

MONROE COUNTY WATER AUTHORITY

Audit Committee Meeting
Thursday, March 3, 2016
8:00 a.m.

Attended:

Committee:

Joseph R. Rulison, Chairperson
Larry M. Magguilli

Staff:

Nicholas Noce
Kathleen Prestidge
Kathleen Lomb

Others:

Raymond Miller, Esq. of HS&E
Randall Shepard, Bonadio & Company
Frank X. Alkofer, Monroe County Legislator Liaison

The meeting of the Audit Committee was called to order by Chairman Rulison at 8:00 a.m.

1. **Review of 2015 Audited Financial Statements** – Mr. Randall Shepard of Bonadio & Company reviewed Bonadio's letter of findings and said the audit found no sensitive disclosures and no misstatements affecting the financial statements. He added that this was a clean, unqualified audit. Accordingly, Bonadio & Company will not be issuing a Management Letter. Mr. Shepard then presented a complete review of the financial statements for the year ended December 31, 2015. Following the review and discussion, the Audit Committee proceeded as follows:

Motion was made by Mr. Magguilli, seconded by Mr. Rulison, and passed unanimously to approve the Financial Statements for the year ended December 31, 2015 with a few minor language modifications, and to forward to the full Board for its approval.

2. **Review of the 2015 Annual Investment Audit** – Mr. Shepard informed the Committee that the State Comptroller's Office requires that each Authority have its independent auditors review the Authority's investment policies, investment practices and investments to confirm compliance with New York State laws and the Authority's investment policies. Bonadio & Company found that for the year ended December 31, 2015, the Authority was in compliance in all material aspects. The Audit Committee proceeded as follows:

Motion was made by Mr. Magguilli, seconded by Mr. Rulison, and passed unanimously to approve the 2015 Annual Investment Audit as presented and to forward to the full Board for its approval.

3. **Review of the 2015 Annual Investment Report** – Ms. Prestidge reviewed the Annual Investment Report for the year ended December 31, 2015 and responded to questions from the Committee. The Audit Committee proceeded as follows:

Motion was made by Mr. Magguilli, seconded by Mr. Rulison, and passed unanimously to approve the 2015 Annual Investment Report as presented and to forward to the full Board for its approval.

4. **Review of the Assessment of the Effectiveness of Internal Controls** – Ms. Prestidge informed the Committee that Tom Uschold performed the annual review and provided a memorandum detailing his process and findings. She stated that the review found no inordinate risks to Authority assets or operations during the review period. The Audit Committee proceeded as follows:

Motion was made by Mr. Rulison, seconded by Mr. Magguilli, and passed unanimously to approve the Assessment of the Effectiveness of Internal Controls Structure and Procedures for the year ended December 31, 2015.

5. **Schedule Next Audit Committee Meeting** – It was agreed that the next scheduled meeting of the Audit Committee will be Thursday, May 5, 2016 at 8:00 a.m.

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There being no further business to come before the Committee, motion was made by Mr. Magguilli, seconded by Mr. Rulison, and approved unanimously, to adjourn the meeting at 8:25 a.m.

Kathleen Lomb, Secretary
MCWA Audit Committee