



## Financial Services Audit Committee Communication

**Date:** November 17, 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 our team's activities.

1. The Charges Outreach and Modeling Team, as the Financial Services Area representative to the GLWA contract negotiation team, participated in the Water Analytical Work Group meeting held virtually on October 31, 2023 and presented the GLWA system max day and peak hour data to the group as well as the single coincidental exceedance that occurred on June 2, 2023. The presentation is attached to this update.
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 recommends 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 9 to 3. They have moved the discussion to the Combined Charges Work Group for consideration.
  - The Water Charges Methodology Review Subgroup has not met since Friday, September 15th.
  - Discussion of the "delivery factor" will occur during the Charges Rollout #2- Units of Service update on November 14, 2023.

3. Combined Water and Wastewater Charges Workgroup

- The overall Charges Work Group met virtually via Zoom on September 5th and October 16th, 2023. The next meeting date is to-be-determined.

4. FY 2025 Charges Rollout Meetings:

- ~~Rollout # 1: Thursday, October 19th, 2023~~
- ~~Rollout # 2: Tuesday, November 14th, 2023~~
- Rollout # 3: Thursday, January 11th, 2024
- Member Partner One-on-Ones: January 12-17th, 2024
- Rollout # 4: Thursday, January 18th, 2024

5. The next One Water Partnership Meeting will be held on December 6, 2023. The location is to-be-determined.

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