

**ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY
ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY – LDC
ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY – CDC
ST. LAWRENCE COUNTY LOCAL DEVELOPMENT CORPORATION**

AUDIT AND FINANCE COMMITTEE MEETING

January 19, 2016

AUDIT ENTRANCE CONFERENCE

Audit Dates: January 19, 2016 to January 22, 2016

Time: 11:15 AM

Present: **Audit and Finance Committee:** (Andrew McMahon - Committee Chair, Mark Hall, and R. Joseph Weekes, Jr.); **Pinto, Mucenski, Hooper and VanHouse & Co.:** Derek VanHouse, Mark Mashaw, Jackie Davison. **IDA staff:** Tom Plastino, Kimberly Gilbert.

Kim Gilbert reviewed, with all present, a copy of the 2015 resolution summaries for all four entities. (Attachment A) and notes that this is a good representation of the activities in 2015.

Mark Mashaw reviewed, with all present, an audit service plan summary sheet (Attachment B). Mark mentioned that some changes in auditing standards were coming, but would not be in place until 2016 and 2017. This year's audit would be processed similarly to year's past.

Mark Hall asked if internal controls would be analyzed similar to the way finances are reviewed. Mark Mashaw said they would be reviewed, but not in depth, as they would require a separate engagement. Mark Mashaw stated that minor issues would be presented to Kim Gilbert and Patrick Kelly, while anything major would be presented in the audit report and to the Board.

Andrew McMahon inquired into the reduction of staff and asked for confirmation that the separation of powers required in the checks and vouchering process is still being followed. Kim Gilbert explained the payroll process and the verification of a typical voucher, stating that there are still at least four (4) individuals verifying and signing the vouchers.

IDA staff exit the room at 11:20 am to allow the Audit and Finance Committee members the opportunity to discuss matters confidentially and directly with the auditors.

With no further questions or comments, the audit entrance conference concludes at 11:35 am.

ST. LAWRENCE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY

RESOLUTIONS 2015

RES #	RESOLUTION NAME
IDA-15-01-01	Adopting Paychex Employee Benefit Plan
IDA-15-01-02	Annual Review of Procurement Policy
IDA-15-01-03	Annual Review of Disposition of Real Property Guidelines and 2014 Report of Property
IDA-15-01-04	Authorizing Modifications to SLCIDA FY2014 Budget
IDA-15-03-05	Policy: Compensation, Reimbursement and Attendance
IDA-15-03-06	Policy: Whistleblower Policy and Procedures
IDA-15-03-07	Policy: Defense and Indemnification
IDA-15-03-08	Policy: Code of Ethics
IDA-15-03-09	Policy: Conflicts of Interest
IDA-15-03-10	Policy: Designation of Newspapers
IDA-15-03-11	Accepting FY2014 SLCIDA Audit
IDA-15-03-12	RBEG Deobligation of Funds (North Country Grown)
IDA-15-05-13	Cives Project Authorizing Resolution (Sales and Use Tax Exemption)
IDA-15-06-14	Authorizing Application for Grant Funds through the Northern Border Regional Commission
IDA-15-06-15	Standard Workday Reporting
IDA-15-06-16	Authorizing Agreement with DANC for Technical Services, Newton Falls Rail Rehabilitation Project \$60,000
IDA-15-06-17	Supporting Improvement Highway Access in St. Lawrence County
IDA-15-07-18	Authorizing Modifications to SLCIDA FY2015 Budget
IDA-15-08-19	Affinity – Extension Resolution
IDA-15-08-20	St. Lawrence Lumber – Lease Agreement Amendment
IDA-15-08-21	Beamko/DeFelsko – Project Authorizing Resolution
IDA-15-08-22	Ansen Corproation – [sic] Project Resolution Authorizing SUT and Public Hearing
IDA-15-08-23	Authorizing Termination of Lease with St. Lawrence Lumber
IDA-15-08-24	Authorizing Application for Grant Funds through NYS Department of Transportation Passenger & Freight Rail Assistance Program
IDA-15-09-25	Authorizing CEO to enter into Agreement with DANC for J&L
IDA-15-09-26	Accepting FY2016 Tentative Budget
IDA-15-09-27	Authorizing Resolution: Ansen Corporation Expansion
IDA-15-09-28	Authorizing Merger of Union Graduate College into Clarkson University
IDA-15-10-29	Authorizing A Three-Year Audit Services Contract
IDA-15-10-30	Authorizing Revision of Travel and Miscellaneous Expense Reimbursement Policy
IDA-15-10-31	Authorizing Amendments to the Bylaws of the SLCIDA
IDA-15-10-32	Authorizing Amendment of Existing Industrial Building Lease for the St. Lawrence Brewing Co. Inc. Project
IDA-15-10-33	Approving and Adopting FY 2016 Budget
IDA-15-10-34	Amending Resolution for the Corning Canton Plant Expansion Project
IDA-15-12-35	Curran Renewable Energy – Project Authorizing Resolution (Sales and Use Tax Exemption)
IDA-15-12-36	Cives Steel Company – Extension Resolution
IDA-15-12-37	Annual Review of Investment Policy & Authorization of Depositories

**ST. LAWRENCE COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
LOCAL DEVELOPMENT CORPORATION**

RESOLUTIONS 2015

RES #	RESOLUTION NAME
LDC-15-01-01	Annual Review of Procurement Policy
LDC-15-01-02	Annual Review of Disposition of Real Property Guidelines and 2014 Report of Property
LDC-15-01-03	Authorizing Modifications to IDALDC FY2014 Budget
LDC-15-01-04	Authorizing Subordination Associated with Riverside Iron LLC Loan
LDC-15-03-05	Compensation, Reimbursement and Attendance
LDC-15-03-06	Whistleblower Policy and Procedures
LDC-15-03-07	Defense and Indemnification
LDC-15-03-08	Code of Ethics
LDC-15-03-09	Adopting Conflicts of Interest Policy
LDC-15-03-10	Designation of Newspapers
LDC-15-03-11	Accepting FY2014 SLCIDA-LDC Audit (Consolidated)
LDC-15-05-12	Authorizing Loan of up to \$100,000 to Hoosier Magnetics, Inc.
LDC-15-05-13	Authorizing Loan of up to \$17,500 to Hozmerica, LLC
LDC-15-05-14	Declaration of Uncollectible Debt: DE Kerr d/b/a DE Kerr Construction and Logging
LDC-15-06-15	Authorizing Funds through the SLRVRA's CDEIP
LDC-15-07-16	Extending Revolving Bridge Loan of \$300,000 to SLIC Network Solutions, Inc.
LDC-15-08-17	Authorizing a Loan Modification for St. Lawrence Brewing Company, Inc.
LDC-15-09-18	Authorizing a Loan of Up to \$450,000 to Ansen Corporation
LDC-15-09-19	Authorizing RVRDA Funds: MED Contract
LDC-15-09-20	Accepting FY2016 Tentative Budget
LDC-15-10-21	Authorizing a Three-Year Audit Services Contract
LDC-15-10-22	Authorizing Amendments to the Bylaws of the SLCIDALDC
LDC-15-10-23	Approving and Adopting FY2016 Budget and Authorizing CEO to Make Line Item Changes
LDC-15-12-24	Annual Review of Investment Policy and Authorization of Depositories
LDC-15-12-25	Authorizing Funds Through The RVRDA's 2016 CDEIP (Alcoa)
LDC-15-12-26	Authorizing The "Winter Chill" Program Through The RVRDA's 2016 CDEIP

2015 Resolutions
St. Lawrence County Local Development Corporation

Resolution #	Title
MIC-15-01-01	Annual Review of Procurement Policy
MIC-15-01-02	Annual Review of Disposition of Real Property Policy and 2014 Report of Property
MIC-15-01-03	Authorizing Modifications to SLCLDC FY2014 Budget
MIC-15-03-04	Compensation, Reimbursement and Attendance
MIC-15-03-05	Whistleblower Policy and Procedures
MIC-15-03-06	Defense and Indemnification
MIC-15-03-07	Code of Ethics
MIC-15-03-08	Adopting Conflicts of Interest Policy
MIC-15-03-09	Designation of Newspapers for Publication of Legal Notices
MIC-15-03-10	Accepting FY2014 Audit
MIC-15-05-11	Uncollectible Debt: Sugar Shack Bakery & Café; AKJ Marine
MIC-15-08-12	Authorizing Loan Funding to Wrights Tools Sales Rental and Service, LLC
MIC-15-09-13	Accepting FY2016 Tentative Budget
MIC-15-10-14	Authorizing A Three-Year Audit Services Contract
MIC-15-10-15	Approving and Adopting FY2016 Budget
MIC-15-12-16	Annual Review of Investment Policy and Authorization of Depositories
MIC-15-12-17	Resolution of Directors Adopting Plan of Dissolution of the SLC LDC
MIC-15-12-18	Resolution of Members Adopting Plan of Dissolution of the SLC LDC

M. Mashaw

St. Lawrence County Industrial Development Agency
2015 Audit Service Plan Summary

Reporting Requirements

Issuance of financial statements and related letters by March 6, 2016 for the following:

- St. Lawrence County Industrial Development Agency
- St. Lawrence County Civic Development Corporation
- St. Lawrence County IDA-LDC (consolidated)
- Greater Massena Economic Development Fund
- St. Lawrence River Valley Redevelopment Agency
- St. Lawrence Local Development Corporation

Preparation of IRS Form 990 and NYS Form CHAR500 for the following:

- St. Lawrence County IDA-LDC (consolidated)
- St. Lawrence Local Development Corporation

Engagement Objectives

- To express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles.
- As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our tests is not to provide an opinion on compliance with such provisions.
- Professional standards require that we obtain a sufficient understanding of the entity's internal control to plan the audit of the financial statements. However, such understanding is required for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
- Communicate to management and the Audit Committee, in writing, significant deficiencies and material weaknesses identified during our audit.
- Consult regarding accounting and tax matters as needed throughout the year.

Risk-based Audit Approach

- High risk assessment areas include long-term receivables, revenue, related party transactions, and post-retirement liabilities.
- Low or moderate risk areas include cash, other receivables, property and equipment, accounts payable and accrued expenses, long-term debt, payroll, and net assets (net position).