

**ONONDAGA CIVIC DEVELOPMENT CORPORATION**  
**Audit Committee Meeting**  
**December 19, 2017**

An Audit Committee meeting of the Onondaga Civic Development Corporation was held on Tuesday, December 19, 2017 at 333 West Washington Street, Syracuse, New York, 13202, in the large conference room on the first floor.

Ben Dublin called the meeting to order at 8:45 am with the following:

**PRESENT:**

Dennis Duval  
Ben Dublin

**ALSO PRESENT:**

Julie A. Cerio, President/CEO  
Brian Bartlett, Secretary  
Nate Stevens, Treasurer  
Karen Doster, Recording Secretary  
Christopher Andreucci, Harris Beach (via teleconference)  
Mike Lisson, Green & Seifter

APPROVAL OF AUDIT COMMITTEE MEETING MINUTES – MARCH 28, 2017

Upon a motion by Dennis Duval, seconded by Ben Dublin, the OCDC Audit Committee approved the meeting minutes of March 28, 2017. Motion was carried unanimously.

DISCUSS PRE-AUDIT PROCEDURES

Mike Lisson stated a lot is similar to past years. He stated page 5 talks about the audit approach they are going to take and talks about OCDC's numbers and the air park. He stated they do a lot of work on testing and transactional things. He stated there are service contracts to date of about \$95,000 and the OED contract is only \$44,000. He stated the net assets decreased to \$193,000 versus \$448,000 the prior year and a lot of that is contributed to service contracts paid out last year of \$137,000 versus only \$95,000 this year but also \$98,000 less in the OED contract. He stated they will test rent and things of that nature. He stated OCDC has a strong cash balance of \$779,000. He stated most of the income is from rent and there are 3 leases with 12 month total of \$45,840. He stated operating expense is about \$68,000 and they will do some transactional testing there with the biggest being \$15,000 for the parking lot repair and sealing. He stated the cash balance is about \$189,000 and the increase in net assets is \$17,000 versus \$139,000 last

year primarily because of the sale of land last year for \$158,000 versus \$41,000. He stated 60% goes to OCIDA and 40% goes to OCDC. He stated if you recalculate the number you will see exactly the payable on the balance with a decrease of 60%. He stated most of the timing and things they do are very similar. He stated in the past they have done reliance, internal controls and substantive tests of transactions. He stated in the auditing standard world there is an exposure draft to the auditing standards they follow but he doesn't think it is going to make a big difference in what OCDC sees from Grossman St. Amour. He stated it means they are going to have to do more work and more training to be in compliant with Governmental Auditing Standards. He stated something coming down the pipeline is lease accounting. He stated the instead of being operating type lease it will on the books as a right of use asset meaning it will be an asset liability. He stated that won't take effect until January 1, 2020 but it something to think about in the future. He stated they follow the IRS 990. He stated the IRS is not ready for accounting standard changes so they don't expect any major changes. He stated they already produced 990 for 2017 and a lot of the forms still have old information on it. He stated the schedules important to OCDC is schedule I, and R. He stated K is conduit debt, is unique to OCDC and shows the IRS that OCDC is compliant in following the regulation's rules. He stated the form 990 is informational and is used to see if standards are met. He stated Schedule R is related to organizations or controlled organizations and that is Onondaga County because of the relationship which is normal relationship type stuff. He stated Schedule I is where every single dollar paid out as service contracts is shown in great detail. He stated it is very transparent and open. He stated they are all public schedules.

SELF-EVALUATION OF THE COMMITTEE

Upon a motion by Dennis Duval, seconded by Ben Dublin, the OCDC Audit Committee approved a resolution to transmit the summary evaluation without comment to the Governance Committee for review and recommendation to the Board. Motion was carried unanimously.

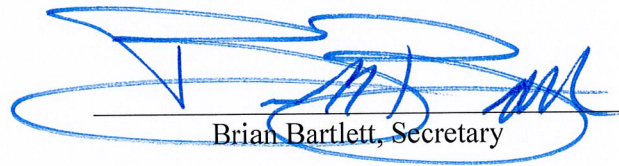
REVIEW COMMITTEE CHARTER

Upon a motion by Dennis Duval, seconded by Ben Dublin, the OCDC Audit Committee approved a resolution to transmit the Committee Charter without comment to the Governance Committee for review and recommendation to the Board Motion was carried unanimously.

REVIEW COMMITTEE ANNUAL REPORT

Upon a motion by Dennis Duval, seconded by Ben Dublin, the OCDC Audit Committee approves a resolution to transmit the Annual Report to the Governance Committee for review and recommendation to the Board. Motion was carried unanimously.

Upon a motion by Dennis Duval, seconded by Ben Dublin, the OCDC Audit Committee adjourned the meeting at 8:54 am. Motion was carried unanimously.

  
Brian Bartlett, Secretary