



GLWA
Great Lakes Water Authority

**Ten Year Financial Projection
For The Current Fiscal Year 2026
And the Ten Years FY 2027 Through FY 2036**

Annual Post Budget Adoption Update

**Presented to the Audit Committee on
May 22, 2026**

Please note: The projections set forth in the following tables are forward looking statements and are based on various assumptions and estimates. The Authority cautions that these projections may and often do differ materially from actual results. Some of the factors that could cause actual results to differ materially from those projected are the Authority's ability to execute the Capital Improvement Plan (CIP) as scheduled and within budget, regional climate and weather conditions, and adverse legislative, regulatory or legal decisions (including environmental laws and regulations) affecting the Authority's ability to manage the Regional Water and Sewage Disposal Systems.

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Projection Overview

Executive Summary

Annually, after the Board of Directors for the Great Lakes Water Authority adopts the upcoming year's budget, an update to the ten-year projection is prepared. This sets the baseline for scenario planning for the new round of budget and capital planning for subsequent years.

The Master Bond Ordinance (MBO) Combined *water* system debt coverage reaches 1.57 by 2036, below the management goal of 1.8. This goal of 1.8 is in place to maintain focus on improved credit ratings (and lower cost of borrowing). Current revenues provide some water I&E funding to cover most of the capital outlay. Starting in fiscal year (FY) 2032 there will be more availability of funds for the CIP to help deleverage the system.

The MBO Combined *sewer* system debt coverage reaches 1.7 in 2036, just under the management goal of 1.8. Current revenues provide for funding the sewer I&E sufficient to cover capital outlay and some pay-go capital. The Authority plans to use some I&E funds every year in the projection to help deleverage the system.

There are debt call options for both systems dated July 1, 2026 for possible refunding savings. After those dates refunding savings will be limited until July 1, 2030.

Purpose of the Projections

The Authority's management team utilizes a ten-year projection, which is updated at the beginning of the annual budget cycle and after the annual budget is adopted. A key goal is to manage debt service coverage levels and capital program spending decisions. The key budgetary decision-making parameter is driven by demonstrating a projected debt service coverage at levels higher than the Required Coverage for all lien priorities under the MBO of 1.20 for Senior Lien Bonds, 1.10 for Senior and Second Lien Bonds and 1.00 for All Bonds, including State Revolving Fund (SRF) Junior Lien Bonds. While the management goal of 1.8, which is above the required minimum coverage, has not been formally established as a policy position, the goal is designed to achieve long-term financial sustainability and stability objectives.

The overall financial plan summarized by these projections is designed to embrace the Authority's long-term financial stability strategy, which leverages efficiency savings and optimized infrastructure plans coupled with annual revenue adjustments, to produce increasing amounts of unrestricted cash for the Improvement and Extension Fund (I&E) after providing for payment of operation and maintenance expenses, debt service payments, and funding of the various non-operating elements set forth in the foundational documents for the Authority. The I&E funds will then be used to fund a portion of the CIP in order to help deleverage the systems.

Key Financial Performance Metrics

Tables of key financial performance metrics are included through two views. Tables for which GLWA is the regional system are provided first, then the next set of tables combines the projections for both the Regional and Local Systems to present the metrics on a Master Bond Ordinance (MBO) basis. These tables include a color-coded metric target range, with the green highlight cells indicating that the goal has been reached. As can be seen in Tables 6 and 12, the regional system debt service is a higher percentage of the revenue requirement than the goal of 40% (rows are highlighted in red). Deleveraging the system is a top priority of management.

REGIONAL SYSTEM PROJECTION

The Authority's Biennial Budget for FY 2027 & FY 2028 was adopted by the Board of Directors on February 25, 2026 ([Resolution 2026-070](#)). The Board of Directors also approved the FY 2026 Schedule of Water and Sewer Service Charges ([Resolution 2026-071](#)) and the FY 2026 through FY 2030 Capital Improvement Plan ([Resolution 2026-052](#)) on February 25, 2026.

Tables 1 through 12 provide the financial projections of the GLWA, which is the regional system. The Charges to the Local System in these tables are for services provided by GLWA to the City of Detroit Water and Sewerage Department (DWSD) under Section 3.1 of the Water and Sewer Services Agreement. It does not include the revenues and expenses related to the operations of the DWSD local retail system.

Regional Systems Ten Year Projection Assumptions

The projected FY 2026 revenues and revenue requirements reflect the first quarter budget amendment and any additional potential budget adjustments being considered at the time the projection was finalized. The FY 2027 and FY 2028 figures in this table represent the approved Regional System budget and approved fiscal year charges.

Revenues

1. Revenue from Charges – Charges are the main source of revenue for the GLWA. The projection assumes annual charge increases to the Member Partners of the water system of 5.9% for FY 2028 through FY 2036 and increases in charges to the Member Partners of the sewer system of 4.5% for FY 2028 through FY 2036.
2. Investment earnings - Investment earnings are projected based on an analysis of unrestricted funds on hand, projected activity, and average fund balances. Projected investment yields were provided by the Authority's investment advisor in October 2025 for FY 2026 through 2030. These yields were adjusted down by 0.5% for FY 2026 and one percent for FY 2027 through FY 2030 due to the unpredictability of rates in the current economic environment. Interest rates ranging between 2.12 and 3.07 percent were used for FY 2026 through FY 2030. An investment yield of 2.5 percent was used for FY 2031 and 2.0 percent for FY 2032 through FY 2036.

3. Other Operating Revenue – Consist mainly of lead and copper rule sample testing fees charged to Member Partners for the water system and septage disposal fees charged to permitted companies who utilize the sewage disposal system.

Operations & Maintenance Expense - The Regional System O&M expenses for the years FY 2027 through FY 2031 are based upon detailed analysis by the Financial Planning and Analysis team during the FY 2027 budget process. A two percent increase was projected for FY 2032 through FY 2036.

Debt Service – The debt service includes only the regional system’s share of existing debt service on all outstanding bonds plus estimated debt service on all future bond sales as anticipated to fund the Capital Improvement Plan. Level debt service based on a 30-year term and an interest rate of 5.0 percent has been assumed on all projected bond sales. It is assumed that any additional bonds would be issued as senior lien. Debt service also includes payments on existing SRF loan balances and projected draws on current SRF funds. The projection also includes projected draws on awarded SRF loans for FY 2026 which will close during the fiscal year, or shortly thereafter, for the Regional System. Debt service does not reflect any potential savings from future bond refunding transactions.

General Retirement System Pension - The General Retirement System (GRS) Pension line represents both the GRS pension obligation payments and the B and C Note payments. For FY 2026 the Unfunded Actuarial Accrued Liability (UAAL) contribution will be \$3.8 million with an administrative fee of \$0.6 million for a total of \$4.4 million which is allocated. This amount was used for FY 2027 through FY 2036. Annual payments on the BC Notes range from \$7.4 million in FY 2026, then decreasing yearly to \$5.4 million in FY 2036. These requirements are allocated between GLWA and DWSD and between the water and sewer funds as shown in the table below.

	Water	Sewer	Total
Pension Obligation			
GLWA Regional System	25.20%	45.10%	70.30%
DWSD Local System	17.80%	11.90%	29.70%
Total	<u>43.00%</u>	<u>57.00%</u>	<u>100.00%</u>
BC Notes			
GLWA Regional System	21.98%	49.44%	71.42%
DWSD Local System	15.52%	13.06%	28.58%
Total	<u>37.50%</u>	<u>62.50%</u>	<u>100.00%</u>

Water Residential Assistance Program Contribution (WRAP) - WRAP contributions are 0.5% of the base operating revenues (what operating revenues would be before the WRAP contribution).

Extraordinary Repair & Replacement Deposit (ER&R) - The maximum ER&R Fund balance requirement is 15 percent of the Authority operating expenses plus the DWSD operating expenses. Annual deposits are made when necessary to achieve the required ER&R balance.

Regional System Lease - DWSD has the option to utilize a portion of the Lease Payment to finance all “post bifurcation” Local System debt service if revenues are insufficient to do so. The projected financing plan anticipates that revenues for the Local System will be sufficient to allow the entire annual Lease payment to be transferred to the Detroit Local Improvement and Extension Account of the Improvement and Extension Fund.

Working Capital Requirement - The Working Capital Requirement relates to the Receiving Fund and/or the Authority’s Operation and Maintenance Account. The projections assume that the Receiving Fund will target a balance of 1 month of O&M and 2 months of other required transfers (debt service, pension and WRAP). The Operation and Maintenance Account will target 3 months of working capital.

Improvement & Extension Fund (I&E) Transfer Pending - The remaining amount available is what is available to fund the Authority Regional System I&E Funds held within the Trust. Due to timing variances of cash receipts and disbursements, cash flow analysis are done throughout the year to determine when the actual transferred to the I&E accounts will occur, some of which may occur after year end.

Regional Water System Ten Year Projection

Table 1 – GLWA Regional Water System Projected Revenue Requirements

	Projected (\$ millions)											
	Adopted 2026	Forecast 2026	Adopted 2027	Adopted 2028	2029	2030	2031	2032	2033	2034	2035	2036
Revenues												
Revenue from Charges												
1 Wholesale Charges	\$ 365.6	\$ 365.6	\$ 384.4	\$ 406.0	\$ 428.8	\$ 452.8	\$ 478.3	\$ 505.2	\$ 533.8	\$ 564.0	\$ 596.1	\$ 630.0
2 Charges to Local System	30.0	30.0	33.1	36.1	39.5	43.0	46.8	50.8	55.0	59.4	64.2	69.2
3 Total Revenue from Charges	395.7	395.7	417.5	442.2	468.2	495.8	525.0	556.0	588.8	623.5	660.2	699.2
Investment Earnings												
4 Unrestricted	4.7	4.4	3.2	3.1	3.4	4.1	4.0	3.3	3.4	3.5	3.6	3.6
5 I&E Fund Unrestricted	4.9	4.5	3.4	3.1	3.1	3.6	3.7	3.6	3.8	4.0	3.8	4.0
6 Restricted	3.3	2.8	2.2	2.2	2.6	3.2	3.1	2.6	2.7	2.8	2.9	3.1
7 Total Investment Earnings	12.8	11.8	8.7	8.4	9.1	10.8	10.9	9.6	10.0	10.3	10.3	10.7
8 Other Operating Revenue	0.3	0.3	0.5	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
9 Total Revenues	\$ 408.8	\$ 407.7	\$ 426.8	\$ 450.8	\$ 477.7	\$ 506.9	\$ 536.2	\$ 565.9	\$ 599.1	\$ 634.1	\$ 670.8	\$ 710.2
Revenue Requirements												
10 Operations & Maintenance Expense	\$ 182.5	\$ 183.9	\$ 193.6	\$ 200.7	\$ 206.6	\$ 210.1	\$ 215.2	\$ 219.5	\$ 223.9	\$ 228.4	\$ 232.9	\$ 237.6
11 Debt Service - Regional System	179.1	177.5	189.1	205.5	220.1	234.8	240.4	249.8	261.0	269.7	276.5	288.5
12 General Retirement System Pension	2.7	2.7	2.6	2.4	2.4	2.4	2.3	2.3	2.3	2.2	2.4	2.3
13 Water Residential Assistance Program Contribution	2.0	2.0	2.1	2.2	2.3	2.5	2.6	2.8	2.9	3.1	3.3	3.5
14 Extraordinary Repair & Replacement Deposit	0.3	0.3	0.2	0.6	0.3	-	-	0.2	0.2	0.3	0.3	0.3
15 Regional System Lease	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
16 Working Capital Requirement	0.6	-	0.6	5.3	5.1	5.3	3.8	4.0	4.4	3.9	3.8	4.6
17 Improvement & Extension Fund Transfer Pending	19.1	18.8	16.2	11.5	18.4	29.4	49.4	64.8	81.9	103.9	129.1	150.8
18 Total Revenue Requirements	\$ 408.8	\$ 407.7	\$ 426.8	\$ 450.8	\$ 477.7	\$ 506.9	\$ 536.2	\$ 565.9	\$ 599.1	\$ 634.1	\$ 670.8	\$ 710.2

Table 2 – GLWA Regional Water System Key Data Points

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
	Actual											Projected								
Regional System Annual Budget Adjustment																				
Actual	4.0%	-0.9%	1.0%	2.5%	0.6%	0.7%	3.5%	4.0%	4.0%	6.1%	4.4%									
Projected												5.6%	6.0%	6.1%	5.8%	5.5%	5.9%	5.8%	5.8%	5.9%
Cumulative Average	4.0%	1.5%	1.3%	1.6%	1.4%	1.3%	1.6%	1.9%	2.1%	2.5%	2.7%	2.9%	3.2%	3.4%	3.5%	3.7%	3.8%	3.9%	4.0%	4.1%
Regional System Annual Charge Adjustment																				
Actual	4.5%	1.8%	1.8%	0.6%	3.2%	1.5%	3.7%	2.75%	3.25%	5.9%	5.8%									
Projected *												5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%	5.9%
Other Key Datapoints	Actual										Projected									
Debt Service Coverage (GLWA impact)	1.71	1.58	1.63	1.47	1.50	1.40	1.34	1.28	1.22	1.26	1.23	1.22	1.23	1.26	1.34	1.39	1.44	1.50	1.58	1.64
Regional Days Cash	959	1,066	1,058	1,086	1,043	632	573	640	642	591	547	521	515	538	588	601	607	588	599	578
Use of I&E for LSIP										\$ -	\$ 7.5	\$ 7.5	\$ 7.5	\$ 7.5	\$ 7.5	\$ 7.5	\$ 7.5	\$ 7.5	\$ 7.5	\$ 75.0
CIP Paygo Financing (millions)										\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38	\$ 59	\$ 96	\$ 102	\$ 77
New Money Bonds issued in June (millions)										\$ 158	\$ 243	\$ 228	\$ 188	\$ 82	\$ 150	\$ 176	\$ 143	\$ 152	\$ 142	\$ 137
Capital Projects Spend Forecast (millions)										\$ 165	\$ 245	\$ 245	\$ 230	\$ 190	\$ 85	\$ 190	\$ 235	\$ 240	\$ 255	\$ 220

*Assumes no change in sales volume

Table 3 – GLWA Regional Water System Capital Improvement Plan Projected Funding Sources

	Projected (\$ millions)												
	Adopted 2026	Forecast 2026	Adopted 2027	Adopted 2028	2029	2030	2031	2032	2033	2034	2035	2036	Total
Capital Improvement Program													
1 Capital Improvement Program	\$ 183.1	\$ 183.7	\$ 302.8	\$ 372.6	\$ 246.8	\$ 186.8	\$ 82.1	\$ 187.6	\$ 230.0	\$ 239.2	\$ 250.6	\$ 217.2	
2 Spend Rate Assumption	100%	88%	80%	65%	93%	100%	100%	100%	100%	100%	100%	100%	
3 Projected CIP Spend	\$ 183.1	\$ 161.7	\$ 242.2	\$ 242.2	\$ 229.5	\$ 186.8	\$ 82.1	\$ 187.6	\$ 230.0	\$ 239.2	\$ 250.6	\$ 217.2	
Funding Requirements													
4 Capital Outlay	\$ 11.7	\$ 11.7	\$ 25.0	\$ 21.0	\$ 18.7	\$ 16.5	\$ 16.2	\$ 16.4	\$ 16.5	\$ 16.7	\$ 16.9	\$ 84.6	\$ 260.2
5 Capital Improvement Program (a)	185.0	165.0	245.0	245.0	230.0	190.0	85.0	190.0	235.0	240.0	255.0	220.0	2,300.0
6 Total Funding Requirements	\$ 196.7	\$ 176.7	\$ 270.0	\$ 266.0	\$ 248.7	\$ 206.5	\$ 101.2	\$ 206.4	\$ 251.5	\$ 256.7	\$ 271.9	\$ 304.6	\$ 2,560.2
Funding Sources													
<u>GLWA Regional System Improvement and Extension Fund</u>													
7 Beginning Balance	\$ 147.8	\$ 147.4	\$ 154.5	\$ 145.7	\$ 136.2	\$ 135.9	\$ 148.7	\$ 182.0	\$ 192.5	\$ 199.0	\$ 190.3	\$ 200.5	\$ 147.4
8 Transfers from Water Receiving	19.1	18.8	16.2	11.5	18.4	29.4	49.4	64.8	81.9	103.9	129.1	150.8	674.2
9 Available from I&E Fund	166.9	166.2	170.7	157.2	154.6	165.3	198.2	246.8	274.3	303.0	319.4	351.3	
<u>Construction Fund</u>													
10 Beginning Balance	236.6	270.0	275.1	276.2	261.2	221.5	116.3	182.4	207.5	175.8	184.9	175.3	270.0
<u>Bond Issues</u>													
11 Water System Revenue Bonds	222.0	158.0	243.0	228.0	188.0	82.0	150.0	176.0	143.0	152.0	142.0	137.0	
12 Less: Issuance Expenses	(1.7)	(1.2)	(1.8)	(1.7)	(1.4)	(0.6)	(1.1)	(1.3)	(1.1)	(1.1)	(1.1)	(1.0)	
13 Net Bond Proceeds Available	220.3	156.8	241.2	226.3	186.6	81.4	148.9	174.7	141.9	150.9	140.9	136.0	1,785.5
14 State DWSRF Financing	1.4	6.7	-	-	-	-	-	-	-	-	-	-	6.7
15 Grants and Contributions	2.3	2.2	1.2	-	-	-	-	-	-	-	-	-	3.4
16 Investment Income	5.6	4.3	3.8	3.7	3.7	3.5	2.2	2.4	2.6	2.3	2.4	2.3	33.2
17 Available from Construction Fund	466.1	440.1	521.2	506.2	451.5	306.3	267.4	359.5	352.0	328.9	328.3	313.6	
18 Total Funding Sources Available	\$ 633.0	\$ 606.3	\$ 691.9	\$ 663.4	\$ 606.0	\$ 471.6	\$ 465.5	\$ 606.3	\$ 626.3	\$ 631.9	\$ 647.6	\$ 664.9	\$ 2,920.5
Projected Use of Funding Sources													
19 I&E Funds - Capital Outlay	\$ 11.7	\$ 11.7	\$ 25.0	\$ 21.0	\$ 18.7	\$ 16.5	\$ 16.2	\$ 16.4	\$ 16.5	\$ 16.7	\$ 16.9	\$ 84.6	\$ 260.2
20 I&E Funds - Capital Projects	9.3	-	-	-	-	-	-	38.0	58.8	96.0	102.0	77.0	371.8
21 Construction Fund - Capital Projects	175.8	165.0	245.0	245.0	230.0	190.0	85.0	152.0	176.3	144.0	153.0	143.0	1,928.3
22 Total Projected Use of Funding Sources	\$ 196.7	\$ 176.7	\$ 270.0	\$ 266.0	\$ 248.7	\$ 206.5	\$ 101.2	\$ 206.4	\$ 251.5	\$ 256.7	\$ 271.9	\$ 304.6	\$ 2,560.2
Funding Sources Available for Future Capital Projects													
23 Improvement & Extension Fund	\$ 145.9	\$ 154.5	\$ 145.7	\$ 136.2	\$ 135.9	\$ 148.7	\$ 182.0	\$ 192.5	\$ 199.0	\$ 190.3	\$ 200.5	\$ 189.7	
24 Construction Fund	290.4	275.1	276.2	261.2	221.5	116.3	182.4	207.5	175.8	184.9	175.3	170.6	
25 Total Funding Sources Available for Future Capital Projects	\$ 436.3	\$ 429.6	\$ 421.9	\$ 397.4	\$ 357.3	\$ 265.1	\$ 364.3	\$ 399.9	\$ 374.8	\$ 375.2	\$ 375.8	\$ 360.3	

(a) For projected funding requirements the projected CIP spend is rounded up to nearest \$5M

Table 4 – GLWA Regional Water System Projected Statement of Revenues, Expenses and Changes in Net Position

	Projected (\$ millions)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
1 Operating Revenues	\$ 401.5	\$ 424.0	\$ 448.5	\$ 474.6	\$ 502.1	\$ 531.4	\$ 562.3	\$ 595.1	\$ 629.8	\$ 666.5	\$ 705.5
Operating Expenses											
2 Operating Expenses before Depreciation	183.4	193.0	200.2	206.2	210.1	215.2	219.5	223.9	228.4	232.9	237.6
3 Depreciation Expense	95.8	99.7	108.4	113.5	116.5	120.8	127.0	134.4	140.8	148.2	165.9
4 Amortization of Intangible Assets	5.2	5.2	5.2	4.8	4.3	3.6	3.6	3.6	3.6	3.6	3.6
5 Total Operating Expenses	284.4	297.9	313.7	324.5	330.9	339.6	350.1	361.8	372.7	384.7	407.1
6 Operating Income	117.2	126.0	134.7	150.0	171.2	191.8	212.3	233.3	257.0	281.9	298.4
Nonoperating Revenues (Expenses)											
7 Earnings on Investments	16.1	12.6	12.0	12.8	14.3	13.0	12.0	12.6	12.6	12.7	13.0
8 Interest Income on Other Receivables	23.1	22.3	23.5	24.5	25.5	25.8	24.7	23.5	22.0	20.4	18.7
9 Interest Expense	(139.1)	(142.9)	(151.9)	(159.3)	(163.8)	(162.7)	(163.1)	(164.2)	(163.3)	(162.0)	(159.5)
10 Amortization of Debt Related Items	22.2	20.7	20.0	19.3	18.5	16.9	15.4	14.7	13.6	10.1	8.6
11 Legacy Pension Expense	3.7	(3.8)	0.2	0.7	0.2	0.3	0.4	0.5	0.5	0.6	0.7
12 WRAP	(2.0)	(2.1)	(2.2)	(2.3)	(2.5)	(2.6)	(2.8)	(2.9)	(3.1)	(3.3)	(3.5)
13 Other	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
14 Total Nonoperating Expenses	(76.2)	(93.3)	(98.5)	(104.4)	(108.0)	(109.5)	(113.5)	(116.1)	(117.8)	(121.6)	(122.1)
15 Income Before Capital Contributions	40.9	32.7	36.2	45.7	63.2	82.3	98.8	117.2	139.2	160.3	176.3
16 Capital Contributions	2.2	1.2	-	-	-	-	-	-	-	-	-
17 Change in Net Position	43.1	33.8	36.2	45.7	63.2	82.3	98.8	117.2	139.2	160.3	176.3
18 Net Position (Deficit), Beginning of Year	(76.3)	(33.2)	0.7	36.9	82.6	145.8	228.1	326.8	444.0	583.2	743.5
19 Net Position (Deficit), End of Year	\$ (33.2)	\$ 0.7	\$ 36.9	\$ 82.6	\$ 145.8	\$ 228.1	\$ 326.8	\$ 444.0	\$ 583.2	\$ 743.5	\$ 919.8

Table 5 – GLWA Regional Water System Projected Cash and Investment Balances

	Projected (\$ millions)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Unrestricted Funds											
<u>Receiving Fund (Regional)</u>											
1 Beginning Balance	\$ 56.3	\$ 53.6	\$ 52.2	\$ 55.6	\$ 58.5	\$ 61.3	\$ 62.6	\$ 64.5	\$ 66.8	\$ 68.6	\$ 70.2
2 Investment Earnings	6.3	4.6	4.2	4.4	5.1	5.3	4.9	5.1	5.3	5.2	5.4
3 Receipts	396.0	418.0	442.5	468.5	496.1	525.3	556.3	589.1	623.8	660.5	699.5
4 MBO Transfers	(386.1)	(407.9)	(431.8)	(451.6)	(469.1)	(479.9)	(494.4)	(510.1)	(523.4)	(535.0)	(551.7)
5 I&E Transfers Out	(18.8)	(16.2)	(11.5)	(18.4)	(29.4)	(49.4)	(64.8)	(81.9)	(103.9)	(129.1)	(150.8)
6 Ending Balance Receiving	53.6	52.2	55.6	58.5	61.3	62.6	64.5	66.8	68.6	70.2	72.6
<u>O&M Fund (Regional)</u>											
7 Beginning Balance	52.3	53.9	55.1	56.3	57.6	59.1	60.6	61.8	63.0	64.3	65.6
8 Investment Earnings	1.6	1.2	1.2	1.3	1.5	1.5	1.2	1.2	1.3	1.3	1.3
9 Working Capital Needs	-	-	-	-	-	-	-	-	-	-	-
10 Ending Balance O&M	53.9	55.1	56.3	57.6	59.1	60.6	61.8	63.0	64.3	65.6	66.9
<u>ER&R Fund</u>											
11 Beginning Balance	34.9	35.9	36.9	38.3	39.6	40.6	41.6	42.6	43.6	44.8	46.1
12 Investment Earnings	1.1	0.8	0.8	0.9	1.0	1.0	0.8	0.9	0.9	0.9	0.9
13 MBO Transfers	-	0.2	0.6	0.3	-	-	0.2	0.2	0.3	0.3	0.3
14 Ending Balance ER&R	35.9	36.9	38.3	39.6	40.6	41.6	42.6	43.6	44.8	46.1	47.3
<u>I&E Fund (Regional)</u>											
15 Beginning Balance	147.4	154.5	145.7	136.2	135.9	148.7	182.0	192.5	199.0	190.3	200.5
16 Budgeted Capital Outlay	(11.7)	(25.0)	(21.0)	(18.7)	(16.5)	(16.2)	(16.4)	(16.5)	(16.7)	(16.9)	(84.6)
17 Transfer to Construction Fund	-	-	-	-	-	-	(38.0)	(58.8)	(96.0)	(102.0)	(77.0)
18 Deposits from Revenues	18.8	16.2	11.5	18.4	29.4	49.4	64.8	81.9	103.9	129.1	150.8
19 Ending Balance I&E	154.5	145.7	136.2	135.9	148.7	182.0	192.5	199.0	190.3	200.5	189.7
20 Total Unrestricted Funds	\$298.0	\$290.0	\$286.4	\$291.5	\$309.7	\$346.7	\$361.4	\$372.6	\$368.0	\$382.3	\$376.5
21 Days Cash on Hand	591	547	521	515	538	588	601	607	588	599	578
Restricted Funds											
<u>Receiving Fund (Local System) -Cash held fbo DWSD</u>											
22 Beginning Balance	\$ 23.8	\$ 23.8	\$ 23.8	\$ 23.8	\$ 23.8	\$ 23.8	\$ 23.8	\$ 23.8	\$ 23.8	\$ 23.8	\$ 23.8
23 Receipts	130.5	138.7	146.9	155.5	165.5	176.1	187.3	199.3	211.2	223.7	237.0
24 MBO Transfers	(128.9)	(135.7)	(143.9)	(153.3)	(163.7)	(174.0)	(183.3)	(192.9)	(201.4)	(210.4)	(219.7)
25 I&E Transfers to Local System	(1.6)	(3.1)	(2.9)	(2.3)	(1.7)	(2.0)	(4.0)	(6.5)	(9.8)	(13.3)	(17.3)
26 Ending Balance Receiving	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8	23.8
27 Debt Service Fund *	12.2	10.4	10.9	11.2	11.9	12.0	11.1	11.3	11.5	11.7	11.9
28 Construction Fund (Regional System)	275.1	276.2	261.2	221.5	116.3	182.4	207.5	175.8	184.9	175.3	170.6
29 Budget Stabilization Fund	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
30 WRAP	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2
31 Total Restricted Funds	\$314.3	\$313.6	\$299.0	\$259.7	\$155.2	\$221.3	\$245.6	\$214.1	\$223.5	\$214.0	\$209.5
32 Total Unrestricted and Restricted Funds	\$612.3	\$603.6	\$585.5	\$551.2	\$464.9	\$568.0	\$607.0	\$586.6	\$591.5	\$596.3	\$586.0

* The balance in the Debt Service Fund is net of the July 1st payment that is paid the day after the year end.

Table 6 – GLWA Regional Water System Projected Metrics

Metric	Metric Target Range	Projected (\$ millions)													
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036			
Operating Margin															
1	Depreciation & Amortization Expense	\$ 100.9	\$ 104.9	\$ 113.5	\$ 118.3	\$ 120.8	\$ 124.4	\$ 130.6	\$ 137.9	\$ 144.4	\$ 151.7	\$ 169.5			
2	Total Operating Expenses	\$ 284.4	\$ 297.9	\$ 313.7	\$ 324.5	\$ 330.9	\$ 339.6	\$ 350.1	\$ 361.8	\$ 372.7	\$ 384.7	\$ 407.1			
3	Operating Margin	\$ 117.2	\$ 126.0	\$ 134.7	\$ 150.0	\$ 171.2	\$ 191.8	\$ 212.3	\$ 233.3	\$ 257.0	\$ 281.9	\$ 298.4			
4	Operating Margin %	<25%	25%	40%	29.2%	29.7%	30.0%	31.6%	34.1%	36.1%	37.7%	39.2%	40.8%	42.3%	42.3%
Regional Revenue Allocation															
5	O&M	45.1%	45.4%	44.5%	43.2%	41.5%	40.1%	38.8%	37.4%	36.0%	34.7%	33.5%			
6	Debt Service	>40%	40%	33%	43.5%	44.3%	45.6%	46.1%	46.3%	44.8%	44.1%	43.6%	42.5%	41.2%	40.6%
7	Non-Operating Expense	6.7%	6.6%	7.3%	6.8%	6.4%	5.8%	5.6%	5.4%	5.1%	4.8%	4.7%			
8	Capital Financing	<u>4.6%</u>	<u>3.8%</u>	<u>2.6%</u>	<u>3.8%</u>	<u>5.8%</u>	<u>9.2%</u>	<u>11.5%</u>	<u>13.7%</u>	<u>16.4%</u>	<u>19.2%</u>	<u>21.2%</u>			
9	Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			
Other Metrics															
10	Days Cash	<400	400	500	591	547	521	515	538	588	601	607	588	599	578
11	Net Position	<150	150	250	\$ (33.2)	\$ 0.7	\$ 36.9	\$ 82.6	\$ 145.8	\$ 228.1	\$ 326.8	\$ 444.0	\$ 583.2	\$ 743.5	\$ 919.8
12	Net Fixed Asset/Depreciation	<12	12	25	22	23	22	23	23	22	21	21	21	21	19

Regional Sewage Disposal System Ten Year Projection

Table 7 – GLWA Regional Sewage Disposal System Projected Revenue Requirements

	Projected (\$ millions)											
	Adopted 2026	Forecast 2026	Adopted 2027	Adopted 2028	2029	2030	2031	2032	2033	2034	2035	2036
Revenues												
Revenue from charges												
1 Wholesale Charges	\$ 300.3	\$ 300.3	\$ 312.3	\$ 326.6	\$ 341.0	\$ 356.1	\$ 371.9	\$ 388.2	\$ 405.3	\$ 423.2	\$ 441.9	\$ 461.4
2 Charges to Local System	215.3	215.3	225.3	235.2	246.1	257.4	269.2	281.5	294.3	307.7	321.7	336.3
3 Industrial Waste Charges	9.2	9.2	9.5	9.9	10.4	10.9	11.3	11.8	12.4	12.9	13.5	14.1
4 Pollutant Surcharges	5.1	5.1	5.1	5.3	5.6	5.8	6.1	6.4	6.7	7.0	7.3	7.6
5 Total Revenue from Charges	529.9	529.9	552.2	577.1	603.1	630.2	658.6	687.9	718.7	750.8	784.4	819.3
Investment Earnings												
6 Unrestricted	5.1	5.5	4.0	3.8	4.3	5.0	4.9	4.0	4.1	4.2	4.3	4.4
7 I&E Fund Unrestricted	5.5	5.3	4.0	3.8	3.8	4.5	4.5	4.2	3.9	4.0	4.1	3.9
8 Restricted	4.1	3.2	2.5	2.5	2.9	3.4	3.3	2.8	2.9	3.0	3.1	3.2
9 Total Investment Earnings	14.6	14.1	10.5	10.2	10.9	12.9	12.7	11.0	10.8	11.2	11.5	11.6
6 Other Operating Revenue	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
10 Total Revenues	\$ 545.0	\$ 544.4	\$ 563.2	\$ 587.8	\$ 614.5	\$ 643.5	\$ 671.8	\$ 699.3	\$ 729.9	\$ 762.5	\$ 796.3	\$ 831.4
Revenue Requirements												
11 Operations & Maintenance	\$ 236.1	\$ 237.6	\$ 237.8	\$ 248.4	\$ 258.2	\$ 266.6	\$ 271.2	\$ 276.6	\$ 282.2	\$ 287.8	\$ 293.6	\$ 299.4
12 Debt Service - Regional System	220.9	216.3	233.9	242.4	252.0	257.8	262.8	271.4	279.1	291.7	302.7	312.8
13 General Retirement System												
Pension	5.6	5.6	5.2	4.9	4.9	4.8	4.7	4.6	4.6	4.5	4.8	4.7
14 Water Residential Assistance												
Program Contribution	2.6	2.6	2.7	2.9	3.0	3.1	3.3	3.4	3.6	3.7	3.9	4.1
15 Extraordinary Repair &												
Replacement Deposit	-	-	-	-	-	0.4	-	0.1	0.2	0.4	0.4	0.4
16 Regional System Lease	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
17 Working Capital Requirement	-	-	1.5	4.7	5.2	4.8	4.4	4.4	4.4	5.3	5.1	5.0
Improvement & Extension Fund												
18 Transfer Pending	52.2	54.8	54.6	56.9	63.6	78.6	97.8	111.2	128.4	141.6	158.4	177.4
19 Total Revenue Requirements	\$ 545.0	\$ 544.4	\$ 563.2	\$ 587.8	\$ 614.5	\$ 643.5	\$ 671.8	\$ 699.3	\$ 729.9	\$ 762.5	\$ 796.3	\$ 831.4

Table 8 – GLWA Regional Sewage Disposal System Key Datapoints

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036		
	Actual											Projected										
Regional System Annual Budget Adjustment																						
Actual	4.0%	0.3%	1.0%	2.2%	1.3%	-2.3%	1.3%	4.0%	4.0%	4.7%	3.3%											
Projected												4.4%	4.5%	4.7%	4.4%	4.1%	4.4%	4.5%	4.4%	4.4%		
Cumulative Average	4.0%	2.1%	1.8%	1.9%	1.8%	1.1%	1.1%	1.5%	1.7%	2.0%	2.1%	2.3%	2.5%	2.7%	2.8%	2.9%	2.9%	3.0%	3.1%	3.2%		
Regional System Annual Charge Adjustment																						
Actual	8.3%	-0.7%	0.1%	0.8%	2.0%	-0.6%	2.4%	2.75%	3.0%	4.5%	4.3%											
Projected *												4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%		
Other Key Datapoints	Actual										Projected											
Debt Service Coverage (GLWA impact)	1.35	1.42	1.36	1.39	1.52	1.32	1.35	1.23	1.26		1.42	1.39	1.40	1.41	1.46	1.52	1.56	1.60	1.63	1.66	1.70	
Regional Days Cash	495	432	495	593	664	574	521	571	559		553	556	518	511	515	554	526	528	531	519	520	
CIP Paygo Financing (<i>millions</i>)												\$ 36	\$ 38	\$ 56	\$ 47	\$ 56	\$ 54	\$ 41	\$ 35	\$ 48	\$ 77	\$ 84
New Money Bonds issued in June (<i>millions</i>)												\$ 26	\$ 76	\$ 65	\$ 39	\$ 51	\$ 73	\$ 79	\$ 111	\$ 178	\$ 195	\$ 133
Capital Projects Spend Forecast (<i>millions</i>)												\$ 240	\$ 255	\$ 280	\$ 235	\$ 185	\$ 180	\$ 135	\$ 115	\$ 160	\$ 255	\$ 280

*Assumes no change in sales volume

Table 9 – GLWA Regional Sewer System Capital Improvement Plan Projected Funding Sources

	Projected (\$ millions)												
	Adopted 2026	Forecast 2026	Adopted 2027	Adopted 2028	2029	2030	2031	2032	2033	2034	2035	2036	Total
Capital Improvement Program													
1 Capital Improvement Program	\$ 193.2	\$ 262.3	\$ 287.6	\$ 330.9	\$ 274.4	\$ 195.7	\$ 179.7	\$ 138.0	\$ 112.4	\$ 159.9	\$ 253.2	\$ 279.2	
2 Spend Rate Assumption	90%	90%	88%	84%	85%	94%	100%	95%	100%	100%	100%	100%	
3 Projected CIP Spend	\$ 173.9	\$ 236.1	\$ 253.1	\$ 278.0	\$ 233.2	\$ 183.9	\$ 179.7	\$ 131.1	\$ 112.4	\$ 159.9	\$ 253.2	\$ 279.2	
Funding Requirements													
4 Capital Outlay	\$ 11.8	\$ 11.8	\$ 15.4	\$ 15.3	\$ 13.3	\$ 13.4	\$ 12.9	\$ 88.2	\$ 88.5	\$ 88.7	\$ 89.0	\$ 89.3	\$ 525.8
5 Capital Improvement Program (a)	175.0	240.0	255.0	280.0	235.0	185.0	180.0	135.0	115.0	160.0	255.0	280.0	2,320.0
6 Total Funding Requirements	\$ 186.8	\$ 251.8	\$ 270.4	\$ 295.3	\$ 248.3	\$ 198.4	\$ 192.9	\$ 223.2	\$ 203.5	\$ 248.7	\$ 344.0	\$ 369.3	\$ 2,845.8
Funding Sources													
<u>GLWA Regional System Improvement and Extension Account</u>													
7 Beginning Balance	\$ 165.4	\$ 173.3	\$ 180.3	\$ 181.2	\$ 166.8	\$ 170.2	\$ 179.9	\$ 210.8	\$ 193.3	\$ 198.6	\$ 203.5	\$ 196.3	\$ 173.3
8 Transfers from Sewer Receiving	52.2	54.8	54.6	56.9	63.6	78.6	97.8	111.2	128.4	141.6	158.4	177.4	1,123.2
9 Available from I&E Fund	217.7	228.1	234.9	238.1	230.4	248.8	277.7	322.0	321.6	340.2	361.8	373.7	
<u>Construction Fund</u>													
10 Beginning Balance	147.4	148.7	108.6	139.0	129.1	103.7	116.3	138.3	144.3	176.2	243.6	262.0	148.7
Bond Issues													
11 Sewer System Revenue Bonds	101.0	26.0	76.0	65.0	39.0	51.0	73.0	79.0	111.0	178.0	195.0	133.0	
12 Less: Issuance Expenses	(0.8)	(0.2)	(0.6)	(0.5)	(0.3)	(0.4)	(0.5)	(0.6)	(0.8)	(1.3)	(1.5)	(1.0)	
13 Net Bond Proceeds Available	100.2	25.8	75.4	64.5	38.7	50.6	72.5	78.4	110.2	176.7	193.5	132.0	1,018.3
14 State CWSRF Financing	52.9	102.6	159.6	140.7	121.6	89.1	73.2	19.9	-	-	-	-	706.8
15 Grants and Contributions	23.2	33.6	10.2	6.6	-	-	-	-	-	-	-	-	50.4
16 Investment Income	3.9	1.8	2.0	2.2	2.3	2.3	2.4	2.2	2.3	2.7	3.4	3.5	27.0
17 Available from Construction Fund	327.7	312.6	355.8	353.1	291.7	245.8	264.3	238.8	256.7	355.6	440.5	397.5	
18 Total Funding Sources Available	\$ 545.4	\$ 540.7	\$ 590.7	\$ 591.2	\$ 522.1	\$ 494.5	\$ 542.0	\$ 560.7	\$ 578.3	\$ 695.8	\$ 802.4	\$ 771.3	\$ 3,247.8
Projected Use of Funding Sources													
19 I&E Funds - Capital Outlay	\$ 11.8	\$ 11.8	\$ 15.4	\$ 15.3	\$ 13.3	\$ 13.4	\$ 12.9	\$ 88.2	\$ 88.5	\$ 88.7	\$ 89.0	\$ 89.3	\$ 525.8
20 I&E Funds - Capital Projects	26.3	36.0	38.3	56.0	47.0	55.5	54.0	40.5	34.5	48.0	76.5	84.0	570.3
21 Construction Fund - Capital Projects	148.8	204.0	216.8	224.0	188.0	129.5	126.0	94.5	80.5	112.0	178.5	196.0	1,749.8
22 Total Projected Use of Funding Sources	\$ 186.8	\$ 251.8	\$ 270.4	\$ 295.3	\$ 248.3	\$ 198.4	\$ 192.9	\$ 223.2	\$ 203.5	\$ 248.7	\$ 344.0	\$ 369.3	\$ 2,845.8
Funding Sources Available for Future Capital Projects													
23 Improvement & Extension Fund	\$ 179.6	\$ 180.3	\$ 181.2	\$ 166.8	\$ 170.2	\$ 179.9	\$ 210.8	\$ 193.3	\$ 198.6	\$ 203.5	\$ 196.3	\$ 200.4	
24 Construction Fund	179.0	108.6	139.0	129.1	103.7	116.3	138.3	144.3	176.2	243.6	262.0	201.5	
25 Total Funding Sources Available for Future Capital Projects	\$ 358.6	\$ 288.9	\$ 320.2	\$ 295.9	\$ 273.9	\$ 296.1	\$ 349.1	\$ 337.5	\$ 374.9	\$ 447.1	\$ 458.4	\$ 402.0	

(a) For projected funding requirements the projected CIP spend is rounded up to nearest \$5M

Table 10 – GLWA Regional Sewer System Projected Statement of Revenues, Expenses and Changes in Net Position

	Projected (\$ millions)										
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
1 Operating Revenues	\$ 530.3	\$ 552.7	\$ 577.6	\$ 603.5	\$ 630.7	\$ 659.0	\$ 688.3	\$ 719.1	\$ 751.3	\$ 784.9	\$ 819.8
Operating Expenses											
2 Operating Expenses before Depreciation	236.5	236.7	247.3	257.3	266.0	270.6	276.6	282.2	287.8	293.6	299.4
3 Depreciation Expense	145.9	144.0	147.6	155.4	155.8	153.8	163.7	185.7	204.1	221.5	246.7
4 Amortization of Intangible Assets	2.0	2.0	2.0	1.7	1.2	0.4	0.0	-	-	-	-
5 Total Operating Expenses	384.5	382.8	396.9	414.4	423.0	424.9	440.3	467.9	491.9	515.1	546.2
6 Operating Income	145.9	170.0	180.6	189.2	207.7	234.1	248.0	251.2	259.4	269.8	273.6
Nonoperating Revenues (Expenses)											
7 Earnings on Investments	15.8	12.5	12.4	13.2	15.2	15.1	13.1	13.1	13.9	14.9	15.1
8 Interest Income on Other Receivables	14.8	14.3	14.9	15.5	16.3	16.3	15.4	14.4	13.3	12.1	10.8
9 Interest Expense	(136.0)	(134.2)	(135.7)	(136.0)	(134.9)	(132.7)	(129.9)	(126.3)	(122.6)	(121.8)	(121.0)
10 Amortization of Debt Related Items	11.3	11.3	11.7	11.5	11.2	12.1	12.9	12.7	11.5	8.8	8.9
11 Legacy Pension Expense	6.5	(6.7)	0.4	1.2	0.3	0.5	0.7	0.8	0.9	1.1	1.3
12 WRAP	(2.6)	(2.7)	(2.9)	(3.0)	(3.1)	(3.3)	(3.4)	(3.6)	(3.7)	(3.9)	(4.1)
13 Other (includes loan forgiveness)	24.7	9.9	6.3	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
14 Total Nonoperating Expenses	(65.4)	(95.7)	(92.8)	(97.8)	(95.3)	(92.2)	(91.5)	(89.1)	(87.1)	(89.2)	(89.3)
15 Income Before Capital Contributions	80.5	74.2	87.8	91.4	112.4	141.9	156.5	162.2	172.3	180.6	184.4
16 Capital Contributions	66.7	15.6	-	-	-	-	-	-	-	-	-
17 Change in Net Position	147.2	89.8	87.8	91.4	112.4	141.9	156.5	162.2	172.3	180.6	184.4
18 Net Position (Deficit), Beginning of Year	12.0	159.2	249.0	336.8	428.2	540.5	682.4	838.9	1,001.1	1,173.3	1,353.9
19 Net Position (Deficit), End of Year	\$ 159.2	\$ 249.0	\$ 336.8	\$ 428.2	\$ 540.5	\$ 682.4	\$ 838.9	\$1,001.1	\$1,173.3	\$1,353.9	\$1,538.3

Table 11 – GLWA Regional Sewer System Projected Cash and Investment Balances

		Projected (\$ millions)										
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Unrestricted Funds												
<u>Receiving Fund (Regional)</u>												
1	Beginning Balance	\$ 69.2	\$ 65.8	\$ 64.8	\$ 67.0	\$ 69.5	\$ 71.1	\$ 72.4	\$ 74.2	\$ 76.0	\$ 78.6	\$ 81.0
2	Investment Earnings	7.4	5.4	5.2	5.4	6.3	6.3	5.7	5.3	5.5	5.6	5.5
3	Receipts	530.3	552.7	577.6	603.5	630.7	659.0	688.3	719.1	751.3	784.9	819.8
4	MBO Transfers	(486.4)	(504.6)	(523.6)	(542.8)	(556.8)	(566.2)	(581.0)	(594.3)	(612.6)	(629.8)	(645.7)
5	I&E Transfers Out	(54.8)	(54.6)	(56.9)	(63.6)	(78.6)	(97.8)	(111.2)	(128.4)	(141.6)	(158.4)	(177.4)
6	Ending Balance Receiving	65.8	64.8	67.0	69.5	71.1	72.4	74.2	76.0	78.6	81.0	83.2
<u>O&M Fund (Regional)</u>												
7	Beginning Balance	65.9	68.0	69.5	70.9	72.6	74.5	76.3	77.8	79.4	81.0	82.6
8	Investment Earnings	2.0	1.5	1.5	1.6	1.9	1.9	1.5	1.6	1.6	1.6	1.7
9	Working Capital Needs	-	-	-	-	-	-	-	-	-	-	-
10	Ending Balance O&M	68.0	69.5	70.9	72.6	74.5	76.3	77.8	79.4	81.0	82.6	84.3
<u>ER&R Fund</u>												
11	Beginning Balance	44.5	45.8	46.9	47.8	48.9	50.6	51.9	53.0	54.3	55.7	57.3
12	Investment Earnings	1.4	1.0	1.0	1.1	1.3	1.3	1.0	1.1	1.1	1.1	1.1
13	MBO Transfers	-	-	-	-	0.4	-	0.1	0.2	0.4	0.4	0.4
14	Ending Balance ER&R	45.8	46.9	47.8	48.9	50.6	51.9	53.0	54.3	55.7	57.3	58.8
<u>I&E Fund (Regional)</u>												
15	Beginning Balance	173.3	180.3	181.2	166.8	170.2	179.9	210.8	193.3	198.6	203.5	196.3
16	Budgeted Capital Outlay	(11.8)	(15.4)	(15.3)	(13.3)	(13.4)	(12.9)	(88.2)	(88.5)	(88.7)	(89.0)	(89.3)
17	Transfer to Construction Fund	(36.0)	(38.3)	(56.0)	(47.0)	(55.5)	(54.0)	(40.5)	(34.5)	(48.0)	(76.5)	(84.0)
18	Deposits from Revenues	54.8	54.6	56.9	63.6	78.6	97.8	111.2	128.4	141.6	158.4	177.4
19	Ending Balance I&E	180.3	181.2	166.8	170.2	179.9	210.8	193.3	198.6	203.5	196.3	200.4
20	Total Unrestricted Funds	\$359.9	\$362.3	\$352.6	\$361.2	\$376.1	\$411.3	\$398.3	\$408.3	\$418.8	\$417.2	\$426.7
21	Days Cash on Hand	553	556	518	511	515	554	526	528	531	519	520
Restricted Funds												
<u>Receiving Fund (Local System) -Cash held fbo DWSD</u>												
22	Beginning Balance	33.8	33.8	33.8	33.8	33.8	33.8	33.8	33.8	33.8	33.8	33.8
23	Receipts	314.6	328.9	345.3	362.3	380.2	399.1	418.9	439.7	461.5	484.4	508.5
24	MBO Transfers	(313.4)	(326.4)	(340.9)	(356.5)	(373.7)	(391.1)	(408.0)	(425.2)	(442.8)	(461.2)	(480.3)
25	I&E Transfers to Local System	(1.2)	(2.5)	(4.4)	(5.8)	(6.5)	(8.0)	(10.9)	(14.5)	(18.7)	(23.2)	(28.2)
26	Ending Balance Receiving	33.8	33.8	33.8	33.8	33.8	33.8	33.8	33.8	33.8	33.8	33.8
27	Debt Service Fund *	19.2	22.2	25.8	30.5	25.4	26.3	28.6	29.3	29.7	29.4	26.3
28	Construction Fund (Regional System)	108.6	139.0	129.1	103.7	116.3	138.3	144.3	176.2	243.6	262.0	201.5
29	Budget Stabilization Fund	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
30	WRAP	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
31	Total Restricted Funds	\$168.2	\$201.6	\$195.3	\$174.6	\$182.1	\$205.0	\$213.3	\$245.9	\$313.6	\$331.8	\$268.2
32	Total Unrestricted and Restricted Funds	\$528.1	\$563.9	\$547.9	\$535.7	\$558.1	\$616.3	\$611.6	\$654.3	\$732.5	\$749.0	\$694.9

* The balance in the Debt Service Fund is net of the July 1st payment that is paid the day after the year end.

Table 12 – GLWA Regional Sewer System Projected Metrics

Metric	Metric Target Range	Projected (\$ millions)												
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036		
Operating Margin														
1		\$ 147.9	\$ 146.0	\$ 149.6	\$ 157.1	\$ 157.0	\$ 154.3	\$ 163.7	\$ 185.7	\$ 204.1	\$ 221.5	\$ 246.7		
2		\$ 384.5	\$ 382.8	\$ 396.9	\$ 414.4	\$ 423.0	\$ 424.9	\$ 440.3	\$ 467.9	\$ 491.9	\$ 515.1	\$ 546.2		
3		\$ 145.9	\$ 170.0	\$ 180.6	\$ 189.2	\$ 207.7	\$ 234.1	\$ 248.0	\$ 251.2	\$ 259.4	\$ 269.8	\$ 273.6		
4	Margin %	<25%	25%	40%	27.5%	30.7%	31.3%	31.3%	32.9%	35.5%	36.0%	34.9%	34.5%	34.4%
Regional Revenue Allocation														
5	O&M		43.6%	42.2%	42.3%	42.0%	41.4%	40.4%	39.6%	38.7%	37.7%	36.9%	36.0%	
6	Debt Service	>40%	40%	33%	39.7%	41.5%	41.2%	41.0%	40.1%	39.1%	38.8%	38.2%	38.3%	38.0%
7	Non-Operating Expense		6.6%	6.6%	6.8%	6.6%	6.3%	5.9%	5.7%	5.5%	5.4%	5.2%	5.0%	
8	Capital Financing		<u>10.1%</u>	<u>9.7%</u>	<u>9.7%</u>	<u>10.4%</u>	<u>12.2%</u>	<u>14.6%</u>	<u>15.9%</u>	<u>17.6%</u>	<u>18.6%</u>	<u>19.9%</u>	<u>21.3%</u>	
9	Total		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Other Metrics														
10	Days Cash	<400	400	500	553	556	518	511	515	554	526	528	531	519
11	Net Position	<150	150	250	\$ 159.2	\$ 249.0	\$ 336.8	\$ 428.2	\$ 540.5	\$ 682.4	\$ 838.9	\$1,001.1	\$1,173.3	\$1,353.9
12	Net Fixed Asset/Depreciation	<12	12	25	17	18	19	19	19	19	17	15	15	14

COMBINED REGIONAL AND LOCAL SYSTEMS PROJECTION

Combined Regional and Local Systems Ten Year Projection Assumptions

The tables in this section reflect the projection of the combined regional and local systems consistent with the Master Bond Ordinance (MBO) Flow of Funds. It includes the projections from the previous tables for the regional system and the assumptions for those tables. The projections and assumptions applied for the Local Water System have been developed in consultation with DWSD and align with the long-term forecast provided by DWSD.

The DWSD Board of Water Commissioners approved the two-year operating budgets for Fiscal Years 2026-27 and 2027-28 for the Water Operating Fund and the Sewage Disposal Operating Fund on March 18, 2026 ([Resolution 2026-65](#)). The DWSD Rates and Fees consistent with the FY 2026-2027 Revenue Requirements were approved on March 24, 2026 ([Resolution 2026-66](#)). The Five-Year Capital Improvement Plan for FY 2027 to 2031 for the DWSD Water Supply System and the Sewage Disposal System was approved April 15, 2026 ([Resolution 2026-81](#)).

DWSD Local System Assumptions

The DWSD budget included annual increases in revenues from retail water rates of 5.5% in FY 2026 and 5.9% in FY 2027. The DWSD projections included annual increases in revenues from retail water rates of 6.0% in FY 2028 and FY 2029, 6.5% from FY 2030 through FY 2033, and 6.0% thereafter through FY 2036. The Local System retail revenues are net of retail bad debt expense that is projected to be at 10% for the forecast period. The DWSD adopted budgets include annual increases in revenue from retail sewer rates of 4.6% in FY 2026 and 4.5% in FY 2027. The projected annual increases in revenues from retail sewer rates are 5.0% for FY 2028 through FY 2036. The Local System retail revenues are net of retail bad debt expense that is projected to be at 13.8% of total retail revenues for the forecast period.

The Local System O&M expenses are projected to increase 4 percent per year from FY 2027 through FY 2033 and 5% from FY 2034 to FY 2036.

The Local System SRF loans reflect amounts based on approved loans as well as loans that have not been approved yet. If the Local System is not able to secure the SRF loans for future projects, the projects will either be on hold or alternate funding source(s) will be pursued to complete the project.

The Local System contributes an additional 1.0% of total projected revenues from the Local Retail System water rates (excluding the wholesale portion of same) to WRAP.

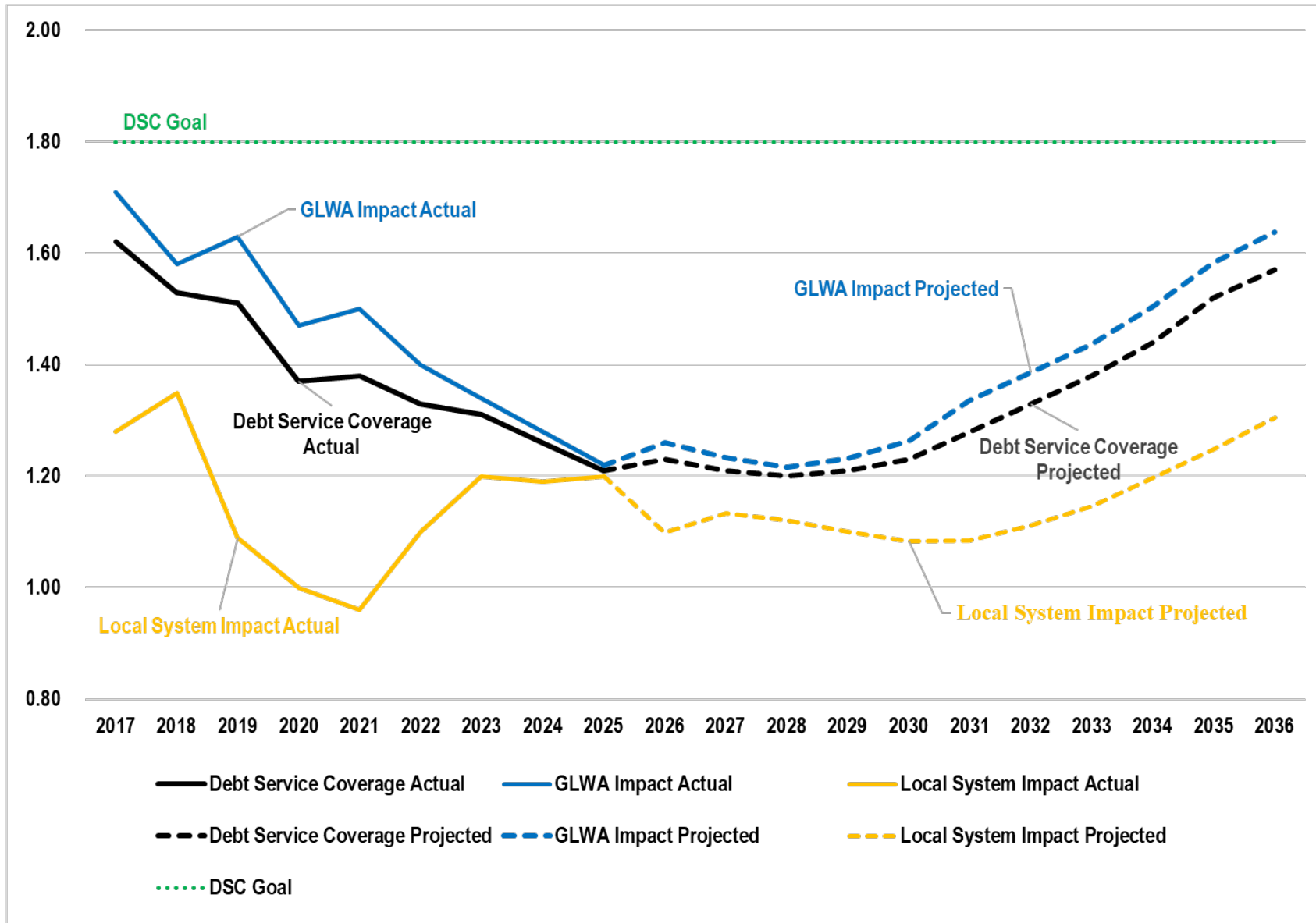
Any remaining amounts available from the local system receipts once the Local System revenue requirements are met are available for transfer to the Detroit Local System I&E Funds held within the Trust.

Combined Regional and Local Water Systems Ten Year Projection

MBO Table 1 – Combined Regional and Local Water Systems - Projected Sources of Revenue, Uses of Revenue Requirements and Debt Service Coverage

	Projected (\$ millions)											
	Adopted 2026	2026	Adopted 2027	Adopted 2028	2029	2030	2031	2032	2033	2034	2035	2036
Revenue												
GLWA Regional System Revenues												
1 Wholesale Charges	\$ 365.6	\$ 365.6	\$ 384.4	\$ 406.0	\$ 428.8	\$ 452.8	\$ 478.3	\$ 505.2	\$ 533.8	\$ 564.0	\$ 596.1	\$ 630.0
2 Charges to Local System	30.0	30.0	33.1	36.1	39.5	43.0	46.8	50.8	55.0	59.4	64.2	69.2
3 Investment Earnings	12.8	11.8	8.7	8.4	9.1	10.8	10.9	9.6	10.0	10.3	10.3	10.7
4 Other Operating Revenue	0.3	0.3	0.5	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
5 Total GLWA Revenues	408.8	407.7	426.8	450.8	477.7	506.9	536.2	565.9	599.1	634.1	670.8	710.2
DWSD Local System Revenues												
6 Local System Retail	94.1	94.1	100.1	105.1	110.2	116.4	123.0	130.1	137.6	144.7	152.2	160.2
7 Other Operating Revenue	5.1	5.1	4.0	4.2	4.3	4.5	4.7	5.0	5.2	5.5	5.7	6.0
8 Total Local System Revenues	99.3	99.3	104.1	109.2	114.5	120.9	127.7	135.0	142.8	150.2	158.0	166.3
9 Total Revenues	\$ 508.0	\$ 507.0	\$ 530.9	\$ 560.1	\$ 592.2	\$ 627.8	\$ 664.0	\$ 700.9	\$ 741.9	\$ 784.3	\$ 828.8	\$ 876.4
Revenue Requirements												
10 Operations & Maintenance Expense	\$ 232.1	\$ 233.6	\$ 246.2	\$ 255.6	\$ 263.7	\$ 269.6	\$ 277.1	\$ 283.9	\$ 291.0	\$ 298.9	\$ 307.0	\$ 315.5
Debt Service												
11 Senior Lien Bonds	153.7	146.8	157.1	175.8	192.7	206.8	214.8	223.7	224.4	241.1	270.8	176.6
12 Second Lien Bonds	50.7	56.2	58.4	59.1	59.1	62.0	61.1	62.0	72.7	64.7	41.8	148.0
13 SRF Junior Lien Bonds	19.8	19.6	19.0	19.1	20.4	22.7	25.2	27.5	30.0	30.5	31.1	31.6
14 Total Debt Service	224.3	222.6	234.5	254.0	272.3	291.4	301.1	313.3	327.1	336.3	343.7	356.2
15 General Retirement System Pension	4.7	4.7	4.5	4.3	4.2	4.2	4.1	4.1	4.0	4.0	4.2	3.9
16 WRAP Contribution	2.9	2.9	3.1	3.2	3.4	3.7	3.9	4.1	4.4	4.6	4.9	5.2
17 Extraordinary Repair & Replacement Deposit	0.3	0.3	0.2	0.6	0.3	-	-	0.2	0.2	0.3	0.3	0.3
18 Lease Payment	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5
19 Working Capital Requirement	0.6	-	0.6	5.3	5.1	5.3	3.8	4.0	4.4	3.9	3.8	4.6
20 Available for Revenue Financed Capital	20.6	20.4	19.2	14.5	20.6	31.1	51.5	68.8	88.3	113.7	142.4	168.2
21 Total Revenue Requirements	\$ 508.0	\$ 507.0	\$ 530.9	\$ 560.1	\$ 592.2	\$ 627.8	\$ 664.0	\$ 700.9	\$ 741.9	\$ 784.3	\$ 828.8	\$ 876.4
22 Pledged Revenue (Line 9 - Line 10)	\$ 275.9	\$ 273.4	\$ 284.6	\$ 304.5	\$ 328.5	\$ 358.2	\$ 386.9	\$ 417.0	\$ 450.9	\$ 485.4	\$ 521.8	\$ 560.9
Debt Service Coverage - Rate Covenant Basis												
23 Senior Lien Bonds	1.79	1.86	1.81	1.73	1.70	1.73	1.80	1.86	2.01	2.01	1.93	3.18
24 Senior and Second Lien Bonds	1.35	1.35	1.32	1.30	1.30	1.33	1.40	1.46	1.52	1.59	1.67	1.73
25 All Bonds, including SRF Junior Lien	1.23	1.23	1.21	1.20	1.21	1.23	1.28	1.33	1.38	1.44	1.52	1.57

MBO Table 2 – Combined Regional and Local Water Systems - Debt Service Coverage



MBO Table 3 – Combined Regional and Local Water Systems - Projected New Debt Issuances for CIP Funding

		Projected (\$ millions)										
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Local System												
1	New Bonds	\$ -	\$ 40.0	\$ 35.0	\$ 35.0	\$ 25.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	SRF Financing*											
2	Draws on Existing	0.1	4.1	8.3	-	-	-	-	-	-	-	-
3	New Loans	-	20.3	40.2	44.0	52.0	52.0	10.0	10.0	10.0	10.0	10.0
4	Total Local System	0.1	64.4	83.6	79.0	77.0	52.0	10.0	10.0	10.0	10.0	10.0
Regional System												
5	New Bonds	158.0	243.0	228.0	188.0	82.0	150.0	176.0	143.0	152.0	142.0	137.0
	SRF Financing*											
6	Draws on Existing	6.7	-	-	-	-	-	-	-	-	-	-
7	New Loans	-	-	-	-	-	-	-	-	-	-	-
8	Total Regional System	164.7	243.0	228.0	188.0	82.0	150.0	176.0	143.0	152.0	142.0	137.0
Combined Systems												
9	New Bonds	158.0	283.0	263.0	223.0	107.0	150.0	176.0	143.0	152.0	142.0	137.0
	SRF Financing*											
10	Draws on Existing	6.8	4.1	8.3	-	-	-	-	-	-	-	-
11	New Loans	-	20.3	40.2	44.0	52.0	52.0	10.0	10.0	10.0	10.0	10.0
12	Total New Debt	\$ 164.8	\$ 307.4	\$ 311.6	\$ 267.0	\$ 159.0	\$ 202.0	\$ 186.0	\$ 153.0	\$ 162.0	\$ 152.0	\$ 147.0

* Draws on existing loans are for loans that existed on June 30, 2025. Draws on new loans are for loans issued after June 30, 2025.

MBO Table 4 – Combined Regional and Local Water Systems – Projected Financial Metrics

Metric	Metric Target Range	Projected (\$ millions)													
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036			
Debt Service Coverage															
1	Net Revenue - Regional System	\$ 223.8	\$ 233.2	\$ 250.1	\$ 271.1	\$ 296.8	\$ 321.0	\$ 346.4	\$ 375.2	\$ 405.7	\$ 437.9	\$ 472.6			
2	Net Revenue - Local System	49.6	51.4	54.4	57.4	61.4	65.8	70.6	75.8	79.7	83.9	88.4			
3	Total Net Revenues	\$ 273.4	\$ 284.6	\$ 304.5	\$ 328.5	\$ 358.2	\$ 386.9	\$ 417.0	\$ 450.9	\$ 485.4	\$ 521.8	\$ 560.9			
4	Debt Service Coverage	<1.25	1.25	1.70	1.23	1.21	1.20	1.21	1.23	1.28	1.33	1.38	1.44	1.52	1.57
5	Sr. Lien Debt Service Coverage	<1.50	1.50	2.00	1.86	1.81	1.73	1.70	1.73	1.80	1.86	2.01	2.01	1.93	3.18
Debt to Operating Revenue															
6	Operating Revenue	\$ 507.0	\$ 530.9	\$ 560.1	\$ 592.2	\$ 627.8	\$ 664.0	\$ 700.9	\$ 741.9	\$ 784.3	\$ 828.8	\$ 876.4			
7	Debt Balance without additions	\$2,691.7	\$2,729.2	\$2,900.0	\$3,065.6	\$3,173.6	\$3,164.5	\$3,188.4	\$3,185.1	\$3,140.2	\$3,097.8	\$3,032.6			
8	Debt Additions	164.8	307.4	311.6	267.0	159.0	202.0	186.0	153.0	162.0	152.0	147.0			
9	Outstanding Debt *	\$2,856.5	\$3,036.6	\$3,211.6	\$3,332.6	\$3,332.6	\$3,366.5	\$3,374.4	\$3,338.1	\$3,302.2	\$3,249.8	\$3,179.6			
10	Debt to Operating Revenue	>7.00	7.00	4.00	5.63	5.72	5.73	5.63	5.31	5.07	4.81	4.50	4.21	3.92	3.63

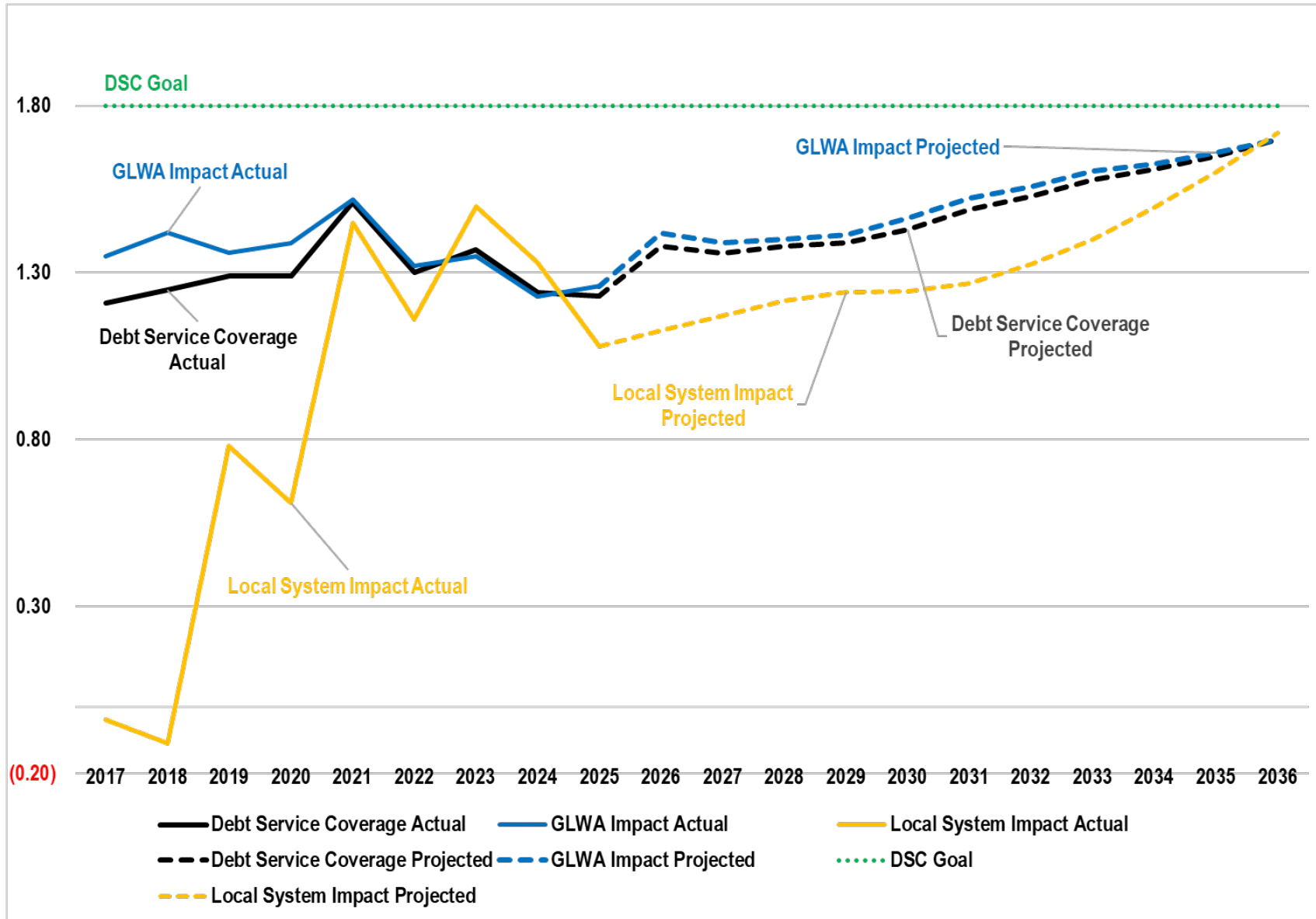
* Outstanding debt balance is net of July 1st payments made after the fiscal year end of June 30th, as funds have already been set aside for the July 1st payments during the previous fiscal year.

Combined Regional and Local Sewage Disposal System Ten Year Projection

MBO Table 5 – Combined Regional and Local Sewage Disposal Systems - Projected Sources of Revenue, Uses of Revenue Requirements and Debt Service Coverage

	Projected (\$ millions)											
	Adopted 2026	2026	Adopted 2027	Adopted 2028	2029	2030	2031	2032	2033	2034	2035	2036
Revenue												
GLWA Regional System Revenues												
1 Wholesale Charges	\$ 300.3	\$ 300.3	\$ 312.3	\$ 326.6	\$ 341.0	\$ 356.1	\$ 371.9	\$ 388.2	\$ 405.3	\$ 423.2	\$ 441.9	\$ 461.4
2 Charges to Local System	215.3	215.3	225.3	235.2	246.1	257.4	269.2	281.5	294.3	307.7	321.7	336.3
3 Industrial Waste Charges	9.2	9.2	9.5	9.9	10.4	10.9	11.3	11.8	12.4	12.9	13.5	14.1
4 Pollutant Surcharges	5.1	5.1	5.1	5.3	5.6	5.8	6.1	6.4	6.7	7.0	7.3	7.6
5 Investment Earnings	14.6	14.1	10.5	10.2	10.9	12.9	12.7	11.0	10.8	11.2	11.5	11.6
6 Other Operating Revenue	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
7 Total GLWA Revenues	545.0	544.4	563.2	587.8	614.5	643.5	671.8	699.3	729.9	762.5	796.3	831.4
DWSD Local System Revenues												
8 Local System Retail	88.1	88.1	93.6	99.7	105.6	111.9	118.5	125.7	133.2	141.2	149.6	158.6
9 Other Operating Revenue	8.3	8.3	7.0	7.3	7.6	7.9	8.3	8.7	9.1	9.6	10.0	10.6
10 Total Local System Revenues	96.4	96.4	100.6	107.0	113.2	119.8	126.8	134.4	142.3	150.7	159.7	169.1
11 Total Revenues	\$ 641.3	\$ 640.8	\$ 663.8	\$ 694.7	\$ 727.7	\$ 763.3	\$ 798.6	\$ 833.7	\$ 872.3	\$ 913.2	\$ 956.0	\$ 1,000.5
Revenue Requirements												
12 Operations & Maintenance Expense	\$ 296.2	\$ 297.7	\$ 300.5	\$ 313.7	\$ 326.2	\$ 337.3	\$ 344.9	\$ 353.3	\$ 361.9	\$ 371.6	\$ 381.7	\$ 392.0
Debt Service												
13 Senior Lien Bonds	158.6	154.3	163.9	168.0	174.7	168.7	176.2	194.6	195.4	126.5	93.4	104.3
14 Second Lien Bonds	56.4	56.6	60.3	60.1	53.9	65.6	64.5	51.1	55.5	136.1	180.9	183.7
15 SRF Junior Lien Bonds	38.1	37.6	42.0	48.7	59.8	62.8	64.0	69.3	72.9	73.7	73.1	69.4
16 Total Debt Service	253.1	248.4	266.2	276.8	288.4	297.2	304.8	315.0	323.8	336.4	347.4	357.4
17 General Retirement System Pension	7.1	7.1	6.7	6.3	6.3	6.2	6.1	6.0	5.9	5.8	6.2	6.0
18 WRAP Contribution	4.1	4.1	4.2	4.4	4.7	4.9	5.1	5.4	5.6	5.9	6.2	6.5
19 Extraordinary Repair & Replacement Deposit	-	-	-	-	-	0.4	-	0.1	0.2	0.4	0.4	0.4
20 Lease Payment	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5
21 Working Capital Requirement	-	-	1.5	4.7	5.2	4.8	4.4	4.4	4.4	5.3	5.1	5.0
22 Available for Revenue Financed Capital	53.3	56.0	57.1	61.3	69.4	85.1	105.8	122.1	142.8	160.3	181.5	205.6
23 Total Revenue Requirements	\$ 641.3	\$ 640.8	\$ 663.8	\$ 694.7	\$ 727.7	\$ 763.3	\$ 798.6	\$ 833.7	\$ 872.3	\$ 913.2	\$ 956.0	\$ 1,000.5
24 Pledged Revenue (Line 11 - Line 12)	\$ 345.1	\$ 343.1	\$ 363.3	\$ 381.0	\$ 401.5	\$ 426.0	\$ 453.7	\$ 480.4	\$ 510.3	\$ 541.5	\$ 574.3	\$ 608.5
Debt Service Coverage Rate Covenant Basis												
25 Senior Lien Bonds	2.18	2.22	2.22	2.27	2.30	2.52	2.58	2.47	2.61	4.28	6.15	5.83
26 Senior and Second Lien Bonds	1.61	1.63	1.62	1.67	1.76	1.82	1.88	1.96	2.03	2.06	2.09	2.11
27 All Bonds, including SRF	1.36	1.38	1.36	1.38	1.39	1.43	1.49	1.53	1.58	1.61	1.65	1.70

MBO Table 6 – Combined Regional and Local Sewage Disposal Systems - Debt Service Coverage



MBO Table 7 – Combined Regional and Local Sewage Disposal Systems - Projected New Debt Issuances for CIP Funding

		Projected (\$ millions)										
		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Local System												
1	New Bonds	\$ -	\$ 25.0	\$ 25.0	\$ 30.0	\$ 15.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	SRF Financing*											
2	Draws on Existing	2.7	6.0	2.8	-	-	-	-	-	-	-	-
3	New Loans	-	4.2	18.8	29.6	31.2	24.0	-	-	-	-	-
4	Total Local System	2.7	35.2	46.6	59.6	46.2	24.0	-	-	-	-	-
Regional System												
5	New Bonds	26.0	76.0	65.0	39.0	51.0	73.0	79.0	111.0	178.0	195.0	133.0
	SRF Financing*	-	-	-	-	-	-	-	-	-	-	-
6	Draws on Existing	102.6	131.7	91.9	57.1	58.1	52.5	11.7	-	-	-	-
7	New Loans	0.0	27.9	48.8	64.5	31.0	20.8	8.3	8.8	-	-	-
8	Total Regional System	128.6	235.6	205.7	160.6	140.1	146.2	98.9	119.8	178.0	195.0	133.0
Combined Systems												
9	New Bonds	26.0	101.0	90.0	69.0	66.0	73.0	79.0	111.0	178.0	195.0	133.0
	SRF Financing*											
10	Draws on Existing	105.3	137.7	94.7	57.1	58.1	52.5	11.7	-	-	-	-
11	New Loans	0.0	32.1	67.6	94.1	62.2	44.8	8.3	8.8	-	-	-
12	Total New Debt	\$ 131.3	\$ 270.8	\$ 252.3	\$ 220.2	\$ 186.3	\$ 170.2	\$ 98.9	\$ 119.8	\$ 178.0	\$ 195.0	\$ 133.0

** Draws on existing loans are for loans that existed on June 30, 2025. Draws on new loans are for loans issued after June 30, 2025.*

LOCAL SYSTEM CAPITAL IMPROVEMENT PLAN PROJECTIONS

Local System Projection Information

The following tables were used to project the new bond issue financing needs for the local system which is included in the MBO Flow of Funds Projection section MBO Table 3 and MBO Table 7. The Local Water System projections have been developed in consultation with DWSD and align with the long-term forecast provided by DWSD.

Local Table 1 – Local Water System Capital Improvement Plan Projected Funding Sources

	Adopted	Projected (\$ millions)												
	2026	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total	
Funding Requirements														
1	DWSD Local System CIP	\$ 115.3	\$ 115.3	\$ 109.2	\$ 142.1	\$ 141.7	\$ 144.2	\$ 127.3	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	
2	Execution Factor	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	
3	Projected Local System CIP Spend	\$ 92.2	\$ 92.2	\$ 87.4	\$ 113.6	\$ 113.4	\$ 115.4	\$ 101.9	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 823.8	
Funding Sources														
<u>DWSD Local System Improvement and Extension Fund</u>														
4	Beginning Balance	\$ 24.5	\$ 24.5	\$ 23.4	\$ 13.4	\$ 18.3	\$ 15.2	\$ 11.6	\$ 13.7	\$ 10.7	\$ 10.2	\$ 13.0	\$ 19.2	\$ 24.5
5	Deposits from Lease Payment	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	22.5	247.5
6	GLWA Reimbursement	0.4	0.4	0.1	1.1	0.2	0.2	0.3	-	-	-	-	-	2.4
7	State DWSRF Financing	8.0	0.1	24.4	48.6	44.0	52.0	52.0	10.0	10.0	10.0	10.0	10.0	271.0
8	Grant Reimbursements	27.7	35.6	10.5	6.9	-	-	-	-	-	-	-	-	52.9
9	Investment Income	0.4	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	5.4
10	Interfund Transfer	-	-	(7.0)	7.0	-	-	-	-	-	-	-	-	-
11	Revenue Financed Capital	1.5	1.6	3.1	2.9	2.3	1.7	2.0	4.0	6.5	9.8	13.3	17.3	64.5
12	Available from I&E Fund	85.0	85.0	77.4	102.9	87.8	92.2	89.0	50.7	50.2	53.0	59.2	69.5	
<u>Construction Bond Funds</u>														
13	Beginning Balance	63.0	63.0	17.0	41.6	41.5	36.8	27.9	1.6	1.8	2.0	2.2	2.4	63.0
14	Bond Proceeds	-	-	40.0	35.0	35.0	25.0	-	-	-	-	-	-	135.0
15	Interfund Transfer	-	-	7.0	(7.0)	-	-	-	-	-	-	-	-	-
16	Investment Income	3.0	3.0	1.0	1.0	1.0	1.0	0.2	0.2	0.2	0.2	0.2	0.2	8.2
17	Available from Construction Fund	66.0	66.0	65.0	70.6	77.5	62.8	28.1	1.8	2.0	2.2	2.4	2.6	
18	Total Financing Sources Available	\$ 151.0	\$ 151.0	\$ 142.4	\$ 173.5	\$ 165.3	\$ 154.9	\$ 117.1	\$ 52.5	\$ 52.1	\$ 55.1	\$ 61.6	\$ 72.1	\$ 874.4
Projected Use of Funding Sources														
19	I&E Funds - Capital Projects	\$ 61.6	\$ 61.6	\$ 64.0	\$ 84.6	\$ 72.6	\$ 80.5	\$ 75.3	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 638.6
20	Construction Fund - Capital Projects	30.6	49.0	23.4	29.1	40.8	34.8	26.6	-	-	-	-	-	203.6
21	Total Projected Use of Funding Sources	\$ 92.2	\$ 110.6	\$ 87.4	\$ 113.6	\$ 113.4	\$ 115.4	\$ 101.9	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 842.2
Funding Sources Available for Future Capital Projects														
22	Improvement & Extension Fund	\$ 23.4	\$ 23.4	\$ 13.4	\$ 18.3	\$ 15.2	\$ 11.6	\$ 13.7	\$ 10.7	\$ 10.2	\$ 13.0	\$ 19.2	\$ 29.5	
23	Construction Bond Funds	35.4	17.0	41.6	41.5	36.8	27.9	1.6	1.8	2.0	2.2	2.4	2.6	
24	Total Funding Sources Available for Future Capital Projects	\$ 58.8	\$ 40.4	\$ 55.0	\$ 59.8	\$ 52.0	\$ 39.6	\$ 15.3	\$ 12.5	\$ 12.1	\$ 15.1	\$ 21.6	\$ 32.1	

Local Table 2 – Local Sewer System Capital Improvement Plan Projected Funding Sources

	Adopted	Projected (\$ millions)											Total	
	2026	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036		
Funding Requirements														
1	DWSD Local System CIP	\$ 159.7	\$ 159.7	\$ 124.5	\$ 202.4	\$ 176.8	\$ 159.1	\$ 121.6	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	
2	Execution Factor	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	
3	Projected Local System CIP Spend	\$ 127.7	\$ 127.7	\$ 99.6	\$ 161.9	\$ 141.4	\$ 127.3	\$ 97.3	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 955.3
Funding Sources														
<u>DWSD Local System Improvement and Extension Account</u>														
4	Beginning Balance	\$ 38.5	\$ 38.5	\$ 39.2	\$ 39.6	\$ 33.7	\$ 35.7	\$ 48.5	\$ 58.9	\$ 57.8	\$ 60.2	\$ 66.9	\$ 78.1	\$ 38.5
5	Deposits from Lease Payment	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	27.5	302.5
6	GLWA Reimbursement	0.4	0.4	0.1	1.1	0.2	0.2	0.3	-	-	-	-	-	2.4
7	State CWSRF Financing	8.0	2.7	10.2	21.6	29.6	31.2	24.0	-	-	-	-	-	119.3
8	State CWSRF Loan Forgiveness	4.1	2.2	-	-	-	-	-	-	-	-	-	-	2.2
9	Grant Reimbursements	67.3	74.4	37.0	72.4	53.0	45.6	30.0	-	-	-	-	-	312.4
10	Investment Income	0.8	0.8	1.0	1.0	1.0	1.0	1.0	0.5	0.5	0.5	0.5	0.5	8.3
11	Revenue Financed Capital	1.1	1.2	2.5	4.4	5.8	6.5	8.0	10.9	14.5	18.7	23.2	28.2	123.9
12	Available from I&E Fund	147.7	147.7	117.5	167.6	150.8	147.8	139.3	97.8	100.2	106.9	118.1	134.3	
<u>Construction Bond Funds</u>														
13	Beginning Balance	43.0	43.0	25.3	29.5	27.0	31.6	19.1	2.4	2.5	2.6	2.7	2.8	43.0
14	Bond Proceeds	-	-	25.0	25.0	30.0	15.0	-	-	-	-	-	-	95.0
15	Investment Income	1.5	1.5	1.0	0.5	1.0	0.5	0.1	0.1	0.1	0.1	0.1	0.1	5.1
16	Available from Construction Fund	44.5	44.5	51.3	55.0	58.0	47.1	19.2	2.5	2.6	2.7	2.8	2.9	
17	Total Funding Sources Available	\$ 192.2	\$ 192.2	\$ 168.8	\$ 222.6	\$ 208.8	\$ 194.9	\$ 158.6	\$ 100.3	\$ 102.9	\$ 109.7	\$ 121.0	\$ 137.3	\$1,052.6
Projected Use of Funding Sources														
18	I&E Funds - Capital Projects	\$ 108.5	\$ 108.5	\$ 77.9	\$ 133.9	\$ 115.0	\$ 99.3	\$ 80.5	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 815.1
19	Construction Fund - Capital Projects	19.2	19.2	21.8	28.0	26.4	28.0	16.8	-	-	-	-	-	140.2
20	Total Projected Use of Funding Sources	\$ 127.7	\$ 127.7	\$ 99.6	\$ 161.9	\$ 141.4	\$ 127.3	\$ 97.3	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 40.0	\$ 955.3
Funding Sources Available for Future Capital Projects														
21	Improvement & Extension Fund	\$ 39.2	\$ 39.2	\$ 39.6	\$ 33.7	\$ 35.7	\$ 48.5	\$ 58.9	\$ 57.8	\$ 60.2	\$ 66.9	\$ 78.1	\$ 94.3	
22	Construction Bond Funds	25.3	25.3	29.5	27.0	31.6	19.1	2.4	2.5	2.6	2.7	2.8	2.9	
23	Total Funding Sources Available for Future Capital Projects	\$ 64.5	\$ 64.5	\$ 69.2	\$ 60.7	\$ 67.4	\$ 67.6	\$ 61.3	\$ 60.3	\$ 62.9	\$ 69.7	\$ 81.0	\$ 97.3	