

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AUDIT COMMITTEE MINUTES

February 13, 2020

Orange County Business Accelerator in New Windsor, New York.
12:30pm- 1:30pm

PRESENT: Michael Gaydos, Mary Ellen Rogulski

ALSO PRESENT: Laurie Villasuso - Chief Executive Officer, Kevin Dowd - Attorney, Joel Kleiman – CFO, Melanie Schouten – Chief Operating Officer, Vincent Cozzolino – Managing Director, Cathy Hunter

Loewke Brill – Warwick Extended Project Review

Ms. Villasuso started the meeting by stating that in November the committee recommended approval to the full board for Loewke Brill to review all expenses made at the Warwick site which is the Urban Extract Facility for 3 months at the cost of \$4,280 a month. She told the Committee that this project has taken longer. Ms. Villasuso requested the Committee to extend the proposal for an additional 2 months which will be May 1, 2020 to continue reviewing payments, construction schedule, weekly conference calls and site visits. She also stated that the IDA authorized another \$500,000.00 for the lab space and that we have asked Loewke Brill for a proposal for that job. Ms. Rogulski asked what the delay is for and Ms. Villasuso stated that they are looking into a new piece of equipment which is a wet extraction verses dry extraction and that requires a ceiling height difference. Ms. Villasuso asked Mr. Kleiman if they have finished the \$1.5 million and he stated yes. Ms. Villasuso stated that she feels we need an additional 2 months of review due to the IDA's financial interest and projects it will be wrapped up in that time frame.

Motion is made by Ms. Rogulski, seconded by Mr. Gaydos to approve additional two months for Loewke Brill to monitor the Warwick Valley LDC project. All voted in favor. Motion is carried.

2020 Investment Policies and Practices Review

Mr. Kleiman stated that every year the State Comptroller and the ABO requires a review of investment policy. In addition, the new requirement that took effective in 2019 that the investment policy be audited every year as well as the annual audit. The audit investment report is posted on the website and shows what investment matured, purchased, or still outstanding in 2019. One of the things that were expanded last year was the use of Treasury Bills not only CD's. Mr. Kleiman stated that 2 CD's matured in February. One went into a 6-month CD with the highest interest rate and the other went into a 6-month Treasury Bill which had the highest interest rate. Another CD will mature the end of February and Mr. Kleiman doesn't think he will invest the entire CD due to the Warwick Valley LDC \$2 million dollars that the IDA has put out. He spoke to Mr. Mike Sweeton and he anticipates that we will have the money back by 1st Quarter 2021. Ms. Rogulski asked when they audit the investments, do they just validate the investments, Mr. Kleiman stated that they are making sure we are in compliance with NYS law with respect to our policy. He then stated it is the same for the OCFC. Ms. Villasuso stated that Mr. Kleiman will write a memo that the investment policy has been reviewed during the audit report. Mr. Kleiman stated there were no law changes by NYS regarding investments for 2020.

Executive Session

Ms. Villasuso stated that we need a motion to go into Executive Session for financial credit history of a client of the IDA.

Motion is made by Ms. Rogulski, seconded by Mr. Gaydos to go into Executive Session.

Motion is made by Mr. Gaydos, seconded by Ms. Rogulski to adjourn Audit Committee Meeting.

Audit Committee Meeting ended