



SENECA COUNTY
INDUSTRIAL DEVELOPMENT AGENCY
AUDIT COMMITTEE

MEETING MINUTES

Wednesday, July 29, 2009
8:00 A.M.
Holiday Inn
Waterloo, New York

Attendance:

Members Present: Robert Kernan, Chairman; Thomas Kime; Kenneth Lee Patchen, Jr., and Kenneth Riemer

Members Absent: None

Staff Present: Robert Aronson, Executive Director; Patricia Jones, Deputy Director; Monica Novack, Office Manager

Others Attending: Thomas Zuber, Auditor and Thomas Palmer, Accountant

Call to Order:

Chairman Kernan called the meeting to order at 8:02 AM. A quorum of the Committee was present.

Approval of Audit Committee Meeting Minutes / March 30, 2009:

The minutes of the Agency's audit committee meeting of March 30, 2009 had been sent to Committee members prior to the meeting. A motion was made by Mr. Patchen to approve the March 30, 2009 minutes. Seconded by Mr. Riemer. Motion carried.

Approval of New Financial Statements Format:

Mr. Palmer of Dermody, Burke and Brown summarized for the Committee the changes made to the monthly financial statements in order to get them in line with the audited financial statements. Chart of accounts were realigned to the 2008 year-end audited financial statements, all December 31, 2008 audit adjustments were made, as directed by the auditors from the office of Raymond F. Wager, CPA, P.C., and all journal entries

were re-entered for 2009 through March 31st. In summary, the Agency's financial statements are now in the same format to the annual audit. There is one significant issue outstanding pertaining to the treatment of PILOT Increment Financings (PIFs). Briefly, the current interpretation of GAAP leads the IDA to take in income as monies are invested into PIF related assets. Typically, in a future year, these assets will be turned over to the governing municipality once the PIF payments are completed. The result of this is a distorted amount of net income in the current year, and a corresponding net loss in a future year. Once this issue is resolved, a further adjustment to the statements may be necessary.

Review of New Budget Format:

Mr. Aronson advised the Committee on the new budget format. He noted that it was now set up to mirror the audited financial statements. Mr. Kime asked that a quick bulleted summary be provided with the new budget pointing out any significant changes.

Other Business:

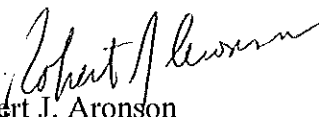
Approval of RLF Single Audits:

A copy of the 2007 and 2008 Revolving Loan Fund (RLF) Audits with changes requested at Audit Committee meeting in March had been forwarded to Committee members prior to the meeting. Committee reviewed and a motion to approve both audits was made by Mr. Riemer. Seconded by Mr. Patchen. Motion carried.

Adjournment:

A motion was made by Mr. Riemer at 10:46 a.m. to adjourn. Seconded by Mr. Patchen. Motion carried.

Respectfully submitted,


Robert J. Aronson
Executive Director