

MONROE COUNTY WATER AUTHORITY

Audit Committee Meeting
Thursday, March 1, 2018
8:00 a.m.

Attended:

Committee:

Joseph R. Rulison, Chairperson
Sheryal A. Volpe
Wendy Bleier-Mervis

Staff:

Nicholas Noce
Kathleen Prestidge
Lisa Rawlins
Richard Metzger
Larry Magguilli
Kathleen Eisenmann

Others:

Randall Shepard, Bonadio & Company
Megan Anderson, Bonadio & Company
Frank X. Allkofer, Monroe County Legislative Liaison

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

1. **Review of 2017 Audited Financial Statements** – Mr. Randall Shepard reviewed Bonadio's letter of findings and said the audit found no sensitive disclosures and no misstatements affecting the financial statements and, therefore, no Management Letter was being issued. He stated it was a clean audit and an "unmodified opinion", meaning the financial statements were presented, in all material respects, in accordance with the applicable financial reporting framework. Mr. Shepard then presented a complete review of the financial statements for the year ended December 31, 2017. Following the review and discussion, the Audit Committee proceeded as follows:

Motion was made by Ms. Volpe, seconded by Ms. Bleier-Mervis, and passed unanimously to approve the Financial Statements for the year ended December 31, 2017 as presented and to forward to the full Board for its approval.

2. **Review of the 2017 Annual Investment Audit** – Mr. Shepard informed the Committee that the State Comptroller's Office requires that each public authority have its independent auditors review its investment policies, investment practices and investments to confirm compliance with New York State laws and the Authority's own investment policies. Bonadio & Company found that for the year ended December 31, 2017, the Authority was in compliance in all material aspects. The Audit Committee proceeded as follows:

Motion was made by Ms. Volpe, seconded by Ms. Bleier-Mervis, and passed unanimously to approve the 2017 Annual Investment Audit as presented and to forward to the full Board for its approval.

3. **Review of the 2017 Annual Investment Report** – Ms. Prestidge gave an in-depth review of the Annual Investment Report for the year ended December 31, 2017 and responded to questions from the Committee. The Audit Committee proceeded as follows:

Motion was made by Ms. Bleier-Mervis, seconded by Ms. Volpe, and passed unanimously to approve the 2017 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 Mr. Thomas Uschold performed the annual review and provided a memorandum detailing his assessment procedure and his findings of no inordinate risks to Authority assets or operations during the review period. The Audit Committee proceeded as follows:

Motion was made by Ms. Bleier-Mervis, seconded by Ms. Volpe, and passed unanimously to approve the Assessment of the Effectiveness of Internal Controls Structure and Procedures for the year ended December 31, 2017.

5. **Schedule Next Audit Committee Meeting** – It was agreed that the next scheduled meeting of the Audit Committee will be Thursday, May 3, 2018 at 8:00 a.m.

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There being no further business to come before the Committee, motion was made by Ms. Bleier-Mervis, seconded by Ms. Volpe, and approved unanimously, to adjourn the meeting at 8:22 a.m.

Kathleen A. Eisenmann, Secretary to the Authority