

Columbia County Industrial Development Agency

COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY MEETING NOTICE

Please take notice that there will be a regular meeting of the Columbia County Industrial Development Agency and its Audit, Finance and Governance Committees held on February 2, 2021 at 8:30am at their offices at One Hudson City Centre, Suite 301, Hudson, NY 12534. This meeting will be held via Google Meet due to the COVID-19 pandemic to consider all appropriate business brought before it. The meeting is open to the public and can be accessed via meet.google.com/vjj-xvjf-iou Join by phone: +1-605-653-2560 (PIN : 399969805)

Nina Fingar-Smith, Secretary
Columbia County Industrial Development Agency
Dated January 26, 2021

IDA Audit Committee Agenda

Members:

Nina Fingar-Smith	Brian Keeler	
Bob Galluscio	Carmin Pierro	
William Gerlach	Sarah Sterling	

1. Draft Minutes, August 4 , 2020*
2. Audit Committee Charter*
3. 2020 Internal Controls Statement*
4. 2020 Audit Committee Discharge of Duties*
5. Public Comments

Attachments:

Minutes, August 4, 2020
Audit Committee Charter
2020 Internal Controls Statement
2020 Discharged Duties
* Requires Action

**One Hudson City Centre, Suite 301
Hudson, New York 12534
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Columbia County Industrial Development Agency

MINUTES COLUMBIA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AUDIT COMMITTEE Tuesday, August 4, 2020

VIA Conference call due to the COVID-19 outbreak

A regularly scheduled meeting of Columbia County Industrial Development Agency's Audit Committee held via conference call due to the COVID-19 pandemic on Tuesday, August 4, 2020. The meeting was called to order at 8:44 am by Carmine Pierro, Chairman.

Attendee Name	Title	Status	Arrived
Nina Fingar-Smith	Secretary	Excused	
Robert Galluscio	Treasurer	Present via phone	
William Gerlach	Board Member	Present via phone	
Brian Keeler	Board Member	Present via phone	
Carmine Pierro	Chairman	Present via phone	
Sarah Sterling	Vice-Chair	Present via phone	
Theodore Guterman II	Counsel	Present via phone	
F. Michael Tucker	President/CEO	Present via phone	
Lisa Drahushuk	Administrative Supervisor	Present via phone	
Erin McNary	Bookkeeper	Present via phone	
Ed Stiffler	Economic Developer	Present via phone	
Martha Lane	Business Development Specialist	Present via phone	
Carol Wilber	Marketing Director	Present via phone	

Minutes, March 16, 2020:

Mr. Gerlach made a motion, seconded by Mr. Galluscio to approve the draft March 16, 2020 minutes as presented. Carried.

2019 Committee Evaluation:

Ms. Sterling made a motion, seconded by Mr. Keeler to recommend approval of the 2019 Committee Evaluation to the full board as presented. Carried.

With no further business to discuss or public comment, a motion to adjourn was made by Mr. Galluscio and seconded by Mr. Gerlach. Carried. The meeting adjourned at 8:45am.

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 7th day of February 2017.

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.

Reviewed and re-affirmed February 7, 2017

Statement of the Effectiveness of Internal Control

This Statement of the Effectiveness of Internal Controls was adopted by the Board of Directors of the Columbia County Industrial Development Agency, (the “Agency”), a public benefit corporation established under the laws of the State of New York, on this ____th day of __, 2021.

Purpose

To satisfy the requirement of Section 2800 (1)(a)(9) and Section 2800 (2)(a)(9) of Public Authorities Law, the Agency has prepared the following statement:

Statement of the Effectiveness of Internal Controls

This statement certifies that the Columbia County Industrial Development Agency followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending December 31, 2020.

To the extent that deficiencies were identified, the Agency has developed corrective action plans to reduce any corresponding risk.

Columbia County Industrial Development Agency 2020 Discharged Duties

Audit Committee:

- Reviewed and approved 2019 internal control statement.
- Reviewed and approved committee charter, committee evaluation and 2019 discharge of duties.
- Reviewed and recommended to the full board the 2019 audited financials.

Finance Committee:

- Reviewed and recommended to the full board: quarterly treasurer's reports, 2021 budget.
- Reviewed and approved: committee charter, committee evaluation, 2019 discharge of duties and the 2019 Investment Report

Governance Committee:

- Reviewed and recommended to the full board: slate of directors, 2020 compliance calendar.
- Reviewed and approved committee charter, 2019 discharged duties and committee evaluation.

Full Board:

- Appointed: corporate officers, corporate attorney, corporate accountant, administrative officer and staff, committee members, ethics and procurement officers.
- Reviewed and approved 2020 meeting schedule, corporate policies and procedures, banks and accounts, 2020 compliance calendar, 2019 committee discharges duties, 2019 internal controls statement, 2019 performance goals report, 2020 mission and measurements statement, 2019 operations and accomplishments, CEDC contract with the IDA, confidential board evaluation, 2021 budget.
- Heard update on Limz Machinery and Hudson Valley Real Estate Holding Company projects.