

MINUTES of the AUDIT COMMITTEE MEETING of the ERIE COUNTY WATER AUTHORITY held in the office, 295 Main Street, Room 350, Buffalo, New York, on the 16th day of August 2018.

PRESENT: Jerome D. Schad, Chairman
 Mark S. Carney, Vice Chairman
 E. Thomas Jones, Treasurer
 Terrence D. McCracken, Secretary to the Authority
 Margaret A. Murphy, Attorney
 Robert J. Lichtenthal, Jr. Deputy Director
 Russell J. Stoll, Executive Engineer
 Paul H. Riester, Director of Administration
 John J. Mogavero, Chemist/Chief WTPO
 Joseph J. Burns, Deputy Administrative Director
 Karen A. Prendergast, Comptroller
 Daniel J. NeMoyer, Director of Human Resources

ATTENDEES: Michael Mroziak, WBFO
 Anthony Perna

CALL TO ORDER at 9:30 a.m.

PLEDGE TO THE FLAG

I. - ROLL CALL

II. - READING OF MINUTES

Motion by Mr. Carney seconded by Mr. Schad and carried to read the Minutes of the Meeting held on May 17, 2018.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

III. - APPROVAL OF MINUTES

Motion by Mr. Carney seconded by Mr. Schad and carried to approve the Minutes of the Meeting held on May 17, 2018.

DISCUSSION

None

VOTE

Ayes: Two; Commrs. Schad and Carney

Noes: None; Commissioner Jones abstained

IV. - REPORTS

V. - COMMUNICATIONS AND BILLS

VI. - UNFINISHED BUSINESS

VII. - NEW BUSINESS

1. Interim Financial Audit

Karen Prendergast reported that she met with Commissioner Jones and discussed the possibility of an interim audit through his appointment date. Ms. Prendergast noted that the existing contract with the Authority's auditors, Drescher & Malecki, does not have a provision for other audit services. Therefore, she would like to get some estimates from Drescher & Malecki on suggested agreed upon procedures as she does not feel it makes sense to solicit a RFP. She will then come back to the Audit Committee to ask permission to move forward with those agreed upon procedures. Commissioner Jones mentioned that he brought this up because he believes it would be prudent business practice to have some type of review through his appointment date. Vice Chairman Carney expressed his concern about the cost. Ms. Prendergast told him the Board can pick and choose which agreed upon procedures they would like the auditors to do. Chairman Schad noted that the suggestion is timely and is a very prudent practice. He believes there is something to be said for doing this every time there is a change in Treasurer. It was also suggested by Ms. Prendergast and Commissioner Jones that it might be a good idea to have future contracts for audit services contain a provision for other audit or accounting services at an established hourly rate.

VIII. - ADJOURNMENT

Motion by Mr. Jones seconded by Mr. Carney and carried that the meeting adjourns.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

Respectfully submitted,

A handwritten signature in black ink, appearing to read "T. D. McCracken". The signature is fluid and cursive, with a long horizontal stroke at the end.

Terrence D. McCracken
Secretary to the Authority

PF