



CITIZENS' WATER ADVISORY COMMITTEE (CWAC)
Finance Subcommittee

Thursday, September 19, 2024, 2:00 p.m.

Virtual Meeting via MS Teams

Legal Action Report and Meeting Minutes

1. Call to Order/Roll Call

The meeting was called to order at 2:01 p.m. by Chair Washburn. Those present and absent were:

Present:

Steven Washburn, Chair	Representative, City Manager
Rory Juneman (Virtual)	Representative, City Manager
Val Little	Representative, City Manager

2. Announcements – Chair Washburn called for committee members to join the subcommittee.

3. Review & Approval of May 16, 2024, Legal Action Report and Meeting Minutes – Member Little moved to approve the Legal Action Report and Meeting Minutes; Member Juneman duly seconded the motion. The motion passed on a voice vote of 3 – 0.

4. Differential Cost of Service – Amber Kerwin Amber Kerwin, Rates and Revenue Manager, City of Tucson Water, led the discussion on the work of a Subject Matter Expert (SME) panel tasked with advising on developing a differential rate structure. The panel, comprising external experts and city rate consultants, completed Phase I by assessing the materials and data needed to support a differential rate framework. In Phase II, the panel focuses will be on cost-of-service and rate development. The next steps involve finalizing a five-year financial plan, updating cost of service data, and presenting rate recommendations to the Mayor and Council. Members asked questions; Mrs. Kerwin fielded questions to clarify information for the committee and provide additional perspective. No action was taken on this item.

5. Financial Plan Review – Amber Kerwin, Rates and Revenue Manager, City of Tucson Water, led the discussion. The items reviewed and discussed were:

- a. Revenue Projections
- b. Operational and Maintenance Expenses

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- c. Capital Investments
- d. Debt Service
- e. Rate Increases
- f. Fund Balances

Members asked questions; Mrs. Kerwin fielded questions to clarify information for the committee and provide additional perspective. No action was taken on this item.

- 6. **Call to Audience** – Audience member Mark day inquired about the comparisons against other cities for a reference.
- 7. **Future agenda items** – Future items to include Update on the Operating Budget and Legal fees for the differential rates.
- 8. **Adjournment** – The meeting was adjourned at 3:13 p.m.