



Memorandum

To: HONORABLE BOARD OF DIRECTORS

From: Sue McCormick, CEO

CC: William M. Wolfson, CACO

Date: October 8, 2018

RE: EXPLANATION OF CEO OCTOBER 2018 KPIs – “RED, YELLOW, GREEN REPORT

OVERVIEW: As you will notice this months KPI report has added additional metrics. In the Financial Viability attribute area, we have added new slides measuring DWSD Water System cashflow, slide 8, DWSD sewer system cashflow, slide 9, GLWA water system cashflow, slide 10, and GLWA Sewer System cashflow, slide 11. We have also added a Financial Viability slide, slide 12 reflecting the number of days between receipt of a vendor invoice and payment of that invoice. We have also added a slide in the Financial Viability area, slide 13, measuring our spending on capital projects against projections for the Fiscal Year. Finally, in the Operational Optimization attribute area, we have added a slide, slide 23, illustrating the number of invoices paid and the percentage of those invoices paid within 45 days. As appropriate, we will be adding “red, yellow, and green metrics for these new KPIs starting next month.

This month there are no “red”, one “white”, and three “yellow” indicators. Two of the three “yellow” indicators within our Information Technology services. This month, our Wide Area Network connectivity was at 99.98%. While we have made significant progress towards meeting our Wide Area Network connectivity goal and our connectivity has been consistently well over 99% for some months, the metric remains “yellow.” In addition, over the past few months we have seen a slight decline in our ability to close service incidents within 24 hours causing that measure to be “yellow”. We are making changes to our workflow to address this performance lag. Finally, our cyber-security measure is “white” this month as we have just begun a new session of Security Mentor training and have no results to report.

As is often the case early in the Fiscal Year, we did not meet our goal of keeping our effluent phosphorus concentration 20% below our National Pollution Discharge Elimination System (NPDES) permitted levels causing the measure to be “yellow.”

Discussion of specific results on next page

EUM Attribute	Measure	Significance	Criteria	Status
Enterprise Resiliency	GLWA will meet the service sector standard by resolving at least 68% of Incidents reported to the Service Desk within 24 hours of receipt.	Rapid Incident response promotes Employee Productivity	Green = 68% Yellow = 55% to <68% Red = 55%	YELLOW

Explanation and Responsive Actions: This metric measures GLWA’s ability to respond rapidly to technology incidents. The incident closure rate dipped to 62.5% below the standard of 68%. To address this issue, the service delivery team is undergoing a workflow change to include additional troubleshooting at the first level to ensure customers’ issues are correctly categorized and assigned. This change should not only return the incident closure rate to service sector standards but should increase customer satisfaction as well.

EUM Attribute	Measure	Significance	Criteria	Status
Enterprise Resiliency	All GLWA sites (59) with Wide Area Network (WAN) connections will have 100% availability excluding schedule down time for maintenance.	Network Connectivity promotes Employee Productivity.	<i>Green = 100%</i> <i>Yellow >=99.50% and <100%</i> <i>Red <99.50%</i>	YELLOW

Explanation and Responsive Actions: The above Information Technology metrics support communication ability necessary in supporting employee productivity, workflow optimization, and enterprise integration. As we have indicated previously, this is an extremely difficult aspirational goal to achieve, in September 2018, we had a connectivity rate of 99.98% one of our highest ever. While the measure remains “yellow”, we appear to have reached a steady state of at least 99.5% connectivity.

EUM Attribute	Measure	Significance	Criteria	Status
Product Quality	Effluent phosphorus concentration will be at least 20% below Permit levels	Wastewater regulatory compliance	Green= <80% of Permit Levels Yellow = 80 to 100% of Permit levels Red = exceeds Permit levels	YELLOW

Explanation and Responsive Actions: GLWA has established a goal of maintaining a phosphorus effluent concentration at no more than 80% of permitted levels. This past month, the Fiscal year-to-date discharge was slightly ahead of GLWA’s 80% goal but well within permitted limits. This is not unusual during the early months of the fiscal year as the permitted discharge levels are lower during the dry weather season. While we continue to monitor the situation, operational changes are not contemplated at this time.