

**MINUTES of the AUDIT COMMITTEE MEETING of the ERIE COUNTY WATER AUTHORITY** held in the office, 295 Main Street, Rm. 350, Buffalo, New York, on the 22<sup>nd</sup> day of March, 2018.

**PRESENT:** Robert Anderson, Chairman  
Jerome D. Schad, Vice Chairman  
Karl J. Simmeth, Jr., Treasurer  
Robert J. Lichtenthal, Jr., Deputy Director  
Joseph T. Burns, Secretary to the Authority  
Terrence McCracken, Deputy Administrative Director  
Russell Stoll, Executive Engineer  
Paul Riester, Director of Administration  
Karen Prendergast, Comptroller  
Daniel NeMoyer, Director of Human Resources  
Margaret Murphy, Associate Attorney  
Darlene Sikorski-Petritz, Deputy Associate Attorney  
Richard Planavsky, Chief Business Officer Manager/Budget Director  
John Mogavero, Chemist/Chief WTPO  
Paul Whittam, Director of Water Quality

**ATTENDEES:** Sean Dwyer  
Mike Wymer  
David Harrington, WGRZ  
Josh Bazan, WKBW  
Dave Sommerville, WIVB  
Paul Wolf, Buffalo Niagara Coalition for Open Government  
Ed McKee, Buffalo Niagara Coalition for Open Government  
Rich Bertrand, Buffalo Niagara Coalition for Open Government  
Luke Malecki  
Nichole Ruf

**CALL TO ORDER**

**PLEDGE TO THE FLAG**

**I. - ROLL CALL**

## **II. - READING OF MINUTES**

Motion by Mr. Simmeth seconded by Mr. Schad and carried to waive the reading of the Minutes of the Audit Committee Meeting held on November 30, 2017.

## **III. - APPROVAL OF MINUTES**

Motion by Mr. Simmeth seconded by Mr. Schad and carried to approve the Minutes of the Audit Committee Meeting held on November 30, 2017.

## **IV. - REPORTS**

### **A) Presentation of the 2017 Audit by Drescher & Malecki LLP**

Drescher & Malecki distributed a summary of the 2017 audit. Luke Malecki proceeded to give a presentation to the Committee of the 2017 audit.



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# ERIE COUNTY WATER AUTHORITY

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December 31, 2017 Audit



MARCH 22, 2018

# Erie County Water Authority

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- Basic Financial Statements
- Schedule of Overhead Percentage
- Schedule of Cash and Investments and Schedule of Income from Cash and Investments
- Management Letter
- Auditor Communications
- Comprehensive Annual Financial Report



# Auditor Communications

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- Our responsibility under GAAS
- Significant accounting policies
- Significant accounting estimates
- Independence
- Other matters



## Condensed Financial Information

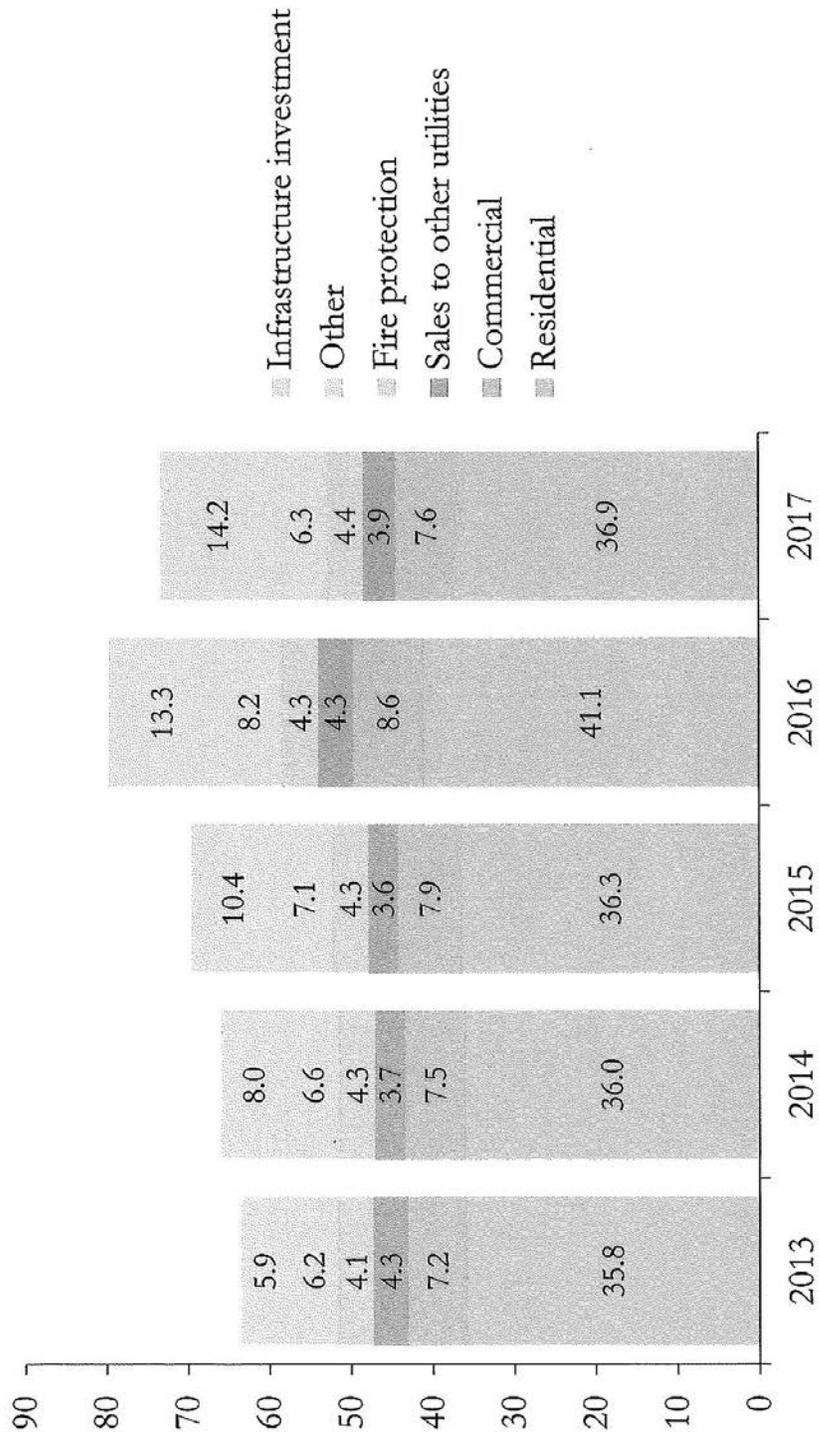
### Condensed Statements of Net Position

	December 31,	
	2017	2016
Assets:		
Current assets	\$ 46,299,755	\$ 46,028,227
Noncurrent assets	410,625,529	401,035,047
Total assets	456,925,284	447,063,274
Deferred outflows of resources	6,316,419	11,107,335
Liabilities:		
Current liabilities	20,914,751	21,577,629
Noncurrent liabilities	82,835,319	91,245,363
Total liabilities	103,750,070	112,822,992
Deferred inflows of resources	823,562	1,092,360
Net Position:		
Net investment in capital assets	332,979,635	313,073,344
Restricted	8,375,301	8,345,445
Unrestricted	17,313,135	22,836,468
Total net position	\$ 358,668,071	\$ 344,255,257

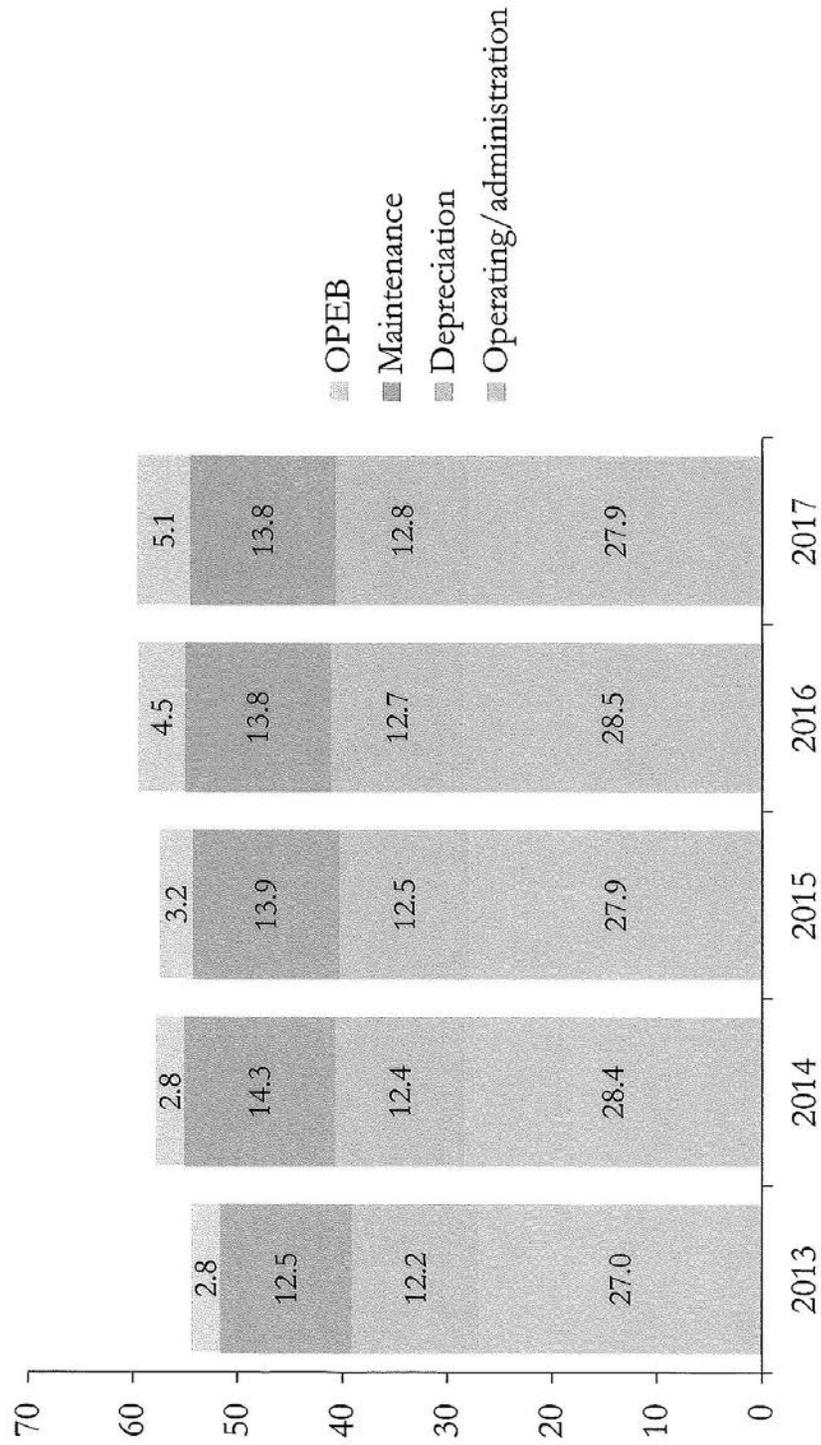
**Condensed Financial Information**  
**Condensed Statements of Revenues, Expenses and**  
**Changes in Net Position**

	December 31,	
	2017	2016
Operating revenue	\$ 73,291,512	\$ 79,711,080
Operating expenses	(59,631,359)	(59,501,792)
Nonoperating revenues and expenses	(875,708)	(813,212)
Contributions in aid of construction	<u>1,628,369</u>	<u>1,644,087</u>
Change in net position	<u>\$ 14,412,814</u>	<u>\$ 21,040,163</u>

## Operating Revenues (\$ millions)



## Operating Expenses (\$ millions)





Luke R. Malecki, CPA  
Partner  
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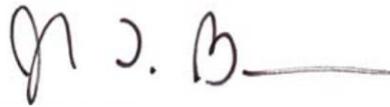
**V. - COMMUNICATIONS AND BILLS**

**VI. - UNFINISHED BUSINESS (NONE)**

**VII. - NEW BUSINESS (RESOLUTIONS)**

**VIII. - ADJOURNMENT**

Motion by Mr. Simmeth, second by Mr. Schad and carried that the meeting adjourn.

A handwritten signature in black ink, appearing to read "J. T. Burns", followed by a horizontal line.

Joseph T. Burns  
Secretary to the Authority

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