



Great Lakes Water Authority

735 Randolph Street
Detroit, Michigan 48226
glwater.legistar.com

Meeting Minutes - Draft

Audit Committee

Friday, November 16, 2018

8:00 AM

Water Board Building 5th Floor

1. Call To Order

Chairman Baker called the meeting to order at 8:05 a.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: Robert Daddow

Support By: Gary Brown

Action: Approved

The motion carried by a unanimous vote.

4. Approval of Minutes

A. [2018-1003](#) Meeting Minutes of October 26, 2018

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [October 26, 2018 Audit Committee Meeting Minutes.pdf](#)

Chairman Baker requested a Motion to approve the October 26, 2018 Audit Committee Meeting Minutes.

Motion By: Gary Brown

Support By: Robert Daddow

Action: Approved

The motion carried by a unanimous vote.

5. Public Comment

Raphael Chirolla (Oakland County Water Resources Commissioner's Office) stated he would like to address the Audit Committee under Item 6F (Oakland-Macomb Interceptor Drainage District Update).

6. Old Business

A. [2018-1004](#) FY 2018 Year-end Audit Progress Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [FY 2018 Year-end Audit Progress Report 11.16.2018.pdf](#)
[Audit Planning Schedule for Audit Committee Meeting 11.16.2018.pdf](#)

Motion By: Gary Brown

Support By: Robert Daddow

Action: Received and Filed

The motion carried by a unanimous vote.

B. [2018-1005](#) Investment Strategy and Related Proposed Contract Extension with PFM
Asset Management LLC (GLWA Contract No. GLWA CS-022)

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [GLWA Investment Strategy and PFM Contract Extension November 2018.pdf](#)
[Great Lakes Water Authority Investment Strategy PFM.pdf](#)

Motion By: Gary Brown

Support By: Robert Daddow

Action: Recommended for Approval to the Board of Directors

Agenda of November 28, 2018

The motion carried by a unanimous vote.

C. [2018-1006](#) FY 2030 Financial Forecast Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [FY 2030 Financial Forecast 11.16.2018.pdf](#)
[Exec Sum Forecast 111218 Four Pages need 11x17.pdf](#)

Motion By: Gary Brown

Support By: Robert Daddow

Action: Received and Filed

The motion carried by a unanimous vote.

D. [2018-1007](#) Capital Improvement Plan Relative to Financial Plan (Continued)

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [Capital Plan Relative to Financial Plan 11.16.2018.pdf](#)
 [Spend Rate Assumption Policy Draft 11.16.2018.pdf](#)
 [CIP Policy Presentation from 10.2018 Audit Committee Meeting.pdf](#)

Director Daddow made a Motion, Supported by Director Brown, to recommend approval to the Board of Directors subject to amending the language in the first sentence in the Purpose of the Proposed Capital Spend Rate Assumption Policy from "what is realistically available to spend for budgetary purposes" to "what can realistically be spent due to limitations beyond GLWA's control."

Motion By: Robert Daddow

Support By: Gary Brown

Action: Recommended for Approval to the Board of Directors as Amended
Agenda of November 28, 2018

The motion carried by a unanimous vote.

E. [2018-1008](#) Reconciliation Committee Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [Reconciliation Committee 11.16.2018.pdf](#)

Motion By: Robert Daddow

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

F. [2018-1009](#) Oakland-Macomb Interceptor Drainage District Update

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [Oakland-Macomb Interceptor Drainage District Update 11.16.2018.pdf](#)
[OMID Inquiries.pdf](#)

Raphael Chirolla, Oakland County Water Resources Commissioner's Office, representing the Oakland-Macomb Interceptor Drainage District (OMIDD), addressed the Audit Committee regarding outstanding issues relating to current charges to the OMIDD.

Director Daddow made a Motion to Receive and File the Oakland-Macomb Interceptor Drainage District Update, with the understanding that the outstanding issues will be addressed in upcoming meetings (with OMIDD).

Motion By: Robert Daddow

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

7. New Business**A.** [2018-1010](#) Inaugural Ratings for Junior Lien Debt

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [Inaugural Ratings for Junior Lien Debt 11.16.2018 JW.pdf](#)
[Great Lakes Water Auth Series 2018 3rd Lien wtr_swr_11-13-2018.pdf](#)

Motion By: Robert Daddow

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

8. Reports

A. [2018-1011](#) Quarterly Investment Report

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [GLWA Audit Quartely September 2018 Investment Report 11.16.2018.pdf](#)
[GLWA Quarterly Investment Report September 2018 11.16.2018.pdf](#)

Motion By: Gary Brown

Support By: Robert Daddow

Action: Received and Filed

The motion carried by a unanimous vote.

B. [2018-1014](#) Monthly Financial Report for August 2018

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [Monthly Financial Report Binder for August 2018.pdf](#)

Motion By: Robert Daddow

Support By: Gary Brown

Action: Received and Filed

The motion carried by a unanimous vote.

Note: Director Daddow was excused from the remainder of the meeting at 10:27 a.m.

C. CFO Update Topics (verbal)

Nicolette Bateson, Chief Financial Officer/Treasurer, gave an update regarding Legacy Pension.

9. Look Ahead

The next Audit Committee Meeting is scheduled for Friday, December 21, 2018 at 8:00 a.m .

10. Information

None

A. [2018-1012](#) Calendar Year 2019 Audit Committee Meeting Dates

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [Audit Committee 2019 Meeting Schedule Notice as of 10.26.18.pdf](#)

No Action Taken - Informational Only

B. [2018-1013](#) FY 2020 Charges Rollout Meeting Schedule

Sponsors: Nicolette Bateson

Indexes: Finance

Attachments: [Annual Charges Rollout 2020 Invite.pdf](#)

No Action Taken - Informational Only

11. Other Matters

None

12. 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 10:30 a.m.