



Financial Services Audit Committee Communication

Date: March 24, 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 the initiatives CO&M has been focused on, including charges rollout, work group meetings, and ongoing outreach efforts.

1. FY 2023 Charge Modifications: As of this date, there have been no charge modifications. There were no exceedances identified resulting from the 2022 Max Day/Peak Hour calculations.
2. FY 2024 Charges Rollout Update: Great Lakes Water Authority cross-functional teams have completed the Fiscal Year 2024 Charges Rollout Schedule.
3. Contract Alignment Update: The Contract Alignment Process (CAP) has concluded.
4. Professional Development/Outreach Activities: CO&M recently received a request for an in-person Charges 101 training for the City of Troy finance and public works departments. On Friday, March 10, 2023, about a dozen members of City staff participated, both in-person and virtually, in a discussion guided by a PowerPoint presentation at the City of Troy Department of Public Works. The meeting was facilitated by Bridgeport Consulting. CO&M was joined by Affordability and Assistance Team to discuss WRAP as well.
5. Additional CO&M updates include the following:
 - a. In February, the Charges Outreach and Modeling team (CO&M) worked with cross-functional GLWA teams to wrap up the Charges Rollout process for FY 2024. This included having additional conversations with Member Partners regarding their proposed, and now approved, FY 2024 Service Charges.

- b. CO&M also worked quickly to mail final FY 2024 charge sheets to Member Partners after they were approved at the February 22 GLWA Board Meeting. On Monday, February 27, 2023, CO&M was assisted by colleagues from the Financial Services Area to complete the process of mailing FY 2024 water and wastewater charge sheets to each Member Partner. This group has been able to streamline the workflow to create a smooth process, getting this monumental task completed, and completed correctly, in record time.

Look Ahead:

1. Water Charges Work Group
 - a. This group is made up of Member Partners and staff from GLWA. It was established to review water charge methodology and to make recommendations regarding potential changes.
 - i. There is also a Water Charges Methodology Review Subgroup (Subgroup) made up of interested volunteer Member Partners convened to work closely with GLWA on the technical analysis and provide input on charges scenarios. The Subgroup meets twice per month and reports its findings and updates to the Charges Work Group as needed. We received valuable feedback from Member Partners at-large during the Charges Rollout process that will help guide future discussions for this subgroup.
2. Other Member Partner Technical Advisory Committees
 - a. CO&M has begun attending meetings of the Water Analytical Work Group, Wastewater Analytical Task Force and other Member Partner technical advisory committees, as needed.
3. Water Charges Third-Party Rate Consultant
 - a. The most recent in-person meeting of the subgroup was held on March 3, 2023 at the City of Sterling Heights Department of Public Works.
 - b. A virtual subgroup meeting was also held March 17, 2023 via Zoom.
4. One Water Partnership Meetings
 - a. The most recent OWP was held in-person on March 23, 2023, at The Mint in Lathrup Village.
 - b. The next OWP meeting will be scheduled and published by Member Outreach.

Proposed Action: Receive and file this report.