

# **Summary of Rates & Finance Subcommittee August 6, 2015 meeting For MWPAAC General Meeting August 26, 2015**

## **1: RESULTS OF 2014 FINANCIAL AUDIT**

Tim Aratani and Max Foster provided an update on WTD's 2014 Financial Audit performed by Moss Adams:

- WTD received no audit findings or material weaknesses regarding financial reporting or internal controls
- Moss Adams made a point to comment on WTD's accuracy and timeliness, as well as commended the "tone at the top", which is leadership's commitment to openness, honesty, integrity, and ethical behavior.
- Mr. Aratani discussed the fees charged by Moss Adams and the relative cost savings and timely issuance of financial statements that have been realized by using them. They were just awarded a new 5-year contract to audit WTD's financial statements through 2018. Mr. Aratani also mentioned that the SAO was not able to meet WTD's reporting deadlines when they had the contract in 2008 and 2009 and that Moss Adams' fees have reduced by nearly 50% since the original contract was awarded. This decline was attributed to efficiencies gained by WTD staff since the original contract was awarded.

## **2. WTD CUSTOMER PORTAL**

Max Foster discussed the continuing development of the "customer portal" which will, among other things, give sewer providers the option of filing quarterly reports on-line. He indicated that WTD had been working with the providers directly to identify their needs. A discussion occurred about who WTD should be contacting and a consensus developed that sewer providers should provide WTD with a preferred point-of-contact when requesting information. This information is requested to be provided directly to Max Foster. For more information on other goals of the customer portal, please review a copy of the "WTD Customer Portal" handout that was provided for the subcommittee meeting.

## **3. INTRODUCTION OF NEW INTERNAL AUDITOR**

Tim Aratani introduced Susan Cohen who was recently hired by WTD to be their internal auditor. Susan spoke briefly about her background and role at WTD.

## **4. DISCUSSION OF WTD AUDITS OF RETAIL SEWER PROVIDERS**

Mr. Aratani and Sharman Herrin discussed that WTD intends to, after a long hiatus, resume its auditing of retail sewer providers. Mr. Aratani mentioned that the "look-back" period for the audit would be "3-6 years" and the purpose of the audits is to increase accuracy and reduce variability among agencies. The goal is to get all agencies on a three year audit cycle. WTD will be reaching out to each member agency

to begin the process of setting up introductory meetings and discuss the necessary data to provide. In addition to the quarterly wastewater treatment reports, the audits will also encompass capacity charge and industrial waste.

## 5. REVIEW AND COMMENTS ON RWSP POLICIES

Lisa Tobin, chair of the Engineering and Planning subcommittee, provided an overview of the proposed changes to the “Sustainability and Innovation Policies” for RWSP. Subcommittee members made various recommendations and a consensus emerged to send those changes to the full MWPAAC committee for approval on August 26, 2015.

Questions?      Jack Broyles, Jr., Rates & Finance Subcommittee Chair  
Woodinville Water District  
[jbroyles@woodinvillewater.com](mailto:jbroyles@woodinvillewater.com)  
425.487.4106