

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 Committees to be held in person and via Zoom on February 7, 2023 at 8:30am, at One Hudson City Centre, Suite 301, Hudson, NY 12534 in accordance with Public Officers Law Section 103-a. This meeting is open to the public, who will have the opportunity to attend the meeting in person at the One Hudson City Centre address or via Zoom and provide live comments. Meeting packets are posted and available on the IDA's website: <https://columbiaedc.com/about-cedc/columbia-county-ida/ccida-public-documents-room/> Join Zoom Meeting: <https://us06web.zoom.us/j/81740639237?pwd=RG9vVzhkVWpJS1FTRHVlNVhHSGJXQT09> Meeting ID: 817 4063 9237, Passcode: 500644, Dial by your location: 1 646 558 8656 Find your local number: <https://us06web.zoom.us/u/kdCHBcGEbq>

Dated: January 31, 2023

Nina Fingar-Smith

Secretary, Columbia County Industrial Development Agency

IDA Audit Committee Agenda

Members:

Nina Fingar-Smith	Brian Keeler	Sarah Starling
Bob Galluscio	Carmine Pierro	
William Gerlach	Rick Rector	

1. Draft Minutes, December 6, 2022*
2. Audit Committee Charter*
3. 2022 Audit Committee Discharge of Duties*
4. 2022 Audit Committee Evaluation*
5. Public Comments

Attachments:

Minutes, December 6, 2022

Audit Committee Charter

2022 Audit Committee Discharge of Duties

2022 Audit Committee Evaluation

* Requires Action

One Hudson City Centre, Suite 301
Hudson, New York 12534
518-828-4718



**Columbia County
Industrial Development Agency**

**MINUTES
COLUMBIA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
Audit Committee
Tuesday, December 6, 2022**

A regularly scheduled meeting of Columbia County Industrial Development Agency’s Audit Committee held in person on Tuesday, December 6, 2022. The meeting was called to order at 8:37am by Carmine Pierro, Chair.

Attendee Name	Title	Status	Arrived
Nina Fingar-Smith	Secretary	Present in person	
Robert Galluscio	Treasurer	Present in person	
William Gerlach	Board Member	Present in person	
Brian Keeler	Board Member	Present in person	
Carmine Pierro	Chair	Present in person	
Sarah Sterling	Vice-Chair	Present in person	
Rick Rector	Board Member	Present in person	
Andrew Howard	Counsel	Present in person	
F. Michael Tucker	President/CEO	Present in person	
Lisa Drahushuk	Administrative Supervisor	Present in person	
Cat Lyden	Bookkeeper	Present in person	
Martha Lane	Business Development Director	Present in person	
Riley Werner	Administrative Assistant	Present in person	

Minutes, March 14, 2022:

Ms. Sterling made a motion, seconded by Mr. Rector to approve the minutes from March 14, 2022. Carried.

Audit Engagement Letter:

Mr. Tucker stated the cost of the 2022 audit would be \$9,200, which was up \$500 from the previous year. *Mr. Galluscio made a motion, seconded by Mr. Rector to approve the audit engagement letter as presented. Carried.*

Mr. Rector and seconded by Ms. Fingar-Smith to adjourn the meeting. Carried. The meeting adjourned at 8:39am.

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

Columbia County Industrial Development Agency 2022 Discharged Duties

Audit Committee:

- Reviewed and approved 2021 internal control statement.
- Reviewed and approved committee charter, committee evaluation and 2021 discharge of duties.
- Reviewed and recommended to the full board the 2021 audited financials.
- Approved Audit Engagement Letter 2022

Finance Committee:

- Reviewed and recommended to the full board: quarterly treasurer's reports, 2023 budget.
- Reviewed and approved: committee charter, committee evaluation, 2021 discharge of duties and the 2021 Investment Report

Governance Committee:

- Reviewed and recommended to the full board: slate of directors, 2022 compliance calendar.
- Reviewed and approved committee charter, 2021 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 2022 meeting schedule, corporate policies and procedures, banks and accounts, 2022 compliance calendar, 2021 committee discharges duties, 2021 internal controls statement, 2021 performance goals report, 2022 mission and measurements statement, 2021 operations and accomplishments, 2022 CEDC contract with the IDA, 2021 confidential board evaluation, 2023 budget, 2023 meeting schedule.
- Heard update on Limz Machinery and Hudson Valley Real Estate Holding Company projects.
- Reviewed, discussed and heard project updates on the Klocke Estate project, approved a sales tax exemption extension for the project.
- Heard updates on 178 Healy Associates project, approved expenditure of \$3,500 for property appraisal.
- Approved resolution allowing a virtual public meetings in accordance with Columbia County laws of 2022 part WW.
- Authorized Chair/Vice-Chair to execute refinancing documents for 41 Cross Street project & 2990 Route 9 Realty.
- Approved 2023 Audit Engagement letter.
- Completed closing on Klocke Estate project.

Summary Confidential Board Evaluation of the IDA Audit Committee Performance				
Criteria		Somewhat	Somewhat	
	Agree	Agree	Disagree	Disagree
The Committee members meet applicable independence requirements.	7			
The Committee reviews and approves its charter and its policies and procedures, and recommends any changes to the board for approval, at least annually.	7			
Discusses guidelines and policies governing the processes used to address and manage risk exposure.	7			
Reports proceedings, findings and recommendations to the Board after each Committee meeting.	7			
Agendas and related information are circulated in advance of meetings allowing the Committee sufficient time to review information.	7			
The Committee monitors managements assessment of the adequacy and effectiveness of internal controls over financial reporting as well as deficiencies and remedies.	7			
The Committee reviews the management recommendation from the independent auditor and monitors the process to determine all significant matters are addressed.	7			
The Committee oversees the role of the independent auditor from selection to termination and has an effective process to evaluate qualifications and performance.	7			
Reviews results of the work of the independent auditor.	7			
The Committee members have the opportunity to speak with and ask questions of any Committee advisors that attend Committee meetings.	7			
The Committee conducts a self-evaluation at least annually	7			