

MINUTES of the AUDIT COMMITTEE MEETING of the ERIE COUNTY WATER AUTHORITY held in the office, 350 Ellicott Square Building, Buffalo, New York, on the 12th day of July, 2012.

PRESENT: Francis G. Warthling, Chairman
Earl L. Jann, Jr., Vice Chairman
John F. O'Donnell, Treasurer
Robert A. Mendez, Executive Director
Matthew J. Baudo, Secretary to the Authority/Personnel Director
Robert J. Lichtenthal, Jr., Deputy Director
Wesley C. Dust, Executive Engineer
Mark J. Fuzak, Attorney
Ronald P. Bennett, Associate Attorney
Edward A. Betz, Associate Attorney
Paul H. Riester, Director of Administration
Daniel J. NeMoyer, Director of Human Resources
Karen A. Prendergast, Comptroller
Steven V. D'Amico, Budget and Financial Analyst

ATTENDEES:

CALL TO ORDER

PLEDGE TO THE FLAG

I. - ROLL CALL

II. - READING OF MINUTES

Motion by Mr. O'Donnell seconded by Mr. Jann and carried to waive the reading of the Minutes of the Audit Committee Meeting held on Thursday, March 22, 2012.

III. - APPROVAL OF MINUTES

Motion by Mr. O'Donnell seconded by Mr. Jann and carried to approve the Minutes of the Audit Committee Meeting held on Thursday, March 22, 2012.

IV. - REPORTS (See "Report" Minutes for Details)**A. Audit Services Contract Extension**

Bob Lichtenthal distributed a memo with regard to audit services. He advised that the Authority is at the end of its contract with Lumsden & McCormick LLP and that there is an extension clause in this contract for two years. It is his recommendation to the Audit Committee to extend the contract with Lumsden & McCormick.

Motion made by Mr. O'Donnell seconded by Mr. Jann and carried that the Authority initiate contact with Lumsden & McCormick to negotiate the terms to extend the contract for a two year period.

V. - COMMUNICATIONS AND BILLS**VI. - UNFINISHED BUSINESS (NONE)****VII. - NEW BUSINESS****VIII. - ADJOURNMENT**

Motion by Mr. O'Donnell, seconded by Mr. Jann and carried that the meeting adjourn.



Matthew J. Baudo
Secretary to the Authority

SLZ

7/12/12



ERIE COUNTY WATER AUTHORITY
INTEROFFICE MEMORANDUM 64

July 9, 2012

To: Commissioners Warthling, Jann & O'Donnell
Cc: Robert A. Mendez, Executive Director
From: Robert J. Lichtenthal, Jr., Deputy Director *RJL*
Karen A. Prendergast, Comptroller *KAP*
Subject: Audit Services

It has been three years since the Authority issued a formal RFP for independent audit services.

The results of the last RFP was that a contract to provide audit services for the Authority fiscal years ending on December 31st of 2009, 2010 & 2011 was entered into with the firm Lumsden & McCormick LLP. The contract also provided for two (2) one (1) year extensions.

The relationship between ECWA staff and Lumsden & McCormick for the past three years has been very beneficial for the Authority. ECWA staff has found all its interactions with the firm to be professional and of extremely high quality. Both of us would highly recommend an appropriate extension of the contract with this firm.

As the solicitation, review and recommendation of an audit firm falls within the scope of responsibilities of the Audit Committee of the Authority, it is necessary for the Audit Committee to begin the process of securing audit services on behalf of the Authority for the current and future years.

If either of us can be of further assistance, please let us know.

7/12/12

