



OFFICE OF THE CHIEF EXECUTIVE OFFICER
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February 28, 2018

Mr. Nick Khouri, Treasurer
State of Michigan
Department of Treasury
P.O. Box 30716
Lansing, MI 48909

Dear Treasurer Khouri:

Thank you for previously granting an extension for submission of the audit for the Great Lakes Water Authority's (GLWA) fiscal year ended June 30, 2017 financial report until February 28, 2018. As you may recall, this is the first full year of operations for GLWA. At this time, the financial report is largely complete. There are, however, some open items that the Great Lakes Water Authority and the City of Detroit Water and Sewerage Department (DWSD) are negotiating as a Memorandum of Understanding (MOU) related to the leases for the regional water and sewer systems. The outcome of the MOU process is likely to impact cash balances and liabilities on the books of the GLWA. For this reason, the GLWA Board, Audit Committee and management would prefer to work through these final issues with DWSD in March 2018 and issue the final FY 2017 financial report with any contingencies resolved by April 30, 2018. This will also allow the reports to reflect this subsequent event as we plan to enter the market in mid calendar year 2018 to optimize refunding opportunities. While the amounts in the MOU discussion are material, nothing under discussion is considered to be detrimental to the financial position of either GLWA or DWSD.

Given these circumstances, the GLWA respectfully requests an extension for the filing of the fiscal year ended June 30, 2017 audit until April 30, 2018.

The preliminary FY 2017 financial results are positive as reported to the Audit Committee on November 17, 2017. The current FY 2018 financial results are also positive. The FY 2018 2nd Quarter report presented to the Audit Committee on February 23, 2018 is attached.

Thank you, in advance, for your consideration of this request.

Very truly yours,

Sue F. McCormick
Chief Executive Officer

cc: GLWA Audit Committee
Nicolette Bateson, GLWA Chief Financial Officer/Treasurer
Mark Kettner, Principal, Rehmann Robson
Mark Tschirhart, Principal, Rehmann Robson