



**INDUSTRIAL DEVELOPMENT AGENCY
LOCAL DEVELOPMENT CORPORATION**

Meeting Minutes – Joint Meeting of the IDA and LDC Audit Committees

March 25, 2019

20 Ontario Street, Suite 106B
Canandaigua, NY 14424

Members Present	Members Absent
Lew Zulick, Chair	Ken Ingersoll, CPA, Member
Kelly Mittiga, Member	
Mike Davis, Member	
Staff Present	Guests Present
Michael Wojcik, CFO	Tom Lauffer, CPA – MMB&Co, CPA
Michael Manikowski, ED	John Rynkiewicz, CPA – MMB&Co., CPA

Lew Zulick called the joint Industrial Development Agency/Local Development Corporation Audit Committee meeting to order at 4:00 p.m.

A quorum was present.

Minutes from the October 25, 2018 Joint Audit Committee Meeting: *A motion was offered by Mike Davis, seconded by Lew Zulick, to approve the minutes of the October 25, 2018 Audit Committee meeting. Unanimously approved.*

GENERAL BUSINESS:

Ontario County Industrial Development Agency:

December 31, 2018 Financial Statements and PARIS Report:

Michael Wojcik introduced Tom Lauffer, CPA and John Rynkiewicz, CPA from Mengel Metzger Barr & Co., LLP and how he was the lead accountant on the audit and Tom Lauffer, CPA was the lead partner in charge of the audit. Michael also indicated that this

was the fourth year that Tom Lauffer was the lead auditor and next year would be his last per ABO regulations:

Tentative Annual Financial Statements and PARIS Reports for the year ended December 31, 2018 - Tom Lauffer pointed everyone to the executive summary of the Ontario County Industrial Development Agency financial statements. He began by stating that his firm issued an unqualified opinion with no material weaknesses or significant deficiencies. Tom Lauffer said one of the main differences when comparing this years statements to last years was the lack of fuel sales in the airport fund this year due to the signing of a new fixed base operator. Tom went on to discuss the netting of the due/to and due /from accounts. Michael said he would net the two account beginning January 1st. Lew discussed the need for succession planning should Bob Mincer leave the airport. Michael Manikowski said he would look into it. Michael Manikowski said that 2018 finished very strong and should continue into 2019 given the level of activity occurring now.

Tentative Management Letter – Tom Lauffer stated that last years finding have been reviewed and corrected. This years audit yielded a finding where only two quotes were located for an item purchased for the airport’s loader. Michael indicated that the two quotes were from local businesses that carry the type of loader that is owned. He further indicated that the IDA will change its Policy and Procedures to require all three quotes be attached to the payment for ease of future review. With respect to the airport, Michael said it will be a few years out before the airport is able to sustain itself.

Tentative Letter of Communication – Tom began by informing the Committee that despite the Committee having a separate copy of the letter in hand, this letter is typically affixed to the audited financial statement at the end of the report. Tom Lauffer indicated that there were no disputes or disagreements with management during the engagement and that the audit went very well.

A motion was offered by Kelly Mittiga and seconded by Mike Davis to block and approve the 2018 Tentative Audited Financial Statements, Tentative Management Letter, and Tentative Letter of Communication of the Ontario County Industrial Development Agency as presented by Tom Lauffer, CPA as final. Unanimously approved.

Federal Single Audit: Michael Wojcik reviewed the criteria surrounding the need to complete the Federal and NYS DOT Single audits indicating that these are required when a federal source of revenue (typically grants) exceed \$750,000 in the company’s fiscal year. In 2018, the OCIDA did not meet the threshold amount nor does he see this occurring in the next couple of years per the airports CIP. No motion or action is required.

DOT Single Audit: Michael Wojcik simply indicated that since the Federal Single audit was not necessary nor was the DOT Single Audit. No motion or action required.

Procurement Report: Michael Wojcik reviewed the procurement report for 2018 and indicated the report is required to be approved by the Board and filed with the Authorities Budget Office by March 31, 2019.

Management Internal Control Assessment: Michael Wojcik reviewed the statement entitled 'Management's Assessment of the Effectiveness of Internal Control Structure and Procedures for the Ontario County Industrial Development Agency'. He said that he and Mike Manikowski annually review the 'Review of Internal Control' checklist to determine any potential gaps in internal controls. He said that if both are comfortable with the internal controls they sign the document presented. Kelly asked to see the checklist. She further commented she works in a bank and internal controls are paramount in a banking environment and understands the needs for the procedure. Michael further went on to reviewed what procedures were tested during the year and indicated that the signed statement will be posted on the website. *A motion was offered by Kelly Mittiga and seconded by Mike Davis to block and approve the 2018 Annual Procurement Report and 2018 Management's Assessment of the Effectiveness of Internal Control Structure and Procedures for the Ontario County Industrial Development Agency statement for the Ontario County Industrial Development Agency as presented by Michael Wojcik. Unanimously approved.*

Ontario County Local Development Corporation:

Tentative Annual Financial Statements and PARIS Reports for the year ended December 31, 2018 – Tom Lauffer began his financial presentation saying that this year their firm issued an unqualified opinion with no material weaknesses or significant deficiencies. He said the Board Restricted account balance of \$200,000 in the equity section of the balance sheet was for the IDA's airport to help construct infrastructure for the planned development of an FBO building and a hanger. Mike Manikowski said grants had been secured by the IDA to help develop the assets.

Tentative Management Letter – There were no items to discuss. Tom reported that last years finding when the bank reconciliations had not been done in a timely fashion when Michael Wojcik was out on extended medical leave, had been corrected. Michael said his backup going forward is the County's CFO.

Tentative Letter of Communication - Tom Lauffer indicated that the audit went smoothly and that there were no disputes or disagreements during the engagement.

A motion was offered by Mike Davis, seconded by Kelly Mittiga, to block and approve the 2018 Tentative Audited Financial Statements, Tentative Management Letter and Tentative Letter of Communication for the Ontario County Local Development Corporation as presented by Tom Lauffer. Unanimously approved.

Annual Procurement Report – Michael reviewed the procurement report. He said there were no vendors paid over \$5,000 in 2018. He said if the IDA were to draw on the committed funds this year they would probably be the only ‘vendor’ on the list in 2019.

Management’s Internal Control Assessment: Michael Wojcik reviewed the statement entitled ‘Management’s Assessment of the Effectiveness of Internal Control Structure and Procedures for the Ontario County Local Development Corporation’ signed by both the Executive Director and Chief Financial Officer. *A motion was offered by Lew Zulick to block and approve the Annual Procurement Report and the ‘Management’s Assessment of the Effectiveness of Internal Control Structure and Procedures for the Ontario County Local Development Corporation’ statement for the Ontario County Local Development Corporation as presented by Michael Wojcik. The motion was seconded by Mike Davis. Unanimously approved.*

Adjournment:

At 4:38PM, a motion was offered by Mike Davis, and seconded by Kelly Mittiga, to adjourn the joint Audit Committee meeting of the Ontario County Industrial Development Agency and the Ontario County Local Development Corporation. Unanimously approved.

Respectfully submitted,

Michael Wojcik