

# MONROE COUNTY WATER AUTHORITY

## Audit Committee Meeting Thursday, June 4, 2020 8:00 a.m.

### ATTENDEES:

#### Committee:

Joseph R. Rulison, Chairman  
Matthew J. Fero  
Sheryal A. Volpe  
Scott D. Nasca, Ex-Officio

#### Staff:

Nicholas Noce  
Larry Magguilli  
Diane Hendrickson  
Amy Molinari

#### Other:

Eric Hebert, Esq., HS&E  
Dawn Minemier, Bonadio & Co.

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

#### 1. REVIEW OF DEFERRED COMPENSATION AUDIT

Ms. Dawn Minemier of Bonadio & Company provided the Committee an overview of the audited financial statements as of December 31, 2019 for the *Deferred Compensation Plan for Employees of the Monroe County Water Authority*. She indicated it was a "clean audit" and no management letter was issued. Following the review and some discussion, the Audit Committee proceeded as follows:

Motion was made by Mr. Fero, seconded by Mrs. Volpe, and passed unanimously to accept the audited Financial Statements of the Deferred Compensation Plan for the year ending December 31, 2019, as presented, and to forward to the full Board for its approval.

#### 2. REVIEW FOR RECOMMENDATION ON MCWA 2020 GENERAL INSURANCE RENEWALS

Ms. Amy Molinari provided Committee members with an overview of the Authority's General Insurance programs, recapped the RFP process, and discussed the proposals received. She also provided details regarding policies, layers of coverage, and side-by-side cost comparative analysis. She then introduced the Authority's Insurance Consultant, Sulim Bartok of Arthur J. Gallagher & Company, who was available via conference call. Both Mr. Bartok and Ms. Molinari addressed questions, and after further discussion, the Audit Committee proceeded as follows:

Motion was made by Mrs. Volpe, seconded by Mr. Fero, and passed unanimously to recommend forwarding to the full Board approval to execute a Professional Services Agreement with M & T Insurance Agency, Inc. for Placement of General Insurance Coverage, to serve as Broker of Record, and for provision of Risk Management Services for a period of one (1) year for a fee of \$60,000. M & T Insurance Agency, Inc. is designated as Broker of Record for MCWA's General Insurance Program for coverage commencing July 1, 2020; and

to authorize M & T Insurance Agency, Inc. to place a number of MCWA insurance renewals with the limits of liability and deductibles, as proposed, and including any fees for service for an estimated total cost of \$400,000. Furthermore, M & T Insurance Agency, Inc. shall be directed to obtain quotations for an additional \$40,000,000 of Excess Liability

---

Coverage, net of commission, due to the Water Authority no later than June 26, 2020. The term for insurance coverage is July 1, 2020 through June 20, 2021.

3. REVIEW & RE-ADOPT THE ACCOUNTING POLICIES & PROCEDURES MANUAL

Ms. Molinari briefed the Committee that the policies and procedures outlined in the Manual are working well, and that no changes are recommended at this time. The Audit Committee proceeded as follows:

Motion was made by Mr. Fero, seconded by Mrs. Volpe, and passed unanimously, to re-adopt the *Accounting Policies & Procedures Manual*, as presented, and to forward to the full Board for its approval.

4. DISCUSS RFP FOR PROFESSIONAL AUDITING SERVICES

Ms. Molinari provided the Committee with a list of potential recipients of a Request for Proposal (RFP) to provide the Water Authority with Professional Auditing Services, to be sent out June 15, 2020. This procurement will also be posted on the MCWA website. Mr. Noce then presented the Committee with an overview of the RFP process. After some discussion, it was determined that the Selection Committee shall be comprised of Mr. Fero, Mrs. Volpe, and Mr. Nasca. No formal action was taken.

5. CONFIRM THE NEXT AUDIT COMMITTEE MEETING

It was agreed that the next scheduled meeting of the Audit Committee will be Thursday, August 6, 2020 at 8:00 a.m.

\* \* \*

There being no further business to come before the Committee, motion was made by Mr. Fero, seconded by Mrs. Volpe, and approved unanimously, to adjourn the meeting at 8:30 a.m.

---

Karin Anderson, Management Assistant