



Columbia County Industrial Development Agency
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**COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
MEETING NOTICE**

Notice is hereby given on this 31st day of January 2017, to all interested agencies, groups and persons that 8:30 am on the 7th day of February 2017, the Columbia County Industrial Development Agency (IDA) and its Audit, Finance and Governance Committees will hold their regularly scheduled meeting at their offices located at 4303 US Route 9, Hudson, NY 12534. This meeting will be held to consider all appropriate business brought before it. The meeting is open to the public.

Sarah Sterling
Secretary
Columbia County Industrial Development Agency
Dated January 31, 2017

IDA Audit Committee Agenda

Members:

Bob Galluscio	Jim Mackerer	Sarah Sterling
William Gerlach	Carmin Pierro	
Brian Keeler	Sidney Richter	

1. Minutes, March 31, 2016*
2. 2017 Engagement Letter*
3. Charter Review*
4. Committee Evaluation
5. Public Comments

Attachments:

Minutes, March 31, 2016
Audit Committee Charter

- * Requires Action

DRAFT

**MINUTES
COLUMBIA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AUDIT COMMITTEE
Thursday, March 31, 2016
4303 Route 9
Hudson, New York**

A regularly scheduled meeting of Columbia County Industrial Development Agency's Audit Committee held at their offices located at 4303 Route 9, Hudson, NY 12534 on March 31, 2016. The meeting was called to order at 8:39 AM by Jim Mackerer, Chair.

Attendee Name	Title	Status	Arrived
Bob Galluscio	Treasurer	Present	
William Gerlach	Board Member	Present	
Brian Keeler	Board Member	Present	
Jim Mackerer	Chairman	Present	
Sid Richter	Vice-Chairman	Present	
Sarah Sterling	Secretary	Present	
Theodore Guterman II	Counsel	Present	
F. Michael Tucker	Interim President/CEO	Present	
Lisa Drahushuk	Administrative Supervisor	Present	
Erin McNary	Bookkeeper	Present	
Mary Kimball	Pattison, Koskey, Howe and Bucci	Present	
Matt Vanderbeck	Pattison, Koskey, Howe and Bucci	Present	
Damien Pinto	Redburn Development Companies	Present	
John Blackburn	Redburn Development Companies	Present	

Minutes: *Mr. Richter made a motion, seconded by Ms. Sterling, to approve the minutes from February 2, 2016. Carried.*

2015 Audited Financial Statements:

Mr. Vanderbeck stated the audit lead had changed this year in line with accepted recommendations. He introduced Mary Kimball, the lead partner on this year's audit.

Ms. Kimball stated the audit was straight forward with nothing unusual. She stated the only adjustment was with a Commerce Park transaction with LIMZ. She reminded the Board the transaction had been put through the IDA instead of CEDC. She noted \$1,240 needed to be transferred between the companies.

Ms. Kimball noted the receipt of the two project fees had helped the organization. She referenced the contribution to the CREDC, which was appropriate. Ms. Kimball reviewed the cash flow, PILOT receipts and the administrative fees. She noted there was nothing significant in the notes to the financial statements. Ms. Kimball stated details of the conduit debt had been outlined on page 17, with a schedule of projects of page 18 and PILOTS on page 19.

Ms. Kimball reviewed the required correspondence and the management letter with the Board. She stated a recommendation to formalize a policy and procedure for all conduit bond recipients to provide adequate supporting documentation to the Agency for monitoring outstanding balances at a minimum subsequent to year end. Additionally a procedure should be developed for obtaining the required ST-340 subsequent to year end.

Mr. Tucker thanked Mr. Vanderbeck, Ms. Kimball and Mike Bucci and the staff of Pattison, Koskey, Howe and Bucci for their assistance in completing the audit. He noted sections of the PARIS report had been included in the meeting packet for the IDA Board's review, noting it would be available to the public. He stated he would be certifying the report after the meeting as required by the ABO.

Mr. Galluscio made a motion, seconded by Mr. Keeler to recommend approval of the management letter and the audited financial statements to the full board for approval. Carried.

With no further business to discuss or public comment, a motion was made by Mr. Galluscio and seconded by Mr. Richter. Carried. The meeting adjourned at 8:55am

Respectfully submitted by Lisa Drahushuk

Columbia County Industrial Development Agency
AUDIT COMMITTEE CHARTER

This Audit Committee Charter was adopted by the Board of Members of the Columbia County Industrial Development Agency, a public benefit corporation established under the laws of the State of New York, on this 2nd day of February 2016.

Purpose:

Pursuant to Article IV, Section 3 of the Authority's bylaws, the purpose of the audit committee shall be to (1) assure that the authority's board fulfills its responsibilities for the authority's internal and external audit process, the financial reporting process and the system of risk assessment and internal controls over financial reporting; and (2) provide an avenue of communication between management, the independent auditors, the internal auditors, and the board of directors.

Powers of the Audit Committee

It shall be the responsibility of the audit committee to:

- Appoint, compensate, and oversee the work of any public accounting firm employed by the authority.
- Conduct or authorize investigations into any matters within its scope of responsibility.
- Seek any information it requires from authority employees, all of whom should be directed by the board to cooperate with committee requests.
- Meet with authority staff, independent auditors or outside counsel, as necessary.
- Retain, at the authority's expense, such outside counsel, experts and other advisors as the audit committee may deem appropriate. The Columbia County Industrial Development Agency board will ensure that the audit committee has sufficient resources to carry out its duties.

Composition of Committee and Selection of Members

The audit committee shall be established as set forth in and pursuant to Article IV, Section 3 of the Authority's bylaws. The audit committee shall consist of at least three members of the board of directors who are independent of authority operations. The Authority's board will appoint the audit committee members and the audit committee chair. Audit committee members shall be prohibited from being an employee of the authority or an immediate family member of an employee of the authority.

In addition, audit committee members shall not engage in any private business transactions with the authority or receive compensation from any private entity that has material business relationships with the authority, or be an immediate family member of an engages in private business transactions with the authority or receives compensation from an entity that has material business relationships with the authority. Ideally, all members on the audit committee shall possess or obtain a basic understanding of governmental financial reporting and auditing. The audit committee shall have access to the services of at least one financial expert; whose name shall be disclosed in the annual report of the authority.

The audit committee's financial expert should have 1) an understanding of generally accepted accounting principles and financial statements; 2) experience in preparing or auditing financial statements of comparable entities; 3) experience in applying such principles in connection with

the accounting for estimates, accruals and reserves; 4) experience with internal accounting controls and, 5) an understanding of audit committee functions.

Meetings

The audit committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. Members of the audit committee are expected to attend each committee meeting, in person. The audit committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary. The audit committee will meet with the authority's independent auditor at least annually to discuss the financial statements of the authority.

Meeting agendas will be prepared for every meeting and provided to the audit committee members along with briefing materials 5 business days before the scheduled audit committee meeting. The audit committee will act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings will be recorded.

Responsibilities

The audit committee shall have responsibilities related to: (a) the independent auditor and annual financial statements; (b) the Authority's internal auditors; (c) oversight of management's internal controls, compliance and risk assessment practices; (d) special investigations and whistleblower policies; and (e) miscellaneous issues related to the financial practices of the Authority.

A. Independent Auditors and Financial Statements

The audit committee shall:

- Appoint, compensate and oversee independent auditors retained by the authority and pre-approve all audit services provided by the independent auditor.
- Establish procedures for the engagement of the independent auditor to provide permitted audit services. The authority's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the audit committee. Non-audit services include tasks that directly support the authority's operations, such as bookkeeping or other services related to the accounting records or financial statements of the authority, financial information systems design and implementation, appraisal or valuation services, actuarial services, investment banking services, and other tasks that may involve performing management functions or making management decisions.
- Review and approve the authority's audited financial statements, associated management letter, report on internal controls and all other auditor communications.
- Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements , and understand their impact on the financial statements.
- Meet with the independent audit firm on a regular basis to discuss any significant issues that may have surfaced during the course of the audit.
- Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. Internal Auditors

The audit committee shall:

- Review with management and the internal audit director, the charter, activities, staffing and organizational structure of the internal audit function. The audit committee shall have authority over the appointment, dismissal, compensation and performance reviews of the internal audit director.
- Ensure that the internal audit function is organizationally independent from authority operations.
- Review the reports of internal auditors, and have authority to review and approve the annual internal audit plan.
- Review the results of internal audits and approve procedures for implementing accepted recommendations of the internal auditor.

C. Internal Controls, Compliance and Risk Assessment

The audit committee shall:

- Review management's assessment of the effectiveness of the authority's internal controls and review the report on internal controls by the independent auditor as a part of the financial audit engagement.

D. Special Investigations

The audit committee shall:

- Ensure that the authority has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers, or employees of the authority or any persons having business dealings with the authority or breaches of internal control.
- Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing to the appropriate body.
- Request and oversee special investigations as needed and/or refer specific issues to the appropriate body for further investigation (for example, issues may be referred to the State Inspector General or, other investigatory organization.)
- Review all reports delivered to it by the Inspector General and serve as a point of contact with the Inspector General.

E. Other Responsibilities of the Audit Committee

The audit committee shall:

- Present annually to the authority's board a written report of how it has discharged its duties and met its responsibilities as outlined in the charter.
- Obtain any information and training needed to enhance the committee members' understanding of the role of internal audits and the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.

- Review the committee's charter annually, reassess its adequacy, and recommend any proposed changes to the board of the authority. The audit committee charter will be updated as applicable laws, regulations, accounting and auditing standards change.

- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.

Adopted February 2, 2016