



## Financial Services Audit Committee Communication

**Date:** December 16, 2022

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

**From:** Nicolette N. Bateson, CPA, Chief Financial Officer & Treasurer

**Re:** CFO Update

### **Economic Outlook Task Force**

Last month, the GLWA Board of Directors received the Phase I report from the Economic Outlook Task Force (EOTF). Given the extent of challenging economic realities that have become apparent over the past few months, this effort certainly has been insightful as we have managed GLWA's financial, operational, and capital needs. We have also shared this information with external colleagues and stakeholders. On December 7, 2022, GLWA hosted a National Water/ Wastewater Utility Leader Forum. Feedback from this webinar was very positive with participants responding "strongly agree" that the webinar was a good use of their time. One participant commented: "This is the most useful webinar I have been on this year. Kudos to the organizers and the GLWA for initiating the Task Force." On December 12, 2022, the same topic was shared with a southeast Michigan audience including member partners. At both events participants were able to share their experiences in navigating these challenging times. Evaluation summaries from those two events are attached.

### **Rating Agencies Weigh in on Public Sector Economic Challenges**

Attached is an update from GLWA's financial advisor, PFM. The first item is a set of slides presented by Eric Brown of PFM at the National Water/ Wastewater Utility Leader Forum. Also attached are recent reports released from Fitch Ratings and Moody's Investors Service.

### **Team Member Professional Development**

Charges Outreach and Modeling Manager Matt Lane and the Financial Planning & Analysis Team Member Guy Belew attended the American Water Works Association Rate Setting Seminar, November 13 – 16, 2022 in Cincinnati, Ohio. The event was co-located with the 2022 Water Quality Technology Conference. This program provided the opportunity for Matt and Guy to build on their level of understanding of rate design through the processes of identifying Units of Service and conducting a Cost-of-Service Study.

### **Financial Services Area Organization Chart**

An ongoing goal has been succession planning. This is driven by a) the need to in-source expertise and 2) support sustainability in financial management of the organization. See materials related to "Financial Services Area Update: Organization Chart" (attached).