

MONROE COUNTY WATER AUTHORITY

Audit Committee Meeting Thursday, December 5, 2019 8:00 a.m.

ATTENDEES:

Committee:

Joseph R. Rulison, Chairman
Matthew J. Fero
Sheryal A. Volpe

Staff:

Nicholas Noce
Larry Magguilli
Diane Hendrickson
Amy Molinari
Lisa Rawlins

Other:

Eric Hebert, Esq., HS&E
Randy Shepard, Bonadio & Co.
Erica Guardino, Bonadio & Co.

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

1. REVIEW 2019 AUDIT PLAN

Chairman Rulison introduced Randy Shepard of Bonadio & Co. Mr. Shepard presented a scope of services, timetable, and a plan for conducting their audit of the Authority's financial statements for the year ending December 31, 2019. He gave a detailed review of the plan and responded to questions from the Committee. This item was for informational purposes only and did not require any action by the Committee.

2. REVIEW AND APPROVE EXCESS WORKERS' COMPENSATION INSURANCE

Ms. Hendrickson addressed this item with the Committee, indicating that NCAComp, the Authority's Broker of Record for this insurance, presented the Authority with a proposal for Excess Workers' Compensation Insurance through Star Insurance Company. She reviewed this firm's proposal with the Committee, and responded to their questions. After some discussion and based on NCAComp's recommendation, the Audit Committee proceeded as follows:

Motion was made by Mrs. Volpe, seconded by Mr. Fero, and passed unanimously to approve Excess Workers' Compensation Insurance as brokered through NCAComp in accordance with Star Insurance Company's proposal for the period January 1, 2020 through December 31, 2020 in the estimated amount of \$67,323, and to forward this item to the full Board for approval.

3. REVIEW AND APPROVE PROPERTY & LIABILITY RISK MANAGEMENT AND INSURANCE CONSULTING SERVICES

Ms. Molinari addressed the Committee on this item. Firms were solicited via a Request for Qualifications for Property and Liability Risk Management and Insurance Consulting Services; one proposal was received in response to the RFQ from Arthur J. Gallagher & Co. After review of the proposal received, the Selection Committee made a recommendation to accept the proposal received from Arthur J. Gallagher & Co. After some discussion, the Audit Committee proceeded as follows:

Motion was made by Mr. Fero, seconded by Mrs. Volpe, and passed unanimously to accept the proposal received for Property and Liability Risk Management and Insurance Consulting Services from Arthur J. Gallagher & Co. for a term of two years with the option of two additional two-year renewal terms, for an annual estimated amount of \$30,000 and to forward to the full Board for approval.

4. REVIEW AND APPROVE BROKER OF RECORD FOR GENERAL INSURANCE

Ms. Molinari again addressed the Committee. Firms were solicited via a Request for Qualifications for Broker of Record for General Insurance. Proposals were received in response to the RFQ from Alliant Insurance Services, Inc., Brown & Brown of New York, Inc., and M&T Insurance Agency, Inc. After review and scoring of the proposals, the Selection Committee determined that all three firms possess the qualifications necessary to perform the services outlined in the RFQ and recommended the Audit Committee accept all three proposals to establish a stable of firms for services pertaining to Broker of Record for General Insurance. After some discussion, the Committee proceeded as follows:

Motion was made by Mrs. Volpe, seconded by Mr. Fero, and passed unanimously to accept all three proposals received for Broker of Record for General Insurance for a term of three years with the option of two additional one-year renewal terms and to forward to the full Board for approval.

5. PROPOSED 2020 AUDIT COMMITTEE MEETING SCHEDULE

The proposed 2020 Meeting Schedule for the Audit Committee was unanimously approved. Dates are as follows: March 3, 2020 at 8:00 a.m.; May 7, 2020 at 8:00 a.m.; October 1, 2020 at 8:00 a.m.; December 3, 2020 at 8:00 a.m.

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



Karin Anderson, Management Assistant