



**Audit & Finance Committee Meeting
Minutes
Held via GoTo Meeting**

**May 1, 2020
9:00 a.m.**

BOARD MEMBERS PRESENT: Andy Ross, Hon. Monica Kurzejeski, Hon. Ken Zalewski and Steve Strichman

ALSO IN ATTENDANCE: Justin Nadeau, Justin Miller, Esq., Mary Ellen Flores, Chris Stephens, Ken Crowe, Deanna Dal Pos and Denee Zeigler

The audit and finance committee meeting was called to order at 9.00 a.m.

I. Minutes

The board reviewed the minutes of the January 17, 2020 Audit & Finance Committee Meeting.

**Hon. Monica Kurzejeski made a motion to approve the minutes from January 17, 2020.
Andy Ross seconded, motion carried.**

II. Audit Presentation

Chris Stephens of Wojeski & Co., CPAs presented the audited financial statements to the board members. He explained that there are two documents; report to the board and audited financial statements.

Mr. Stephens noted that the report to the board is required communication that is issued at the end of an audit. He explained that management is responsible for the accounting policies used by the organization. He noted one change which was related to disclosure of debt (note 8). Mr. Stephen advised it was adopted retrospectively in the current year, but he did not require any reclassifications at the end of the year. Mr. Stephens noted that there were no transactions that lacked authoritative guidance or consensus and all significant transactions were recorded in the correct period. Mr. Stephens advised that imbedded in the financial statements are estimates, which were audited and were found to be reasonable. He advised there are some highlighted within the report. He wanted to point out that some of the disclosures due to the nature of what they disclose; mainly the current value of the land for the King Fuels site and the Alamo. They are sensitive because it's possible the value of the land my not be recoverable when it comes time to sell it. Mr.

Stephens advised the disclosure of environmental remediation liability is still disclosed in the financial statements even though the project is still going on. He noted the financial statements are neutral, consistent and clear with no difficulties encountered. Mr. Stephens noted that all minor statements and adjustments have been resolved and are contained in the report. He advised no disagreements with management and requested that management supply us with a management letter showing everything was complete and accurate. He added that it was not found that the LDC had consultations with any other firms. Mr. Stephens explained that financial statements usually have a management discussion and analysis for governments and he wanted to make clear that the LDC does not have that. The lack of it being there does not affect the audit.

Mr. Stephens reviewed the audited financial statements with the board members. He explained on page 1-2 shows the independent auditor's report on the financial statements. It breaks down the auditor's and management's responsibility. Management is responsible for the financial statements and internal controls. The auditor's responsibility is to plan and perform an audit to express our opinion. Mr. Stephens advised that they are issuing an unmodified or clean audit. He advised that page 3 discusses the statement of net position; essentially the balance sheet of the organization as of December 31, 2019. Mr. Stephen noted that there is significant amount of grants receivable related to the playground and the cleanup of King Fuels site. He explained loans receivable went down due to not issuing any significant new loans, but did have repayment on current loans. He added that prepaid interest went down related to the refunding of interest from the City of Troy related to the prepaid loan fund. Mr. Stephens noted that the total loan payable went up related to that same loan. Grants in the amount of \$75,000 that were received as part of a pass thru related to the playground and grants related to the King Fuels cleanup. Mr. Stephens discussed other general fees and expenses shown on the statements. Page 5 shows statements of cash flow which indicates income generated each year through loans. Page 6-8 outline the accounting policies for the organization; not much change except the one item noted previously related to debt. The next section discusses notes to the financial statements and a report on internal controls. The internal reports are intended to assist them with their audit, but if they do find issue they must look into. Mr. Stephens noted no issues with internal controls or any issues of non-compliance.

Hon. Ken Zalewski made a motion to approve the audited financial statements as presented by Wojeski & Co. CPAs.

Hon. Monica Kurzejeski seconded the motion, motion carried.

III. Adjournment

With no additional business to discuss, the audit and finance committee meeting was adjourned at 9:22 a.m.

Steven Strichman made a motion to adjourn the audit and finance committee meeting.

Hon. Monica Kurzejeski seconded the motion, motion carried.