

ECFSA Audit Committee Meeting  
March 25, 2009  
Buffalo Library

Present: Chairman John Johnson, Vice Chairman Joseph Goodell, Secretary Stanley J. Keysa, Director Kenneth Kruly

Chairman Johnson: “Welcome to the meeting of the audit committee for the ECFSA. We re joined here today with Director Keysa, Director Kruly and yours truly.”

“We have a guest, Mr. Joseph Klimek that will be here to have a presentation but before we do that, I would like to yield to Mr. Keysa for the minutes.”

Secretary Keysa: “Thank you Mr. Chair, you have before you the minutes of the audit committee meeting from March 7, 2008. I thank Ms. Martin in particular for going through those and getting them to me. I apologize for the fact that the audited version just got to you today but you have it before you and at this point I would recommend that those be approved.”

Chairman Johnson moved to approve, Director Kruly seconded and the Directors voted unanimously to approve the minutes of the March 7, 2008 meeting.

Chairman Johnson: “We will now go to item number three a presentation of the audited financials Mr. Joseph Klimek?”

Joseph Klimek, CPA: “Good afternoon everyone, my name is Joe Klimek, I am a Director at the firm Toski, Schaffer and Company. We are pleased to have the opportunity to express our comment resulting from our audit of your financial statements for the year ended December 31, 2008.”

“Our responsibility as auditors is to present additional information to the governing board regarding the scope and results of our audit to assist the Board in overseeing the financial disclosure reporting process of the authority. We do our audit in accordance with Generally Accepted Auditing Standards and in this case the addition of government auditing standards is required for this organization. our responsibility is it express an opinion about the financial statements prepared by management, with your oversight are fairly presented in all material respect in conformity with US Generally accepted accounting principles. The result of our audit is that we have issued an unqualified clean opinion of your financial statements. Here is a brief overview of the financial

statements. Again we have issued an unqualified clean opinion of your financial statements for the year ended December 31, 2008.”

“Managements discussion and analysis shows a very positive year in the financial activity of the Authority. If you read the financials Management’s Discussion and analysis very well job done by management.”

“The authority had a decrease in its net assets of around \$112,000. The reason for this is because the Authority normally only retains the interest earned on it funds on deposit that NYS for interest income generated from those deposits. This year there was a large decrease interest rates therefore you had a large decrease in that dollar amount that was recorded in the financial statements, as a result the authority used \$112,000 of its fund balance during the current year. That interest rate is also affected now for the year 2009 so I imagine that the Authority will be using some of the sales tax money that normally would pass through directly to the county in order to subsidize its operations.”

Secretary Keysa: “I have just a quick question on that. That is just a result of the practice of taking the interest distribution but we are not limited to that interest?”

Joseph Klimek, CPA: “That is correct.”

Secretary Keysa: “So this is not a significant problem more just a notation as to that is what it was.”

Joseph Klimek, CPA: “That is true, it is just a notation of what was accounted for in the prior year and in the year ended December 31, 2008.”

“This year \$368,000 was earned on interest, in 2007 that amount was \$640,000. So you can see the difference in the interest rates and how it effected the operations of the Authority. Other than that the Authority spent only \$488,000 compared to an allocated budget of \$764,000 during the year, a good savings to the taxpayers of Erie County.”

Secretary Keysa: “In the past years, well at least one of the years we elected to go into executive session, to ask you various questions. Do you see any reason that we need to do that?”

Joseph Klimek, CPA: “No, we have issued our management letter. We had a couple of suggestions to improve internal controls but nothing came to our attention that would require us to meet in executive session. We

did not find any fraudulent activity that we came across in our audit work”

Chairman Johnson: “Mr. Klimek thank you for your presentation. I still will yield for any additional questions that may come from my colleagues on this committee. As you have heard from Mr. Klimek the outside auditors have issued again this year an unqualified opinion from you, thank you very much. I believe that we would be remise if we did not recognize that congratulations are in order for my colleagues on this committee as well as the staff for keeping costs very low and a minimum amount of spending for operations as needed. If there are no more questions for Mr. Klimek, I would recommend to my colleagues that we approve the audit report as presented.”

Director Kruly moved to approve, Secretary Keysa seconded and the Directors voted unanimously to approve recommendation of the 2008 audit to the full board.

Chairman Johnson: “Again thank you Mr. Klimek, this is all of the business we have before the audit committee. So with that I would recommend a motion for adjourn.”

Secretary Keysa moved to adjourn, Vice Chair Goodell seconded and the Board voted unanimously to adjourn.

Respectfully submitted:

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Stanley J. Keysa  
Secretary