

**Minutes of a Meeting of the
County of Clinton
Industrial Development Agency
Audit Committee
March 27, 2017**

The meeting was called to order by M. Leta, Vice Chairperson, at 12:07 p.m., at the offices of the County of Clinton Industrial Development Agency, 190 Banker Road, Suite 500, Plattsburgh, N.Y.

Members Present: Mark Leta, Vice Chairperson
David Hoover, Member
Trent Trahan, Member
John VanNatten, Member

Members Excused: Keith Defayette, Chairperson

Others Present: Melissa McManus, Executive Director
George Cregg, Esq., Agency Counsel
Michael Zurlo, CCIDA Secretary
Kim Murray, CCIDA Assistant Secretary
Christine Jabaut, TDC Comptroller
Barbara Shute, Recording Secretary

M. Leta ascertained that there was a *quorum* present.

M. Leta waived the reading of the notice of the meeting published in the *Press-Republican* on December 26, 2016.

Review of Draft Audited Financial Statements

R. Martindale reviewed the combined draft audited financial statements for the CCIDA and the CIDA, LLC for December 31, 2016 and 2015. All information pertains to the CCIDA as there was no activity for the CIDA, LLC. He noted that the audit found no deficiencies or weaknesses in the internal controls. This was a clean audit.

- Emphasis of Matter Regarding Going Concern

R. Martindale referred to Note #4 on Page 9 that addresses the financial condition of the Agency. The audit is required to note that the Agency appears to have insufficient assets to meet its anticipated cash needs for 2017 based on a review of its year-end cash balance and 2017 budgeted expenses.

Agency management anticipates the execution of an administrative services agreement with the Clinton County Capital Resource Corporation and closing on a previously approved project within six weeks which will significantly improve the financial position of the Agency, extending solvency for another 18 months. M. McManus noted that this matter will be discussed further at the CCIDA regular meeting.

- Contingent Liabilities

R. Martindale referred to Note #5 on Page 10 which refers to a contingent liability of \$150,000 in legal expenses related to a proposed major project at the Plattsburgh Airbase Redevelopment Corporation. Following a discussion with Agency counsel, Agency members requested that the language of the note be changed to more accurately reflect that if the project does not happen the Agency could be liable for this debt.

In regard to the same project there is an outstanding balance of \$65,000 due from The Development Corporation (TDC). The Agency and TDC jointly funded a study at the request of the project that was intended to update the research that would help to justify the feasibility of the project for potential investors. The contribution agreement stipulated that if the project did not move forward TDC would not be obligated to pay this note to the Agency.

The members discussed writing off the debt. After further discussion it was decided to revisit this matter again in another year.

Reading and Consideration of the Draft Minutes of the CCIDA Audit Committee meeting of December 12, 2016:

M. Leta waived the reading of the minutes of the December 12, 2016 regular meeting. He asked if there were any questions or discussion regarding the draft minutes and there was none. On a motion by J. VanNatten, seconded by T. Trahan, it was unanimously carried to approve the minutes of the December 12, 2016 regular meeting, as presented.

New Business:

1. Review and recommend approval of the draft audited financial statements and authorizing posting of same on PARIS.

On motion by T. Trahan, seconded by D. Hoover, it was unanimously RESOLVED to approve the audited financial statements as presented by R. Martindale, and to move to the Full Board for approval and authorizing posting of same on PARIS.

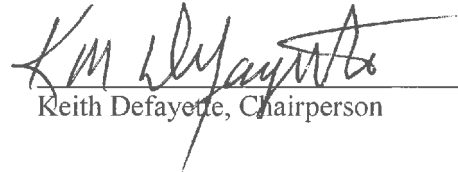
2. Review and recommend approval of the 2016 Assessment of Internal Controls and authorization to post same on PARIS.

On motion by J. VanNatten, seconded by T. Trahan, it was unanimously RESOLVED to approve the 2016 Assessment of Internal Controls, and to move to the Full Board for approval and authorizing posting of same on PARIS.

3. Review and recommend approval of the IDA Investment Policy and authorizing posting of same on PARIS.

On motion by T. Trahan, seconded by D. Hoover, it was unanimously RESOLVED to approve the IDA Investment Policy, and to move to the Full Board for approval and authorizing posting of same on PARIS.

There being no further matters to discuss, the meeting adjourned at 12:38 p.m.



Keith Defayette, Chairperson