



# Great Lakes Water Authority

735 Randolph Street  
Detroit, Michigan 48226  
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## Meeting Minutes - Draft

### Audit Committee

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Tuesday, May 22, 2018

12:00 PM

Water Board Building 5th Floor

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#### Special Meeting

#### 1. Call To Order

Chairman Baker called the meeting to order at 12:05 p.m.

#### 2. Quorum Call

**Present:** 3 - Chairman Brian Baker, Director Gary Brown, and Director Robert Daddow

#### 3. Approval of Agenda

Chairman Baker requested a Motion to approve the Agenda.

**Motion By:** Gary Brown

**Support By:** Robert Daddow

**Action:** Approved

The motion carried by a unanimous vote.

#### 4. Approval of Minutes

##### A. [2018-765](#) Minutes April 20, 2018

**Indexes:** Finance

**Attachments:** [Audit Committee Meeting Minutes 4.20.18](#)

Chairman Baker requested a Motion to approve the April 20, 2018 Audit Committee Meeting Minutes.

**Motion By:** Robert Daddow

**Support By:** Gary Brown

**Action:** Approved

The motion carried by a unanimous vote.

#### 5. Public Comment

Raphael Chiolla, Oakland County Water Resources Commissioner's office, came before the Committee to inquire as to when the rates are planning to be approved.

#### 6. Old Business

##### A. [2018-778](#) Review of the FY 2017 Audited Financial Statements

**Indexes:** Finance

**Attachments:** [FY 2017 Audited Financial Statement Review](#)

[GLWA - CAFR 6-30-17 \(Final\)](#)

[GLWA - Single Audit 6-30-17 \(Final\)](#)

[Auditor Review Questions 5.22.2018](#)

[GLWA - SAS Ltr 6-30-17 \(Revised Final\)](#)

Page 2 of the "Independent Auditors' Communication with Those Charged with Governance," 3rd paragraph under "Qualitative Aspects of the Authority's Significant Accounting Practices" was amended to include a matter pertaining to legal settlements assigned to the City of Detroit and the MOU.

**Motion By:** Gary Brown

**Support By:** Robert Daddow

**Action:** Received and Filed as Amended

The motion carried by a unanimous vote.

**B.**      [2018-767](#)      Financial Sustainability Model - Forecast Modeling

**Indexes:** Finance

**Attachments:** [Financial Sustainability Model 5.22.2018](#)

[GLWA Financial Forecast Model 051718](#)

[Forecast Exhibits 5.17.2018](#)

**Motion By:** Robert Daddow

**Support By:** Gary Brown

**Action:** Received and Filed

The motion carried by a unanimous vote.

**C.**      [2018-768](#)      Proposed Public Hearing: State Revolving Fund Project Plan Submittal for the Pump Station No. 1 (PS-1) Ferric Chloride System Rehabilitation and Struvite Removal Project

**Indexes:** Finance

**Attachments:** [2019 SRF Project Plan Pump Station No. 1 Ferric Chloride System](#)

[Ferric Chloride System Public Hearing Notice](#)

[Resolution -Ferric Chloride SRF Project Plan](#)

**Motion By:** Robert Daddow

**Support By:** Gary Brown

**Action:** Recommended for Approval to the Board of Directors

**Agenda of May 23, 2018**

The motion carried by a unanimous vote.

**D.**      [2018-769](#)      Review of the FY 2017 Detroit General retirement System Plan Actuarial Report

**Indexes:** Finance

**Attachments:** [6D1 Review of FY 2017 Detroit General Retirement Plan Actuarial Report](#)  
[Detroit General Retirements System June 30 2017 Comp II Valuation](#)

**Motion By:** Robert Daddow  
**Support By:** Gary Brown  
**Action:** Received and Filed  
The motion carried by a unanimous vote.

**E.**     [2018-770](#)     Detroit General Retirement System Plan Reporting Request

**Indexes:**     Finance

**Attachments:** [Detroit General Retirement System Pension Reporting Request](#)

**Motion By:** Robert Daddow  
**Support By:** Gary Brown  
**Action:** Approved  
The motion carried by a unanimous vote.

**F.**     [2018-771](#)     Report: Responses to Questions from Oakland County Drain Commissioner's Office

**Indexes:**     Finance

**Attachments:** [Correspondence Oakland County Drain Commissioner's Office](#)  
[Response to Foster Group Memorandum](#)

**Motion By:** Robert Daddow  
**Support By:** Gary Brown  
**Action:** Received and Filed  
The motion carried by a unanimous vote.

## 7. New Business

**A.**     [2018-773](#)     FY 2018 Third Quarter Budget Update

**Indexes:**     Finance

**Attachments:** [Cover Memo FY 2018 Budget Amendments through March 31, 2018](#)  
[FY 2018 Interim Pre-Close Budget to Actual Thru 3.31.2018](#)  
[FY 2018 Shared Services Analysis](#)  
[Staffing Budget to Actual FY 2017](#)  
[Staffing Budget to Actual FY 2018](#)  
[Interim Pre-Close Budget to Actual Report - table](#)  
[Capital Improvement Plan Spending Bar Chart](#)

**Motion By:** Gary Brown  
**Support By:** Brian Baker  
**Action:** Received and Filed  
The motion carried by a unanimous vote.

- B. [2018-774](#) Update: Pre-approved Underwriter Pool Proposal Selection for the 2018 Financing Program

**Indexes:** Finance

**Attachments:** [Audit Committee Communication - Underwriter Selection Process 2018](#)

**No Action Taken**

This item will be sent to the full Board of Directors for consideration at the May 23, 2018 Board of Directors Meeting.

## 8. Reports

- A. [2018-776](#) Monthly Revenue & Collections Report for March 2018

**Indexes:** Finance

**Attachments:** [Monthly Revenue and Collections Report 05.18.2018 REVISED\)](#)  
[AR Aging W S IWC PS 04.30.18](#)

**Motion By:** Gary Brown  
**Support By:** Robert Daddow  
**Action:** Received and Filed  
The motion carried by a unanimous vote.

- B. [2018-777](#) Master Bond Ordinance Monthly Cash Transfers: Cash Transfers through May 1, 2018

**Indexes:** Finance

**Attachments:** [GLWA Audit Committee Memo DWSD & GLWA Cash Transfers May 2018](#)  
[Audit Committee - Monthly Transfers to GLWA May 2018](#)  
[Audit Committee - Monthly Transfers to DWSD May 2018](#)

**Motion By:** Robert Daddow  
**Support By:** Gary Brown  
**Action:** Received and Filed  
The motion carried by a unanimous vote.

## 9. CFO Update

Nicolette Bateson, Chief Financial Officer/Treasurer, gave an update regarding the May 17, 2018 Vendor Outreach; the Water Infrastructure Finance and Innovation Act; and the GLWA Procurement Policy.

## 10. Look Ahead

The next Audit Committee Meeting is scheduled for June 15, 2018 at 8:00 a.m. (Regular Meeting).

**11. Information**

None

**12. Other Matters**

None

**13. Adjournment**

Chairman Baker requested a Motion to Adjourn.

Motion By: Gary Brown

Support By: Brian Baker

Action: Approved

The motion carried by a unanimous vote.

There being no further business, the meeting was adjourned at 2:24 p.m.