

AUDIT COMMITTEE

MINUTES

February 6, 2014

10:30 AM

Board Room

1372 East Main Street, Rochester NY

Committee Members Present: Commissioner Michael Jankowski, Committee Chairman
Commissioner Frank Vitagliano
Commissioner Jim Redmond, Board Chairman
Commissioner Paul Battaglia, Vice Chairman

Others Present: Bill Carpenter, CEO, RGRTA
Scott Adair, CFO, RGRTA
Christopher Dobson, VP of Finance, RGRTA
Mark Nasky, Director of Accounting, RGRTA
Kristen Clark, Partner, Bonadio
Jon Miller, Principal, Bonadio
Michelle Pyzik, Audit Manager, Bonadio

The meeting was called to Order by Committee Chairman Michael Jankowski at 10:31am.

Scott Adair, CFO reviewed the agenda with the committee:

- External Auditor Entrance Conference
- Financial Software Update
- December Financials
- Other

Scott Adair discussed the purpose of the External Auditor Entrance Conference with the Audit Committee and the ability of the Committee to enter into Executive Session with the Auditor's after their presentation.

Scott Adair introduced Bonadio and Company, the Authority's external auditors, and Kristen Clark, the Engagement Partner.

Scott Adair turned the entrance conference portion of the agenda over to Kristen Clark to go through the required items the Auditor's need to communicate with the Audit Committee. Kristen introduced the Firm's Audit team leaders of Michelle Pyzik and Jon Miller. The Audit Team then led a discussion their scope of services, objectives of the audit, the responsibilities of management and the Audit Committee during the audit, audit approach and focus areas, materiality and sampling, timetable of the audit and a GASB update.

Upon the conclusion of the presentation, the Audit Committee went into executive session. Commissioner Redmond made the motion, seconded by Commissioner Battaglia, all voted in favor. Time of approximately 11:10 am.

At 11:25 am, the Audit Committee returned from Executive Session.

Due to time constraints, Chairman Jankowski requested that we hold the Financial Software Update till the next meeting and review the December Financials.

Scott Adair went over the December Financials with the Audit Committee. The December Financials are projecting a year-end deficit of approximately \$261K. The projected deficit had changed by approximately \$23K from the last financials statements presented to the Board for October.

- *In response to a question from Commissioner Jankowski regarding whether or not the Authority will finish this fiscal year in the black, Scott Adair responded that we are watching a number of things right now for the projected numbers. Our Budget Team reviews the financial statements each month to assess the previous month projections and estimates for the remaining unknown periods. As we close in on year-end I do believe that we will see some positive movement in this number but would not feel comfortable with projecting net income for the year at this time. We are always taking steps to close the gap.*

On a motion from Commissioner Vitagliano and a second by Commissioner Battaglia the meeting was adjourned.