

**Minutes
Monroe County Airport Authority
Audit Committee Meeting
November 16, 2009**

Present: Bernard Iacovangelo, Chairperson
Steve Tucciarello
Don Johnson

Others Present: David P. Damelio, Director of Aviation
Scott Adair, Treasurer
Phil Mancini, Internal Auditor
Charles Turner, Assistant Secretary
Angela Veltre, Assistant Treasurer
Randall Shepard – Audit Partner for Bonadio

The meeting was called to order at 12:35 pm by Chairman Iacovangelo.

Approval of Minutes of September 23, 2009. It was moved by Chairman Iacovangelo and seconded by Member Johnson that the minutes of the audit committee meeting of September 23, 2009 be approved. The motion was adopted unanimously 2-0.

Audit Entrance Presentation by Bonadio and Co., LLP. Randall Shepard, Audit Partner for Bonadio & Co. presented information to the committee regarding the 2009 Audit. He noted that Bonadio will meet with the committee twice during the audit process. He provided a hand out entitled Audit Committee Planning Meeting dated November 16, 2009. (Committee member Steve Tucciarello joined the meeting in progress.) Mr. Shepard reviewed the auditors responsibilities and stated that a key point to remember is that an audit does not relieve management or the audit committee of the responsibilities with regard to governance and oversight. He reviewed the standards regarding materiality and the type of errors that the auditor is able to accept. He reviewed the key role the Audit Committee plays in the oversight process and the identification of high risk audit areas. Mr. Shepard noted that in regard to GASB requirement number 51 regarding treatment of intangible assets that this should not have a significant impact on the Authority. There are no new auditing considerations identified for 2010. Mr. Shepard reviewed the time table indicating that the next meeting with the Audit Committee is tentatively scheduled for March 18, 2010. It was noted that the Board is scheduled to meet on March 17th and therefore the date of the Audit Committee Meeting may require adjustment.

Chairman Iacovangelo questioned whether the recent contract for internal auditing should be referenced in the audit or management letter. This shows that the Authority is proactive at maintaining the integrity of the financial operation of the airport. Mr. Shepard indicated that he would take this under consideration. There were no further questions of Mr. Shepard.

Schedule of Dates for 2010 Audit Committee Meetings. The list of dates for 2010 were distributed to the committee. Chairman Iacovangelo noted that he currently has a conflict with the January 20, 2010 meeting. It was noted that the dates will be reviewed on an as needed basis.

Renewal of Contract with Internal Auditor. Chairman Iacovangelo noted that when the Board approved the initial one year internal auditing contract with Philip Mancini it authorized two 2 year renewals. He stated that an evaluation had been completed of Mr. Mancini's services as required by the contract. The evaluation was very positive and the committee members voiced their support of the work of Mr. Mancini. It was moved by Chairman Iacovangelo and seconded by member Johnson that the committee recommended to the Administrative Director that the internal auditing contract be renewed for a 2 year period January 1, 2010 through December 31, 2011. This motion was adopted unanimously 3-0.

2010 Monroe County Authority Budget. Assistant Treasurer Angela Veltre reviewed the proposed budget with the committee members. She noted that there was less than a one percent increase in the operating budget over 2009. The budget will be presented at the Board Meeting on December 2, 2009 for approval.

2010 Renewal and Replacement Budget. This budget was reviewed with the committee by Assistant Treasurer Angela Veltre. It provides for expenditures of \$3,094,167 and Ms. Veltre reviewed the allocation of those expenditures. This Renewal and Replacement Fund budget will be submitted to the Authority Board for approval on December 2, 2009.

Financial Report as of October 31, 2009. This was reviewed with the committee by Assistant Treasurer Angela Veltre. She reviewed both revenues and expenditures to date and noted that as of October 31st revenues exceed expenditures by \$12,000, with depreciation included. She concluded that the Airport is doing very well in its financial operations.

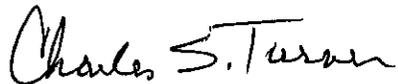
Internal Auditor Report. Internal Auditor Philip Mancini submitted a written report dated September 24 – November 16, 2009. He identified the Crane-Hogan audit as having been completed. He stated that the Hertz Audit, full terminal space review, and Federal Express Audit would be completed by December 31, 2009. Mr. Mancini reviewed with the committee the findings of this auditing work.

Mr. Mancini noted that they had received one contact in October on the Ethics Hotline. This was an issue of management and has been resolved. All calls to date over the Ethics Hotline have been management issues and have been resolved.

Mr. Mancini noted that he will continue to conduct the risk assessment for 2010 as part of his work plan.

The meeting was adjourned at 1:30 pm. The next meeting is scheduled for January 20, 2010 at 11:00 am..

Respectfully Submitted,

A handwritten signature in cursive script that reads "Charles S. Turner".

Charles S. Turner
Assistant Secretary

Dated: Nov. 24, 2009