

MINUTES of the AUDIT COMMITTEE MEETING of the ERIE COUNTY WATER AUTHORITY held in the office, 3030 Union Road, Cheektowaga, New York, on the 30th day of November, 2017.

PRESENT: Robert Anderson, Chairman
Jerome D. Schad, Vice Chairman
Karl J. Simmeth, Jr., Treasurer
Joseph T. Burns, Secretary to the Authority
Earl Jann, Executive Director
Terrence McCracken, Deputy Administrative Director
Russell Stoll, Executive Engineer
Paul Riester, Director of Administration
Karen Prendergast, Comptroller
Steve D'Amico, Business Office Manager
Daniel NeMoyer, Director of Human Resources
Jacqueline Mattina, Deputy Associate Attorney
Darlene Sikorski-Petritz, Deputy Associate Attorney
Richard Planavsky, Chief Business Officer Manager/Budget Director
John Mogavero, Chemist/Chief WTPO
Paul Whittam, Director of Water Quality

ATTENDEES: Sean Dwyer
Mike Wymer
Luke Malecki
Nichole Ruf
Ashley Parslow
Judith Koerber
Robert Denzy

CALL TO ORDER

PLEDGE TO THE FLAG

I. - ROLL CALL

II. - READING OF MINUTES

Motion by Mr. Simmeth seconded by Mr. Schad and carried to waive the reading of the Minutes of the Audit Committee Meeting held on July 27, 2017.

III. - APPROVAL OF MINUTES

Motion by Mr. Simmeth seconded by Mr. Schad and carried to approve the Minutes of the Audit Committee Meeting held on July 27, 2017.

IV. - REPORTS

A) 2017 Audit by Drescher & Malecki, LLP

Representatives from Drescher & Malecki distributed a memo outlining the procedure for the upcoming audit.



Preliminary Audit Meeting
November 30, 2017

Audit Team

- Luke R. Malecki, Partner
- Nichole Ruf, Manager
- Megan Lowe, Senior Auditor
- Staff auditors

Reports Anticipated

- Opinion on the Authority's financial statements for the fiscal year ending December 31, 2017
- Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
- Report on Compliance with Section 2925(3)(f) of the New York State Public Authorities Law
- Opinion on the Schedule of Cash and Investments and Schedule of Income from Cash and Investments
- Opinion on the Schedule of Overhead Percentage
- Comprehensive Annual Financial Report
- Auditors' communication letter
- Management letter

Audit Plan

- Meet with representatives to discuss areas of concern.
- Audit planning, preparation of confirmations, etc.
- Perform substantive testing procedures.
- Compile reports and draft audit opinions.
- Meet with management and Board of Commissioners to discuss results.

Audit Timing

- Planning: December 11th – December 14th
- Fieldwork: February 26th – March 16th
- Presentation: Late March
- Potential dates for exit conference and discussions.

Consideration of Fraud

- Statements on Auditing Standards outline current fraud requirements.

Areas of Concern/Concentration

- Significant events
 - Capital projects
 - Revised rate structure



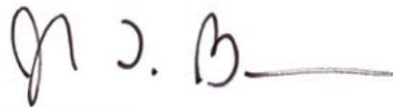
V. - COMMUNICATIONS AND BILLS

VI. - UNFINISHED BUSINESS (NONE)

VII. - NEW BUSINESS (RESOLUTIONS 1)

VIII. - ADJOURNMENT

Motion by Mr. Simmeth second by Mr. Schad and carried that the meeting adjourn.

A handwritten signature in black ink, appearing to read "J. T. Burns", followed by a horizontal line.

Joseph T. Burns
Secretary to the Authority

SLZ