



# Great Lakes Water Authority

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

## Meeting Minutes - Final

### Audit Committee

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Friday, July 20, 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 8:00 a.m.

#### 2. Quorum Call

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

**Note:** Director Brown attendance via teleconference.

#### 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. [2018-826](#) Approval of Minutes June 15, 2018

**Indexes:** Finance

**Attachments:** [June 15 2018 Audit Committee Meeting Minutesrev7.18.18](#)

Chairman Baker requested a Motion to approve the June 15, 2018 Audit Committee Meeting Minutes, and asked if there were any changes.

Nicolette Bateson, Chief Financial Officer/Treasurer, stated that corrected Minutes have been distributed, as there were revisions to the Minutes in the Committee binder, and asked Rechanda Willis, Executive Board Assistant, to explain the revisions.

Ms. Willis stated that the action taken by the Committee for Resolutions 2018-799, 2018-804 and 2018-801 was corrected to show that the Committee's action for the referenced Resolutions was "Recommended for Approval to the Board of Directors, Agenda of June 20, 2018.

**Motion By:** Gary Brown

**Support By:** Robert Daddow

Action: Approved as Amended  
The motion carried by a unanimous vote.

## 5. Public Comment

Jeff McKeen, General Manager of the Southeastern Oakland County Water Authority, came before the Committee to express his appreciation for having the Audit Committee Agenda and supporting documents available the Wednesday before the Friday Audit Committee Meeting, and requested that it becomes the standard moving forward.

## 6. Old Business

None

## 7. New Business

- A. [2018-829](#) Proposed Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Water Supply System Revenue Refunding Bonds an Amount Not to Exceed \$225,000,000 (Ordinance 2018-02)

**Indexes:** Finance

**Attachments:** [Water Refunding Series Ordinance 07.20.2018](#)

[BLOOMFIELD-#2098153-2-Resolution Approving 2018 Water Series Ordinance](#)  
[BLOOMFIELD-#2097163-3-Series Ordinance 2018 Water Refunding](#)

**Motion By:** Robert Daddow  
**Support By:** Gary Brown  
**Action:** Referred to the Board of Directors Workshop Meeting  
Agenda of August 8, 2018  
The motion carried by a unanimous vote.

- B. [2018-830](#) Resolution Regarding Approval of Series Ordinance Authorizing Issuance and Sale of Sewage Disposal System Revenue and Revenue Refunding Bonds an Amount Not to Exceed \$325,000,000 (Ordinance 2018-03)

**Indexes:** Finance

**Attachments:** [Sewer Refunding and New Money Series Ordinance 07.20.2018](#)

[BLOOMFIELD-#2098156-2-Resolution Approving 2018 Sewer Series Ordinance](#)  
[BLOOMFIELD-#2097159-3-Series Ordinance 2018 Sewer New Money and Refunding](#)

**Motion By:** Robert Daddow  
**Support By:** Gary Brown  
**Action:** Referred to the Board of Directors Workshop Meeting  
Agenda of August 8, 2018  
The motion carried by a unanimous vote.

## C. 2018 Bond Transaction Update (verbal)

Nicolette Bateson, Chief Financial Officer/Treasurer, and Bart Foster of The

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Foster Group, provided a verbal update regarding the 2018 Bond Transaction.

D. [2018-831](#) Cash Analysis - Long-term Planning

**Indexes:** Finance

**Attachments:** [Cash Analysis](#)

[FY 2017 Cash Footnote](#)

[TFG Cash Investment Balances Cover Memo 072018](#)

[TFG Cash Review exhibit 7.20.2018](#)

Director Daddow motioned to receive and file the Cash Analysis - Long Term Planning, subject to reading the document.

**Motion By:** Robert Daddow

**Support By:** Gary Brown

**Action:** Received and Filed

The motion carried by a unanimous vote.

E. [2018-832](#) Financial Reporting Schedule

**Indexes:** Finance

**Attachments:** [Financial Reporting Schedule as of 7.20.2018](#)

[Reporting Schedule 7.20.2018](#)

**Motion By:** Robert Daddow

**Support By:** Gary Brown

**Action:** Received and Filed

The motion carried by a unanimous vote.

F. Wastewater Charges Outreach Committee Update (verbal)

Nicolette Bateson, Chief Financial Officer/Treasurer, provided a verbal update regarding the Wastewater Charges Outreach Committee.

G. [2018-833](#) Proposed Amendments to the Great Lakes Water Authority Investment Policy

**Indexes:** Finance

**Attachments:** [GLWA Audit Committee Memo Investment Policy Amendments 7.20.18](#)

[GLWA Investment Policy PFM Review Memo for Audit Committee](#)

[Investment Policy Approved by GLWA Board 9 14 16 FINAL Redlined with July 2018 changes](#)

**Motion By:** Robert Daddow

**Support By:** Gary Brown

**Action:** Recommended for Approval to the Board of Directors Workshop Meeting Agenda of August 8, 2018

The motion carried by a unanimous vote.

H. [2018-834](#) Proposed Audit Fee Change Order for the FY 2017 Audit

**Indexes:** Finance

**Attachments:** [Proposed FY 2017 Audit Fee Amendment](#)  
[GLWA incremental billing 7-19-18](#)

**Motion By: Robert Daddow**  
**Support By: Gary Brown**  
**Action: Recommended for Approval to the Board of Directors Workshop Meeting**  
**Agenda of August 8, 2018**  
**The motion carried by a unanimous vote.**

- I. [2018-835](#) Update: Drinking Water Revolving Fund (DWRP) Project Plan Submittals for the Lake Huron Water Treatment Plant Sludge System Improvements Project and the Waterworks Park to Northeast Transmission Main Project

**Indexes:** Finance

**Attachments:** [Update- DWRP Project Plan Submittals 7.20.2018](#)

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

## 8. Reports

- A. [2018-836](#) Quarterly Investment Report as of March 31, 2018

**Indexes:** Finance

**Attachments:** [March 2018 Investment Report 7.20.18](#)  
[Audit Committee - GLWA Quarterly Report March 2018pw](#)

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

- B. [2018-837](#) Master Bond Ordinance Monthly Cash Transfers through July 1, 2018

**Indexes:** Finance

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

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

- C. [2018-838](#) Monthly Revenue & Collections Report for May 2018

Indexes: Finance

Attachments: [New Monthly Revenue and Collections Report 07.20.2018v2](#)  
[8C2 AR Aging W\\_S IWC PS 06.30.18](#)

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

**Note:** Director Brown excused himself from the remainder of the meeting at 10:00 a.m.

**D.**     [2018-839](#)     Trust Receipts & Disbursements Report for May 2018

Indexes: Finance

Attachments: [TRD Audit Comm Rpt thru 5-31-18 v2 complete](#)

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

**9. CFO Update (verbal)**

Nicolette Bateson, Chief Financial Officer/Treasurer, stated that the Asset Management and CIP Committee, through the outreach process, will be meeting on Tuesday (July 24, 2018) in Lathrup Village. Financial Services will be walking through a number of its process improvements at the meeting, in response to the vendor outreach event. Ms. Bateson further stated that since we now have Bonfire, we have begun uploading our executed contracts on our website.

**10. Look Ahead**

Nicolette Bateson, Chief Financial Officer/Treasurer, stated that the next Audit Committee Meeting is scheduled for Friday, August 17, 2018 at 8:00 am; however, there may be a request forthcoming to cancel or reschedule the meeting.

**11. Information**

None

**12. Other Matters**

Chairman Baker made inquiries regarding the status of the Procurement Policy, as well as the Lean Transformational Team and optimizing efficiencies.

**13. Adjournment**

There being no further business, Chairman Baker adjourned the meeting at 10:15 a.m.