

**County of Otsego IDA and OCCRC
AUDIT & FINANCE COMMITTEES
January 12, 2017 Meeting Minutes**

CALL TO ORDER

COIDA's and OCCRC's joint Audit & Finance Committee meeting was called to order at 7:35 a.m. at the offices located at 189 Main Street, Suite 500, Oneonta, NY. Committee Chair Jeff Lord was present, as well as members Jim Salisbury, Cheryl Robinson, and Craig Gelbsman (who joined at 8:15 a.m., and departed at 8:40 a.m.), as were staff members Sandy Mathes and Elizabeth Horvath. Tim Parsons of Mang Insurance joined at 8:00 a.m.

The following topics were discussed:

- Minutes from December 2016 were reviewed and deemed acceptable.
- The Audit dashboard was reviewed; everything is on track as of early January, and auditors are scheduled for January 23 for field work. The auditors have requested a work paper concerning the IDA's assessment of reasonableness of loan loss reserves; Ms. Horvath will draft for Mr. Lord's review and edits.
- Current financials were reviewed and discussed.
- Bills to be paid were reviewed and deemed acceptable.
- The loan portfolio was briefly reviewed, with discussion around (1) the sale of Dave Rees Marine to Chuck Jones, resulting in a partial loan payment of \$50,000, and Mr. Jones' assumption of the balance; (2) Ommegang's loan paid in full; (3) update on Oneonta Theatre.
- The credit-card statement was reviewed line by line and deemed acceptable.
- Mr. Mathes' expense report was reviewed and deemed acceptable.
- The committee considered a request by Chuck Williamson, Butternuts Beer & Ale, to remove a lien on his residence in order to enable him to refinance; COIDA will continue to hold a lien on the 87 acres with brewery and equipment, whose independently appraised value far exceeds the loan balance Butternuts currently has. The committee voted to approve this request and will communicate this to the full Board at its next meeting.
- Ms. Horvath presented and walked the committee through the draft Investment Reports for the IDA and CRC, updated versions will be created after all banks have reported.
- The committee reviewed the Q&A portion of the Procurement Report from PARIS and agreed that fy2015's answers stand. Ms. Horvath will create final drafts of the two reports for February's meeting.
- The committee deliberated over a request from Larry Althiser of Larry's Custom Meats, to accept payment of all principal due as payment in full on his note, in order to facilitate a purchase by an outside company. The committee voted to recommend the following to the full Board: Accept the proposal contingent upon (1) receipt of a signed purchase contract, (2) evidence that other three creditors (excepting primary lender) are doing the same, and (3) indication of intended job retention.
- The committee had reviewed the melded Audit & Finance charter created by Ms. Horvath and voted to adopt.
- The committee had reviewed the following policies and determined that no changes need to be made at this time:
 - Investment Policy
 - Capital Plan
 - Procurement thresholds
 - Uniform Tax Exempt Policy
- Tim Parsons of Mang Insurance visited and reviewed the scope and terms of the IDA and CRC policies. All of them were deemed acceptable, with the consideration of adding auto coverage for OCCRC. Mr. Parsons will ask Mr. Mathes for his insurance certificate to make certain the agencies are named.

NEXT STEPS

- Ms. Horvath to draft reasonableness of loan loss reserve document for Mr. Lord.
- Butternuts lien removal on Board agenda.

- Ms. Horvath to update and create final drafts of Investment and Procurement reports.
- Proposal from Larry's Custom Meats on the Board agenda.
- Melded charter on Board agenda.
- Ms. Horvath will draft a written report of the Committee concerning its activities and the discharge of its duties, and will provide such to Mr. Lord for edits/comments before finalizing with the Committee.
- Ms. Horvath to check portfol entry and loan portfolio review document against Dave Rees loan.
- Tim Parsons to add commercial auto to IDA/CRC policy to cover employee and contractor driving.

ADJOURNMENT

There being no further business to discuss, the meeting adjourned at approximately 9:45 a.m.