

SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY

NOTICE

The Organization Meeting of the Board of Trustees of the Water Authority is scheduled to be held Wednesday, July 12, 2023 at 8:30 a.m. at the Oak Park City Hall, 14000 Oak Park Blvd.

Note: The Regular Meeting of the Board of Trustees will follow the Organization Meeting.

SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY

ORGANIZATION MEETING

AGENDA

Wednesday, July 12, 2023 - 8:30 a.m.

Oak Park City Hall, 14000 Oak Park Blvd.

1. Meeting Called to Order
2. Roll Call
3. Representatives & Alternates – 2023/24
4. Notification of Votes – 2023/24
5. Election of Officers
6. Banks

July 3, 2023

SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY
PROPOSED RESOLUTION

(Representatives & Alternates)

2023/24

WHEREAS, this Board has received notice of the appointment of representatives and alternates to the Board, as follows:

<u>Municipality</u>	<u>Representative</u>	<u>Alternate</u>
Berkley	Shawn Young	Robert Chalmers
Beverly Hills	Jeff Campbell	Neil Johnston
Bingham Farms	Kurt Jones	Ken Marten
Birmingham	Melissa Coatta	Jana Ecker
Clawson	Trever Zablocki	Ryan McDonald
Huntington Woods	Rocco Fortura	Chris Wilson
Lathrup Village	Karen Miller	Susie Stec
Pleasant Ridge	Jim Breuckman	Timothy Schultz
Royal Oak	Aaron Filipski	Jaynmarie Hubanks
Southfield	Patrick Ryan	Leigh Schultz
Southfield Twp.	Jeff Campbell	Neil Johnston

*Appointments are pending final council approval

NOW THEREFORE BE IT RESOLVED that the above names be acknowledged as the official representatives and alternates for the Southeastern Oakland County Water Authority for the fiscal year 2023/24.

July 3, 2023

Board of Trustees
Southeastern Oakland County Water Authority

Subject: Votes - Fiscal Year 2023/24

Board Members:

Article IX of the Articles of Incorporation of the Water Authority provides for an adjustment of votes entitled each representative of the Board of Trustees for the fiscal year 2023/24.

ARTICLE IX

"When the Authority shall have operated its water supply system for a complete fiscal year, then thereafter such representative on the Board of Trustees shall be entitled to one vote for each 200 million gallons, or a major fraction thereof, of water delivered during the preceding fiscal year by the Authority to the municipality which he represents; provided, that each such representative shall have at least one vote."

The following is a tabulation of water delivered to each municipality during the fiscal year 2022/23 and votes entitled to each municipality for the fiscal year beginning July 1, 2023 in accordance with the conditions of Article IX of the Articles of Incorporation.

Municipality	Gallons	Number of Votes	Change
Berkley	362,492,550	2	-
Beverly Hills	320,350,170	2	+1
Bingham Farms	87,754,490	1	-
Birmingham	913,935,860	5	+1
Clawson	271,542,090	1	-
Huntington Woods	173,594,880	1	-
Lathrup Village	113,213,840	1	-
Pleasant Ridge	83,862,390	1	-
Royal Oak	2,085,253,420	10	+1
Southfield	3,058,876,750	15	-
Southfield Township	<u>0</u>	<u>1</u>	-
Total:	7,470,876,440	40	+3

Attached hereto is a proposed resolution establishing the number of votes for each municipality for the fiscal year 2023/24.

Respectfully submitted,

Jeffrey A. McKeen, P.E.
General Manager

Attach.

SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY

SUMMARY OF VOTES

10 YEAR PERIOD

Municipality	2014 /15	2015 /16	2016 /17	2017 /18	2018 /19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	2023/ 24
Berkley	1	1	2	2	2	2	2	2	2	2
Beverly Hills	1	1	1	1	1	1	1	2	1	2
Bingham Farms	1	1	1	1	1	1	1	1	1	1
Birmingham	4	3	4	4	4	3	4	4	4	5
Clawson	1	1	1	1	1	1	1	1	1	1
Huntington Woods	1	1	1	1	1	1	1	1	1	1
Lathrup Village	1	1	1	1	1	1	1	1	1	1
Pleasant Ridge	1	1	1	1	1	1	1	1	1	1
Royal Oak	7	7	7	7	7	7	9	9	9	10
Southfield	14	13	13	13	13	13	15	16	15	15
Southfield Twp.	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
TOTAL:	33	31	33	33	33	32	37	39	37	40

July 3, 2023

SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY

PROPOSED RESOLUTION

Votes – 2023/24

WHEREAS, Article IX of the Articles of Incorporation provides for an adjustment in the number of votes entitled each municipality (one vote for each 200 million gallons or major fraction thereof), and

WHEREAS, the General Manager has submitted a report on the water consumption for each member municipality during the fiscal year 2022/23,

NOW THEREFORE BE IT RESOLVED, that the number of votes for each constituent member for the fiscal year beginning July 1, 2023, be established as follows:

<u>Municipality</u>	<u>No. of Votes</u>
Berkley	2
Beverly Hills	2
Bingham Farms	1
Birmingham	5
Clawson	1
Huntington Woods	1
Lathrup Village	1
Pleasant Ridge	1
Royal Oak	10
Southfield	15
Southfield Township	<u>1</u>
TOTAL:	40

June 30, 2023

Board of Trustees
Southeastern Oakland County Water Authority

Subject: Election of Officers

Board Members:

The Articles of Incorporation provide for the election of officers at the Organization Meeting of the Board of Trustees to be held Wednesday, July 12, 2023.

The following Officers are to be elected at this Organization Meeting:

*Chair

*Vice Chair

*Secretary

*Advisory Committee (Chair and Three Board Members)

Accountant/Treasurer

Finance Director

Since the current slate of Officers has only been in place for one year, we are recommending that the current Officers be renominated for 2023/24. Attached is the list of the nominations and a listing of the current Board members.

Respectfully submitted,

Jeffrey A. McKeen, P.E.
General Manager

Attach.

*Note: Must be members of the Board

SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY

Position	Duties	Position Presently Held By:	Committee's Recommendation
*Chair	Presiding Officer	Jim Breuckman	Jim Breuckman
*Vice Chair	Performs the duties of Chair in absence of Chair	Kurt Jones	Kurt Jones
*Secretary	Recording Officer of the Board	Rocco Fortura	Rocco Fortura
*Advisory Committee (Chair & Three Board Members) (Advisory Committee also serves as Audit Committee)	To advise the General Manager in the administration of the Authority	Jim Breuckman Aaron Filipski Rocco Fortura Kurt Jones	Jim Breuckman Aaron Filipski Rocco Fortura Kurt Jones
Finance Director	Chief Accounting Officer	Jeff McKeen	Jeff McKeen
Accountant/Treasurer	Custodian of the funds of the Authority	Colleen Wayland	Colleen Wayland

*Must be Board Member

**SOUTHEASTERN OAKLAND COUNTY WATER AUTHORITY
BOARD OF TRUSTEES**

CURRENT BOARD MEMBERS

CITY	NAME	DATE APPOINTED
BINGHAM FARMS	KURT JONES	08/28/2017
HUNTINGTON WOODS	ROCCO FORTURA	01/19/2018
PLEASANT RIDGE	JAMES BREUCKMAN	04/10/2019
ROYAL OAK	AARON FILIPSKI	02/01/2020
CLAWSON	TREVER ZABLOCKI	12/21/2021
BEVERLY HILLS	JEFF CAMPBELL	05/18/2022
BERKLEY	SHAWN YOUNG	05/01/2022
SOUTHFIELD TWP	JEFF CAMPBELL	06/14/2022
SOUTHFIELD	PATRICK RYAN	06/16/2022
BIRMINGHAM	MELISSA COATTA	08/09/2022
LATHRUP VILLAGE	KAREN MILLER	07/01/2023

CURRENT OFFICERS

OFFICE	NAME	DATES
CHAIR	JIM BREUCKMAN	2022-PRESENT
VICE CHAIR	CHRIS WILSON	2019-PRESENT
SECRETARY	KURT JONES	2020-PRESENT
ADVISORY COMMITTEE	JIM BREUCKMAN	2022-PRESENT
ADVISORY COMMITTEE	AARON FILIPSKI	2022-PRESENT
ADVISORY COMMITTEE	KURT JONES	2020-PRESENT
ADVISORY COMMITTEE	ROCCO FORTURA	2020-PRESENT

July 5, 2023

Board of Trustees
Southeastern Oakland County Water Authority

Subject: Banks

Board Members:

SOCWA's current banking relationships are displayed in the table below, which includes the approximate amount of money on deposit, the amount of insured deposits, the amount of uninsured deposits and the interest rate being paid by each institution. We continue to use Flagstar for our day-to-day banking needs with the other institutions being used to invest our working capital.

Bank	6/30/2023 Balance	Amount Insured	Amount Uninsured	Interest Rate
Flagstar-CDARS	\$ 1,817,700	Full balance	\$ 0	4.21%-4.48%
Flagstar-Savings	\$ 190,200	\$ 190,200	\$ 0	3.95%
Flagstar-Checking	\$ 62,100	\$ 62,100	\$ 0	1.00%
Flagstar-Checking	\$ 8,500	\$ 8,500	\$ 0	0.00%
Flagstar-ICS	\$ 1,846,200	Full balance	\$ 0	3.40%
Michigan First Credit Union	\$ 1,137,100	\$ 500,000	\$ 637,100	0.50%
Oakland County Pool	\$ 3,333,700	\$ 0	\$3,333,700	1.06%
PNC Bank	\$ 253,100	\$ 250,000	\$ 3,100	2.48%
TOTAL	\$ 8,648,600	\$4,674,700	\$3,973,900	

All the listed institutions have been previously approved by the Board. The only limitation on deposits is a \$4 million limit placed on the Oakland County Pool.

CDARS (Certificate of Deposit Account Registry Service) is a way of obtaining full FDIC insurance protection for amounts greater than the current FDIC coverage limits. Under the CDARS program, we have deposited funds with Flagstar, which breaks that amount down into smaller amounts that are under the current FDIC coverage limits, and then deposits those into CDs at other banks that are members of the CDARS network. The result is a series of CDs, all of which are fully FDIC insured, that earn competitive interest rates and are reported on one statement from Flagstar. The CDs are structured so that they expire on a monthly basis in order to provide some liquidity while we obtain the higher interest rates typically paid on longer term CDs.

ICS (Insured Cash Sweep) is a way of obtaining full FDIC insurance protection for amounts greater than the current FDIC coverage limits. Under the ICS program, we have deposited funds with Flagstar, which breaks that amount down into smaller amounts that are under the current FDIC coverage limits, and then deposits those funds at other banks that are members of the ICS network. The ICS account is linked to our main checking account at Flagstar. As a result, funds received are swept into the ICS account and retained until they are needed for the payments at which time, they are swept back into the Flagstar checking account. The amount in the ICS account changes daily but has averaged about \$1.2 million over the last 6 months. This is a way of providing an increase in our FDIC insurance coverage at a small interest rate penalty.

I am proposing that the Board add Michigan Cooperative Liquid Assets Securities System (MI CLASS) to our list of approved financial institutions by adopting the attached Authorizing Resolution. MI CLASS is an investment pool similar to the Oakland County Pool that invests in short term instruments. It is PA20 compliant, offers same day liquidity, is rated AAAM by Standard & Poors and is used by many member municipalities. I am recommending that the Board approve the use of MI CLASS with a \$2 million limit. The use of MI CLASS will provide some additional diversity in our investment portfolio and will result in increased investment income in the current interest rate environment.

We are continuing to monitor what our financial institutions do with their interest rates in order to balance interest income with security.

I am proposing to continue the banking relationships identified above under the previously approved Board resolutions and consistent with the requirements of SOCWA's Investment Policy and adding MI CLASS to SOCRRRA's list of approved financial institutions with a \$2 million cap.

Respectfully submitted,

Jeffrey A. McKeen, P.E.
General Manager

Suggested Resolution: "That the banking relationships with Flagstar, Michigan First Credit Union, PNC Bank and the Oakland County Local Government Investment Pool be continued under the previously approved Board resolutions and consistent with the requirements of the Authority's Investment Policy and that the Board approves the Michigan Cooperative Liquid Assets Securities System as an authorized investment institution with a \$2 million cap and authorizes the General Manager to complete the necessary paperwork to enroll in the pool."