

**MONTGOMERY-OTSEGO-SCHOHARIE SOLID WASTE MANAGEMENT
AUTHORITY
AUDIT COMMITTEE MEETING**

DATE: October 18, 2007

LOCATION: MOSA Administrative Complex, Howes Cave

MEMBERS PRESENT:

Daniel Baker
David Parker
Edward Wesnofske

ABSENT:

OTHERS PRESENT:

Meredith McNeil
Olga Podmajersky
William Strevy
Gilbert L. Chichester
Jason Cooper
Barbara Corrigan

1) Opening

Chairperson Baker opened the meeting.

2) Approval of Minutes

August 13, 2007 minutes were approved

3) Engagement Letter for 2007 Audit

The Engagement letter was distributed and discussed. The new cost is \$19,000 for the Audit of the December 31, 2007 financial statements including the internal control and SAS #61 report. The cost for the Accountants' certification on events of default is \$2,500. This is up from the 2006 audit costs, which were \$14,000 and \$2,500 respectively. There was a brief discussion regarding increased procedures.

Mr. Strevy asked if we were ever planning on going out to bid on the audit.

Ms. Corrigan explained it is late in the year to do this. The best time of year to go to bid would be once the 2007 audited financial statements are presented.

Mr. Chichester added that the cost for new auditor's increases based on the additional work required learning about a new client. He indicated that the partner in charge has been changed which is in compliance with the Authority Budget Office guidelines.

Mr. Wesnofske moved that the engagement letter be accepted. Mr. Parker seconded the motion all were in favor. No resolution is required as the Audit committee is responsible to appoint the auditors.

4) Review of "Model Audit Committee Charter"

Mr. Parker pointed out he liked the Research Frontier Audit Committee Charter.

Mr. Baker suggested that he and Ms. Corrigan sit down and come up with a draft charter on Thursday October 25, 2007 at 1p.m. The group was agreeable to this. All other members were invited to join the meeting.

Mr. Wesnofske shared comments per his review of the Draft Charter that was distributed at the meeting these will be considered when the group reconvenes on Thursday.

5) Other Business

Mr. Wesnofske moved that the committee establish a procedure to review the use of company credit card. The review should occur twice a year by a member of the audit committee. Mr. Parker seconded the motion. All were in favor

Mr. Wesnofske moved that the audit committee review cancelled checks twice a year. Mr. Baker seconded the motion. All were in favor.

Ms. Podmajersky suggested a process be established to replace weigh station operators for a week each year. This would help assure all customers are properly weighed and charged.

Discussion continued regarding this idea and the decision was made to revisit the idea at the next committee meeting.

6) Closing

The committee adjourned at 4:37 p.m.