

Onondaga County Industrial Development Agency  
Audit Committee Meeting Minutes  
March 8, 2022

An Audit Committee meeting of the Onondaga County Industrial Development Agency was held on Tuesday, March 8, 2022 via Zoom Teleconference.

Chairperson Janice Herzog called the meeting to order at 8:05 am with the following:

PRESENT:

Janice Herzog  
Susan Stanczyk  
Patrick Hogan

ABSENT:

ALSO PRESENT:

Robert Petrovich, Executive Director  
Nancy Lowery, Secretary  
Nate Stevens, Treasurer  
Karen Doster, Recording Secretary,  
Carolyn Evans-Dean, Economic Development  
Jeff Davis, Barclay Damon Law Firm  
Amanda Fitzgerald, Barclay Damon Law Firm  
Mike Lisson, Grossman St Amour PLLC

APPROVAL OF AUDIT COMMITTEE MEETING MINUTES – OCTOBER 19, 2021

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Audit Committee approved the minutes of the October 19, 2021 meeting. Motion was carried.

REVIEW AND DISCUSSION OF THE 2021 AUDIT OF THE AGENCY – GROSSMAN ST AMOUR

Mike Lisson stated Breannah Lane worked closely with him on the audit. He stated there was not a lot of major changes this past year. He stated the audit went well and no issues or concerns from his aspect. He stated it is a clean unmodified audit opinion and no control issues to communicate to the Board or the Audit Committee. He stated he will go through the slides and highlight the things that changed per se for the past year. He stated Grossman St. Amour gives an opinion on the financial statements which is no different than past years but the audit opinion changed in that they reworded it. He stated the first half of the audit opinion is where Grossman St. Amour gives their opinion. He stated the middle talks about independence and they reaffirm their independence. He stated the audit opinion used to be about

one page and now it's about three pages making it easier for the average user to understand. He stated it is still clean audit opinion just more verbiage. He stated the Significant Risks needs to be communicated with the Board. He stated automatically revenue recognitions are a significant risk so they do extra work there. He stated most the Agency dollars are from fees. He stated they do a lot of work on that and double check everything against the agreements to make sure they calculate properly. He stated this past year a lot of money was spent on White Pine development so they spent extra time looking at those transactions and legal documents for recording that. He stated that is an area where materiality comes into play. He stated there is a new note payable to Onondaga County which is a line of credit with Onondaga County up to \$20,000,000. He stated at the end of the year there is about \$1,800,000 outstanding on that. He stated the money is being used for purchases of land at White Pine. He stated it is sort of a revolving line of credit but it is disclosed in the footnotes. He stated Agency fees decreased about \$468,000 operating which a lot of it is just nature of the beast of the fees. He stated Milton CAT was about \$268,000 and LeMoyné was \$164,000. He stated Agency fees decreased from ordinary operations but the Agency was also reimbursed from Onondaga County for some White Pine development in the past. He stated there is also some utility reimbursements for work at White Pine. He stated when you look at the total revenues it is not far off but just a mix of where the revenues came from this past year. He stated the biggest change in expenses this year is in the past a lot of the White Pine development costs were actually expenses incurred but because of the significant investment out there, almost \$6,100,000 invested including administration expenses goes with part of the capitalization. He stated on the financial statements there is a line called investment of real property \$6,100,000 is White Pine. He stated Grossman St. Amour audits the Agency's investment compliance in accordance with New York State regulations and the Agency is clean there. He stated they have an internal control letter saying there is no findings or issues to report to the Board. He stated everything went well.

Janice Herzog asked what does Threats to Independence mean. Mike Lisson stated it means from an independent standpoint the preparation of financial statements is not part of the audit so Grossman St. Amour has partners review the financials and management takes ownership. He stated automatically it is a significant threat and they reduce that to minimal level by having another partner look at it. He stated it is unique to governmental audit clients because they follow yellow book standards.

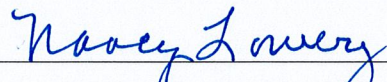
Janice Herzog asked how many hours are put into this audit. Mike Lisson stated between 60 and 70 hours on top of presentations and working with management throughout the year. He stated there is a lot of risk assessment things they do behind the scenes as a preliminary aspect.

Janice Herzog thanked Mike Lisson and staff for having transparency and having a good work relationship. Mike Lisson stated there are three agencies part of the Economic Development office so it helps to minimize the cost across all three.

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Audit Committee approved a resolution recommending to the Board approval of the 2021 Audit of the Agency. Motion was carried.

ADJOURN

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Audit Committee adjourned the meeting at 8:16 am. Motion was carried.



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Nancy Lowery, Secretary