
VILLAGE OF FRANKLIN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WASHINGTON TOWNSHIP	\$1,381.10	\$1,381.10	\$0.00	\$0.00	\$0.00
WATERFORD TOWNSHIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
WAYNE	\$5,017.87	\$5,017.87	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (C-O)	\$944.01	\$944.01	\$0.00	\$0.00	\$0.00
WEST BLOOMFIELD TWP (E-F)	\$6,311.54	\$6,311.54	\$0.00	\$0.00	\$0.00
WESTLAND	\$23,003.71	\$23,003.71	\$0.00	\$0.00	\$0.00
TOTAL IWC ACCOUNTS	\$3,090,684.77	\$558,285.68	\$82,893.02	\$0.00	\$2,449,506.07

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

1/8

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
3M COMPANY	\$4,160.31	\$4,160.31	\$0.00	\$0.00	\$0.00
A & R PACKING CO., LLC	\$9,624.85	\$9,624.85	\$0.00	\$0.00	\$0.00
AACTRON	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ACADEMY PACKING CO.	\$302.06	\$302.06	\$0.00	\$0.00	\$0.00
ACME RUSTPROOF	\$79.13	\$79.13	\$0.00	\$0.00	\$0.00
ADVANCED RESOURCE RECOVERY	\$796.22	\$796.22	\$0.00	\$0.00	\$0.00
AEVITAS SPECIALITY SERVICES	\$18,546.80	\$18,546.80	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$5,958.02	\$5,958.02	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$23,271.92	\$23,271.92	\$0.00	\$0.00	\$0.00
ALEXANDER & HORNUNG	\$1,125.97	\$1,125.97	\$0.00	\$0.00	\$0.00
ALGAL SCIENTIFIC CORPORATION	\$16,533.05	\$0.00	\$0.00	\$0.00	\$16,533.05
ALL CHEM CORP, LLC.	\$ (89.96)	\$0.00	\$0.00	\$0.00	\$ (89.96)
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
ATWATER IN THE PARK	\$37.20	\$37.20	\$0.00	\$0.00	\$0.00
AUTOMOTIVE FINISH	\$7.23	\$7.23	\$0.00	\$0.00	\$0.00
AXLE BREWING COMPANY, LLC	\$105.31	\$105.31	\$0.00	\$0.00	\$0.00
B. NEKTAR MEADERY	\$2.56	\$2.56	\$0.00	\$0.00	\$0.00
BAFFIN BREWING COMPANY	\$108.95	\$108.95	\$0.00	\$0.00	\$0.00
BARON INDUSTRIES	\$984.24	\$984.24	\$0.00	\$0.00	\$0.00
BARTZ BAKERY	\$106.01	\$106.01	\$0.00	\$0.00	\$0.00
BASTONE BREWERY	\$56.56	\$56.56	\$0.00	\$0.00	\$0.00
BATCH BREWING COMPANY	\$ (121.94)	Appendix A-10 \$0.00	\$0.00	\$0.00	\$ (121.94)

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

2/8

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
BAYS MICHIGAN CORPORATION	\$420.89	\$420.89	\$0.00	\$0.00	\$0.00
BEIRUT BAKERY, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
BETTER MADE SNACK FOOD	\$17,351.99	\$17,351.99	\$0.00	\$0.00	\$0.00
BLACK LOTUS BREWING CO.	\$228.69	\$54.24	\$0.00	\$72.32	\$102.13
BOZEK'S MARKET	\$67.14	\$67.14	\$0.00	\$0.00	\$0.00
BREW DETROIT	\$3,668.92	\$3,668.92	\$0.00	\$0.00	\$0.00
BROADWAY MKT CORNED BEEF	\$ (17.54)	\$0.00	\$0.00	\$0.00	\$ (17.54)
BROOKS BREWING, LLC.	\$68.45	\$68.45	\$0.00	\$0.00	\$0.00
BROWN IRON BREWHOUSE	\$41.69	\$41.69	\$0.00	\$0.00	\$0.00
CANTON BREW WORKS	\$199.03	\$56.40	\$0.00	\$72.32	\$70.31
CAPITAL REPRODUCTIONS	\$2.97	\$1.35	\$1.62	\$0.00	\$0.00
CF BURGER CREAMERY	\$15,008.27	\$15,008.27	\$0.00	\$0.00	\$0.00
CHILANGO'S BAKERY	\$2,238.40	\$47.47	\$112.34	\$31.65	\$2,046.94
CINTAS CORP. - MACOMB TWP.	\$49,573.52	\$49,573.52	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$27,148.99	\$27,148.99	\$0.00	\$0.00	\$0.00
CINTAS CORPORATION	\$12,413.32	\$12,413.32	\$0.00	\$0.00	\$0.00
CITY LAUNDRY, INC.	\$6.38	\$6.38	\$0.00	\$0.00	\$0.00
CLASSIC CONTAINER CORP.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COCA-COLA REFRESHMENTS USA,	\$5,043.86	\$3,196.66	\$1,847.20	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$5,068.96	\$5,068.96	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$716.66	\$716.66	\$0.00	\$0.00	\$0.00
COSTCO WHOLESALE STORE	\$6,704.13	\$6,704.13	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

3/8

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
COSTCO WHOLESALE STORE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COUNTRY FRESH DAIRY CO.	\$ (1,974.96)	\$ (1,974.96)	\$0.00	\$0.00	\$0.00
CROSS CHEMICAL COMPANY, INC.	\$3,091.39	\$1,033.49	\$1,029.10	\$0.00	\$1,028.80
DARLING INGREDIENTS, INC.	\$5,755.02	\$5,755.02	\$0.00	\$0.00	\$0.00
DAVE'S SAUSAGE FACTORY 2	\$373.49	\$373.49	\$0.00	\$0.00	\$0.00
DEARBORN BREWING	\$46.94	\$46.94	\$0.00	\$0.00	\$0.00
DEARBORN SAUSAGE	\$9,450.03	\$9,450.03	\$0.00	\$0.00	\$0.00
DEARBORN SAUSAGE CO., INC.	\$12,717.39	\$12,717.39	\$0.00	\$0.00	\$0.00
DETROIT BEER	\$122.18	\$122.18	\$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	\$1,010.38	\$1,010.38	\$0.00	\$0.00	\$0.00
DETROIT SAUSAGES CO INC	\$27.97	\$27.97	\$0.00	\$0.00	\$0.00
DETRONIC INDUSTRIES, INC.	\$118.68	\$118.68	\$0.00	\$0.00	\$0.00
DIFCO LABORATORIES, INC.	\$22,226.16	\$22,226.16	\$0.00	\$0.00	\$0.00
DIVERSIFIED CHEM TECH. INC.	\$146.20	\$146.20	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$937.28	\$937.28	\$0.00	\$0.00	\$0.00
DOMESTIC UNIFORM RENTAL	\$3,084.35	\$2,732.50	\$351.85	\$0.00	\$0.00
DOWNEY BREWING COMPANY	\$31.00	\$31.00	\$0.00	\$0.00	\$0.00
E.W. GROBBEL'S SONS, INC.	\$8,112.89	\$8,112.89	\$0.00	\$0.00	\$0.00
EASTERN MARKET BREWING COMP	\$129.71	\$129.71	\$0.00	\$0.00	\$0.00
ENVIROSOLIDS, L.L.C.	\$88,354.83	\$21,914.51	\$0.00	\$0.00	\$66,440.32
EQ DETROIT, INC.	\$533.12	\$533.12	\$0.00	\$0.00	\$0.00

Appendix A-12

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

4/8

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
EQ DETROIT, INC.	\$2,479.60	\$2,479.60	\$0.00	\$0.00	\$0.00
EQ DETROIT, INC.	\$ (1,238.68)	\$0.00	\$0.00	\$0.00	\$ (1,238.68)
EQ DETROIT, INC.	\$ (4,588.68)	\$0.00	\$0.00	\$0.00	\$ (4,588.68)
ETON ST BREWERY- GRIFFIN CLF	\$2,842.46	\$2,842.46	\$0.00	\$0.00	\$0.00
EXTRUDE HONE CORPORATION	\$142.61	\$142.61	\$0.00	\$0.00	\$0.00
EXTRUDEHODE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FARMINGTON BREWING COMPANY	\$143.01	\$143.01	\$0.00	\$0.00	\$0.00
FAYGO BEVERAGES, INC.	\$511,651.44	\$74,142.25	\$47,496.42	\$51,276.74	\$338,736.03
FORD NEW MODEL PROGRAM	\$370.02	\$370.02	\$0.00	\$0.00	\$0.00
FOUNDERS BREWING COMPANY	\$83.03	\$83.03	\$0.00	\$0.00	\$0.00
FRESH-PAK	\$732.20	\$732.20	\$0.00	\$0.00	\$0.00
FRESH-PAK	\$2,991.99	\$2,991.99	\$0.00	\$0.00	\$0.00
G2O ENERGY, LLC	\$4,591.85	\$3,099.92	\$1,491.93	\$0.00	\$0.00
GENERAL LINEN SUPPLY CO.	\$69,131.46	\$12,057.98	\$6,672.12	\$6,181.90	\$44,219.46
GLOBAL TITANIUM, INC.	\$4,003.98	\$4,003.98	\$0.00	\$0.00	\$0.00
GLOBAL TITANIUM, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$125.07	\$125.07	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$61.60	\$61.60	\$0.00	\$0.00	\$0.00
GRANITE CITY FOOD & BREWERY	\$331.98	\$86.66	\$0.00	\$115.99	\$129.33
GREAT BARABOO BREWING CO.	\$ (2,054.91)	\$0.00	\$0.00	\$0.00	\$ (2,054.91)
HACIENDA MEXICAN FOODS	\$5,744.66	\$3,109.53	\$0.00	\$0.00	\$2,635.13
HENKEL CORPORATION	\$636.69	\$162.75	\$473.94	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

5/8

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
HOME STYLE FOOD INC.	\$4,373.97	\$4,373.97	\$0.00	\$0.00	\$0.00
HOOD CLEANERS	\$211.33	\$0.97	\$0.00	\$0.00	\$210.36
HOUGHTON INTERNATIONAL INC.	\$179.76	\$179.76	\$0.00	\$0.00	\$0.00
HOUGHTON INTERNATIONAL INC.	\$106.22	\$106.22	\$0.00	\$0.00	\$0.00
HOUGHTON INTERNATIONAL INC.	\$3,840.33	\$3,840.33	\$0.00	\$0.00	\$0.00
HUNTINGTON CLEANERS	\$494.80	\$494.80	\$0.00	\$0.00	\$0.00
INDUSTRIAL METAL COATING	\$584.20	\$584.20	\$0.00	\$0.00	\$0.00
ISLAMIC SLAUGHTER HOUSE	\$986.71	\$986.71	\$0.00	\$0.00	\$0.00
ITALIAN BUTTER BREAD STICKS	\$9.49	\$9.49	\$0.00	\$0.00	\$0.00
J & G FOOD PRODUCTS, INC.	\$131.48	\$131.48	\$0.00	\$0.00	\$0.00
JAMEX BREWING CO.	\$38.31	\$38.31	\$0.00	\$0.00	\$0.00
KAR NUT PRODUCTS	\$756.63	\$756.63	\$0.00	\$0.00	\$0.00
KOWALSKI SAUSAGES, CO.	\$505.07	\$505.07	\$0.00	\$0.00	\$0.00
KUHNHENN BREWING	\$118.88	\$118.88	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$588.43	\$588.43	\$0.00	\$0.00	\$0.00
LA MICHOACANA FLOUR TORTILLA	\$47.42	\$47.42	\$0.00	\$0.00	\$0.00
LEAR CORPORATION DBA EAGLE C	\$5,871.86	\$5,871.86	\$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	\$60.27	\$60.27	\$0.00	\$0.00	\$0.00
MACDERMID, INC.	\$3,873.16	\$3,873.16	\$0.00	\$0.00	\$0.00
MCNICHOLS POLISHING & ANODIZ	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MELLO MEATS INC, - KUBISCH S	\$83.92	\$83.92	\$0.00	\$0.00	\$0.00
METROPOLITAN BAKERY	\$393.99	\$393.99	\$0.00	\$0.00	\$0.00

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

6/8

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
MIBA HYDRAMECHANICA CORP.	\$162.70	\$162.70	\$0.00	\$0.00	\$0.00
MICHIGAN DAIRY	\$178,224.59	\$178,224.59	\$0.00	\$0.00	\$0.00
MICHIGAN PROD. MACHINING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MICHIGAN SOY PRODUCTS CO.	\$557.77	\$557.77	\$0.00	\$0.00	\$0.00
MIDWEST WIRE PRODUCTS, INC.	\$ (2.94)	\$0.00	\$0.00	\$0.00	\$ (2.94)
MILANO BAKERY	\$1,351.53	\$1,351.53	\$0.00	\$0.00	\$0.00
MILTON CHILI CO.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
MINNIE MARIE BAKERS, INC	\$10,616.30	\$10,616.30	\$0.00	\$0.00	\$0.00
MISTER UNIFORM & MAT RENTALS	\$103.77	\$0.00	\$23.63	\$27.74	\$52.40
MOTOR CITY BREWING WORKS	\$ (23.25)	\$0.00	\$0.00	\$0.00	\$ (23.25)
NATIONAL CHILI COMPANY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NORTH CENTER BREWING COMPANY	\$57.69	\$57.69	\$0.00	\$0.00	\$0.00
NORTHERN LAKES SEAFOOD & MEAT	\$44.48	\$44.48	\$0.00	\$0.00	\$0.00
OAKWOOD BAKERY	\$160.58	\$160.58	\$0.00	\$0.00	\$0.00
PARKER'S HILLTOP BREWER & S	\$117.01	\$117.01	\$0.00	\$0.00	\$0.00
PELLERITO FOODS INC.	\$465.30	\$465.30	\$0.00	\$0.00	\$0.00
PEPSI COLA, INC.	\$31,669.93	\$31,669.93	\$0.00	\$0.00	\$0.00
PERSONAL UNIFORM SERVICE, IN	\$45.58	\$45.58	\$0.00	\$0.00	\$0.00
PETRO ENVIRON TECH, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PINE TREE ACRES, INC.	\$25,482.58	\$25,482.58	\$0.00	\$0.00	\$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

7/8

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
PREMIER PLATING, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PRODUCTION SPRING, LLC.	\$531.76	\$531.76	\$0.00	\$0.00	\$0.00
QUALA SERVICES, LLC	\$1,192.85	\$1,192.85	\$0.00	\$0.00	\$0.00
RAY'S ICE CREAM CO.	\$59.22	\$59.22	\$0.00	\$0.00	\$0.00
RED SPOT PAINT #409139	\$14.22	\$14.22	\$0.00	\$0.00	\$0.00
RIVER ROUGE BREWING COMPANY	\$789.47	\$789.47	\$0.00	\$0.00	\$0.00
ROAK BREWING CO. LLC	\$1,161.12	\$1,161.12	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS BEER COMPANY	\$324.46	\$324.46	\$0.00	\$0.00	\$0.00
ROCHESTER MILLS PROD BREWERY	\$3,083.05	\$1,077.32	\$0.00	\$2,005.73	\$0.00
RTT	\$23,842.21	\$0.00	\$0.00	\$0.00	\$23,842.21
SEAFARE FOODS, INC.	\$61.35	\$61.35	\$0.00	\$0.00	\$0.00
SHERWOOD BREWING COMPANY	\$819.08	\$0.00	\$0.00	\$707.30	\$111.78
SMITH-WATKINS, LLC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SPRAYTEK, INC.	\$12.80	\$12.80	\$0.00	\$0.00	\$0.00
SWEETHEART BAKERY, INC.	\$1,017.51	\$152.86	\$77.14	\$75.72	\$711.79
THE CROWN GROUP-LIVONIA PLAN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
THE ROYAL OAK BREWERY	\$ (1,400.20)	\$0.00	\$0.00	\$0.00	\$ (1,400.20)
TOM LAUNDRY CLEANERS	\$9.68	\$9.68	\$0.00	\$0.00	\$0.00
TRAFFIC JAM & SNUG	\$31.21	\$31.21	\$0.00	\$0.00	\$0.00
TURRI'S ITALIAN FOODS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TURRI'S ITALIAN FOODS	\$28,629.02	\$28,629.02	\$0.00	\$0.00	\$0.00
U-METCO, INC.	\$2,345.03	\$2,345.03	\$0.00	\$0.00	\$0.00
UNCLE RAYS SNACKS, LLC	\$35,446.18	\$35,446.18	\$0.00	\$0.00	\$0.00

Appendix A-16

GLWA Aged Accounts Receivable- POLLUTANT SURCHARGE ACCOUNTS

8/8

Balances as of 01/31/19

Customer Name	Total Due	Current	46 - 74 Days	75 - 104 Days	>105 Days
UNCLE RAYS SNACKS, LLC	\$140.65	\$140.65	\$0.00	\$0.00	\$0.00
UNIQUE LINEN SERVICES, INC.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
UNITED FISH DISTRIBUTORS	\$7.40	\$7.40	\$0.00	\$0.00	\$0.00
UNITED LINEN SERVICE, LLC.	\$302.42	\$302.42	\$0.00	\$0.00	\$0.00
UNITED MEAT & DELI	\$542.73	\$542.73	\$0.00	\$0.00	\$0.00
US ECOLOGY MICHIGAN	\$ (808.33)	\$0.00	\$0.00	\$0.00	\$ (808.33)
US ECOLOGY ROMULUS, INC.	\$2,461.00	\$2,461.00	\$0.00	\$0.00	\$0.00
USHER OIL SERVICES	\$4,200.34	\$4,200.34	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS	\$9,966.38	\$9,966.38	\$0.00	\$0.00	\$0.00
VERNDALE PRODUCTS, INC.	\$4,479.79	\$4,479.79	\$0.00	\$0.00	\$0.00
VERNOR FOOD PRODUCTS	\$128.30	\$55.78	\$36.26	\$27.89	\$8.37
WIGLEY'S MEAT PROCESS	\$324.52	\$324.52	\$0.00	\$0.00	\$0.00
WINTER SAUSAGE MFG. CO.	\$744.14	\$744.14	\$0.00	\$0.00	\$0.00
WINTER SAUSAGE MFG. CO.	\$103.52	\$103.52	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO	\$6,727.80	\$6,727.80	\$0.00	\$0.00	\$0.00
WOLVERINE PACKING CO.	\$2,629.70	\$2,629.70	\$0.00	\$0.00	\$0.00
WOODWARD AVENUE BREWERS	\$219.55	\$0.00	\$0.00	\$219.55	\$0.00
TOTAL POLLUTANT SURCHARGE ACCOUNTS	\$1,382,454.42	\$775,494.04	\$59,613.55	\$60,814.85	\$486,531.98

City of Highland Park Billings and Collections

	<u>Water</u>	<u>Sewer</u>	<u>IWC</u>	<u>Cumulative Total</u>
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	<u>(65,652)</u>	<u>(2,206,211)</u>	<u>-</u>	<u>(2,271,863)</u>
				-
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	<u>-</u>	<u>(1,612,633)</u>	<u>-</u>	<u>(1,612,633)</u>
				-
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	<u>-</u>	<u>(1,444,623)</u>	<u>-</u>	<u>(1,444,623)</u>
				-
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	<u>-</u>	<u>(2,022,335)</u>	<u>-</u>	<u>(2,022,335)</u>
				-
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	<u>-</u>	<u>(2,309,186)</u>	<u>-</u>	<u>(2,309,186)</u>
				-
June 30, 2017 Balance	\$ 4,835,070	\$ 29,548,335	\$ 1,543,550	\$ 35,926,954
FY 2018 Billings (12 Months)	1,277,179	5,657,101	80,472	7,014,752
FY 2018 Payments (12 Months)	<u>-</u>	<u>(4,108,108)</u>	<u>-</u>	<u>(4,108,108)</u>
				-
June 30, 2018 Balance	\$ 6,112,248	\$ 31,097,327	\$ 1,624,022	\$ 38,833,597
FY 2019 Billings (7 Months)	741,678	3,277,600	31,413	4,050,690
FY 2019 Payments (7 Months)	<u>-</u>	<u>(2,745,744)</u>	<u>-</u>	<u>(2,745,744)</u>
				-
Balance as of January 31, 2019	<u>\$ 6,853,926</u>	<u>\$ 31,629,183</u>	<u>\$ 1,655,435</u>	<u>\$ 40,138,544</u>