**McGladrey Meeting November 18, 2014**

**Two basic revelations/assumptions**

1. Borrowing in arrears/cash deficit and impact on debt service
2. Expenditure in excess of funds available from authorized source

**Questions for McGladrey**

1. Is pooling of cash from various subfunds allowable? Did you expressly authorize or is there a specific rule authorizing?
2. Is pooling of cash from “trust funds” with cash from capital borrowing allowable?
   * Is pooling from trust funds with cash from current revenue allowable?
3. If so, what mechanism is in place to track what goes in and out of such pooled fund?
4. What kind of testing are you doing and why did it not reveal expenditure on BJP in excess of funds available?
5. What policies/practices should we adopt to insure trust fund monies are always available and secure?
6. What policies/practices should we adopt to insure that funds are not spent in excess of designated source?
7. What policies/practices should we adopt to manage the extent of cash deficit/borrowing in arrears to insure that annual budgeted debt service reasonably reflects what will need to be borrowed in the current and following year for projects already underway?