GREAT LAKES WATER AUTHORITY

FY 2025 Preliminary Financial Report (Unaudited)

Audit Committee Meeting October 24, 2025

FY 2025 Fiscal Year End Notes

- **Note: All amounts are unaudited in this report**
- First fiscal using Workday FINS (financial system) which went live on July 1, 2024
- One non-routine year-end adjustment to the sewer construction fund for $3.3 million for arbitrage (see related report in the October 24, 2025 Audit Committee binder)
- Positive cash flow for the water and sewer systems for both GLWA and DWSD
- Subsequent slides provide budget basis and unaudited accrual basis preliminary performance
- The unaudited June 30, 2025 report will be distributed prior to the next Audit Committee

GLWA
Great Lakes Water Authority

Performance Aligns with Budget

As of June 30, 2025				
Metric	FY 2025 Budget	FY 2025 Amended Budget	FY 2025 Actual	Variance from Financial Plan
Wholesale Water Billed Revenue ($M)	$354.4	$354.4	$352.0	-1%
Wholesale Water Billed Usage (mcf)	13,274,000	13,274,000	12,997,000	-2%
Wholesale Sewer Billed Revenue ($M)	$286.6	$286.6	$286.6	0%
Wholesale Water Operations & Maintenance ($M)	$169.6	$182.2	$175.4	-4%
Wholesale Sewer Operations & Maintenance ($M)	$228.9	$235.2	$229.7	-2%
Investment Income ($M)	$32.5	$47.5	$47.0	-1%
Water Prorated Capital Spend w/SRA* ($M)	$207.3	$207.3	$158.3	-24%
Sewer Prorated Capital Spend w/SRA* ($M)	$169.2	$169.2	$175.8	4%

*SRA refers to the capital spending ratio assumption which allows capital program delivery realities to align with the financial plan.

- Amended budget includes first, second and third quarter budget amendments. The third quarter budget amendments were approved by the GLWA Board of Directors on June 25, 2025.
- One notable variance is the water capital spend which reflects a significant budget variance. This is largely due to the Jefferson Main Replacement project that has been delayed.

GLWA
Great Lakes Water Authority

Improving Net Position (Deficit)

Unaudited

Table 2 – Statement of Revenues, Expenses and Changes in Net Position – All Funds Combined – Draft
For the Twelve Months ended June 30, 2025
($000)

	Water	Percent of Revenue	Sewage Disposal	Percent of Revenue	Total Business-Type Activities	Comparative June 30, 2024
Revenue						
Wholesale customer charges	$ 348,976	92.7%	$ 287,691	56.7%	$ 636,667	$ 599,569
Local system charges	27,095	7.2%	205,925	40.6%	233,020	222,107
Industrial waste charges	-	0.0%	8,849	1.7%	8,849	8,617
Pollutant surcharges	-	0.0%	4,584	0.9%	4,584	4,089
Other revenues	383	0.1%	565	0.1%	948	1,149
Total Revenues	**376,455**	**100.0%**	**507,614**	**100.0%**	**884,068**	**835,531**
Operating expenses						
Operations and Maintenance	174,142	46.3%	227,976	44.9%	402,118	376,757
Depreciation	94,928	25.2%	147,559	29.1%	242,487	265,044
Amortization of intangible assets	4,951	1.3%	1,824	0.4%	6,774	4,837
Total operating expenses	**274,020**	**72.8%**	**377,359**	**74.3%**	**651,379**	**646,638**
Operating Income	102,434	27.2%	130,255	25.7%	232,689	188,893
Total Nonoperating (revenue) expense	67,627	18.0%	38,980	7.7%	106,607	147,736
Increase/(Decrease) in Net Position	**34,807**	**9.2%**	**91,275**	**18.0%**	**126,082**	**41,157**
Net Position (deficit), beginning of year	(111,131)		(79,294)		(190,425)	(231,582)
Net position (deficit), end of year	$ (76,324)		$ 11,981		$ (64,342)	$ (190,425)

Totals may be off due to rounding

- Net position/(deficit) continues to steadily improve
- Decreased depreciation
- Decreased nonoperating expense

GLWA
Great Lakes Water Authority