



# Great Lakes Water Authority

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

## Meeting Minutes - Final

### Audit Committee

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Friday, November 16, 2018

8:00 AM

Water Board Building 5th Floor

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#### 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.**