

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 19th day of September 2019.

PRESENT: **Jerome D. Schad, Chairman**
Mark S. Carney, Vice Chairman
E. Thomas J. Jones, Jr., Treasurer
Terrence D. McCracken, Secretary to the Authority
Karen A. Prendergast, Chief Financial Officer
Margaret Murphy, Attorney
Russell J. Stoll, Executive Director (Chief Operating Officer)
Leonard F. Kowalski, Sr. Distribution Engineer
Daniel J. NeMoyer, Director of Human Resources
Lavonya C. Lester, Director of Administration
Sabrina A. Figler, Director of Water Quality
Matthew Barrett, Security Officer
Jeffrey Schlierf, Acting Manager of Information Technology
Richard Deren, Network Specialist
Steven V. D'Amico, Business Office Manager

ATTENDEES: **Brian Gould**

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. Jones and carried to waive the reading of the Minutes of the Meeting held on August 8, 2019.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

III. - APPROVAL OF MINUTES

Motion by Mr. Carney seconded by Mr. Jones and carried to approve the Minutes of the Meeting held on August 8, 2019.

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

IV. - REPORTS

V. - COMMUNICATIONS AND BILLS

VI. - UNFINISHED BUSINESS

VII. - NEW BUSINESS

A. Audit RFP

Discussion

Karen Prendergast informed the Board that the Audit RFP was sent to nine certified public accounting firms. Three firms failed to respond, three declined and three responded. The RFP is for years ending 2019, 2020 and 2021 with possible extensions to 2022 and 2023. Responses were received from Drescher & Malecki, Lumsden & McCormick and Bonadio Group. She added that it is the responsibility of the Audit Committee to select the independent auditor. A summary of the three firms was also distributed. Drescher & Malecki had the lowest cost followed by Lumsden & McCormick and then Bonadio Group. Over the last 15 years the Authority has had experience with Drescher & Malecki and Lumsden & McCormick and no experience with the Bonadio Group. Ms. Prendergast noted that if the Audit Committee selects a firm, she will try to put a professional services agreement on for the next board meeting. It is a fairly straight forward agreement with fixed fees for the audits and hourly rates for the agreed-upon procedures, if needed. Chairman Schad asked if there would be a switch in partners if they selected Drescher & Malecki, and Ms. Prendergast replied that yes it would be Tom Malecki. She said that all of the firms would meet the ABO requirement.

Chairman Schad recommended selecting Drescher & Malecki. The other Commissioners concurred.

VIII. - ADJOURNMENT

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

DISCUSSION

None

VOTE

Ayes: Three; Commrs. Schad, Carney and Jones

Noes: None

A handwritten signature in black ink, appearing to read "T. D. McCracken". The signature is fluid and cursive, with a large initial "T" and "M".

Terrence D. McCracken
Secretary to the Authority

PF