



Financial Services Audit Committee Communication

Date: August 22, 2025

To: Great Lakes Water Authority Audit Committee

From: Steve Hoover, CPA, Financial Reporting Manager

Re: FY 2025 Annual Financial Audit Update

Background: Annually, the Great Lakes Water Authority (GLWA) prepares an Annual Comprehensive Financial Report (ACFR) and Schedule of Expenditures of Federal Awards (SEFA) in accordance with financial accounting standards and federal guidelines. Baker Tilly US, LLP (Baker Tilly) has been engaged to perform the GLWA annual financial audit and issue an opinion as to whether the financial statements are fairly stated in accordance with accounting standards for fiscal years ending 2025, 2026 and 2027.

Analysis: GLWA Financial Services area has been preparing for the fiscal year ending June 30, 2025 audit by reviewing internal control walkthrough documents, reviewing vendor statements, preparing a tentative schedule for the audit and working on preliminary close of the June 2025 period.

Attached is the FY 2025 – FY 2027 engagement letter from Baker Tilly to assist in understanding the full scope of Baker Tilly and GLWA management responsibilities associated with this year's annual financial audit. The engagement letter was included as an exhibit in the recent audit contract we signed. Including it as part of the contract allows us to avoid reviewing and signing a new engagement letter each year.

Also is attached communication from Baker Tilly related to the timing for the release of this year's audit report.

Proposed Action: Receive and file this report.