



## Financial Services Audit Committee Communication

**Date:** September 22, 2023

**To:** Great Lakes Water Authority Audit Committee

**From:** Matthew S. Lane, MPA, Charges Outreach and Modeling Manager

**Re:** Charges Outreach & Modeling Update

**Background:** The Charges Outreach & Modeling (CO&M) Team was established in Fiscal Year 2023 as part of the Financial Management & Planning Group to facilitate internal communication and external outreach with GLWA Member Partners as it relates to the charge methodology and charge-related financial matters. This team also serves as liaison between GLWA and third-party consultants in the development, maintenance and review of the annual water and sewer charges.

**Analysis:** This month we present an update on activities related to charges work group activities.

1. Team Member Update

- We welcome Management Professional Guy Belew to the Charges Outreach and Modeling team! Guy is transitioning internally from the GLWA Financial Planning & Analysis team. His experience and expertise will expand our analytical capabilities and build the teams bandwidth to take on more and varied strategic projects.

2. Water Charges Work Group

- This group is made up of Member Partners and staff from GLWA and convenes for the purpose of reviewing the water charge methodology and recommending potential changes.
- The subgroup has been discussing various potential modifications to the water charge methodology. Most recently, the discussion has focused on the concept of a “delivery factor” as a simplification to the existing methodology as well as reducing the number of cost pools from nine to three. The Water Charges Work Group has reached a consensus to move this approach forward to the overall Charges Work Group for review.
- The Water Charges Methodology Review Subgroup met in-person on Friday, August 4<sup>th</sup> and virtually, August 18, September 1 and 15, 2023.

3. Combined Water and Wastewater Charges Workgroup

- The overall Charges Work Group met virtually via Zoom on September 5, 2023.

4. The next One Water Partnership (OWP) meeting date is scheduled for Thursday, September 28, 2023 at Macomb Community College South Campus in Warren.

**Proposed Action:** Receive and file this report.