



**Tuesday, July 7, 2015**  
**GGLDC – Andrews Conference Room**  
**Audit & Finance Committee Meeting**  
**1:00 p.m.**

**MINUTES**

**ATTENDANCE**

Committee Members: T. Felton, P. Battaglia, C. Yunker  
Staff: L. Farrell, M. Masse, E. Richardson, S. Hyde  
Guests: P. Zeliff (GCEDC Board Member)  
Absent:

**1. CALL TO ORDER / ENTER PUBLIC SESSION**

T. Felton called the meeting to order at 1:15 p.m. in the Andrews Conference Room.

**2. EXECUTIVE SESSION** – It was decided there was no need to enter executive session at this time.

**3. CHAIRMAN’S REPORT & ACTIVITIES**

**3a. Agenda Additions / Other Business** – None.

**3b. Minutes: June 2, 2015**

**P. Battaglia made a motion to approve the June 2, 2015 Minutes as presented; the motion was seconded by C. Yunker. Roll call resulted as follows:**

T. Felton - Yes  
C. Yunker - Yes  
P. Battaglia - Yes

**The Item was approved as presented.**

**4. DISCUSSIONS / OFFICIAL RECOMMENDATIONS TO THE COMMITTEE:**

**4a. May 2015 Financial Statements** –

- Reserved Cash decreased due to Strategic Investment funds being used to pay allowable expenses.
- Accounts payable consists of two months of the Grant for continuing Economic Development Program Support for the GCEDC.

- Operations and Maintenance is over budget due to utilities being higher during winter months when GCC classes are in session; Special District fees are paid in the beginning of the year.

C. Yunker requested that there be a total current liabilities line on the balance sheet for an easier comparison of current vs. noncurrent liabilities.

S. Hyde also requested adding a subtotal of cash on the balance sheet as well.

L. Farrell pointed out that the BETP (02) grant revenue line item for OCR should be lumped in with the Federal/State grant revenue and she will make that change. This change will not affect the dashboard financial statements that the full Board reviews.

**P. Battaglia made a motion to recommend approval of the May 2015 Financial Statements as presented; the motion was seconded by C. Yunker. Roll call resulted as follows:**

T. Felton	- Yes
P. Battaglia	- Yes
C. Yunker	- Yes

**The Item was approved as presented.**

**4b. Assessment of Internal Controls** - L. Farrell shared that Public Authorities Law requires all public authorities to complete an annual assessment of the effectiveness of their internal control structures and procedures.

The meeting packets included the latest version of the GCEDC's detailed internal control narrative that is given to the auditors each year. This has not changed since the document was disbursed to the committee members in May.

The 2015 Assessment of the Effectiveness of Internal Controls identifies and summarizes the controls in place for major business functions. An internal controls assessment was also completed by the GGLDC's auditors during the annual audit. There were no internal control weaknesses identified at that time.

L. Farrell pointed out that to be efficient and cost effective and in accordance with the goal of developing shovel-ready sites to assist in the enabling of IDA assisted projects, the staff of the GGLDC's sole owner, the GCEDC, provides services which enhance the internal controls of the GGLDC. GGLDC administrative tasks are performed by GCEDC employees.

P. Battaglia asked how many checks are written that are in excess of \$10,000, which require at least one of the authorized signers to be a Board member.

L. Farrell stated that there are no staff members that have signature authority for the GGLDC therefore all GGLDC checks require two Board member signatures.

P. Battaglia suggested that as much as it is practicable, the same Board members should sign all checks. Certain Board members are more aware of what has been paid in the past compared to having different Board members signing checks all the time. Maybe designating primary bank signers would be helpful. These suggestions may not be a change in procedure, but just how you document it. Because there are no staff with authority to sign checks it might make sense to have two primary signers, one being the Board Chair and the other being a member of both the GCEDC and GGLDC Boards.

**P. Battaglia made a motion to approve of the Assessment of Internal Controls with changes to the internal control narrative to state that all checks require two GGLDC Board Member signatures and to designate two primary bank signers as presented; the motion was seconded by C. Yunker. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Yes  
C. Yunker - Yes

**The Item was approved as presented.**

**2c. Audit & Finance Committee Charter (Re-Adopt) -** L. Farrell shared that the charter states that the committee will review the Charter annually, reassess its adequacy and recommend any proposed changes to the Board of the authority. There are no revisions being suggested by staff at this time.

P. Battaglia suggested including wording that the Audit & Finance Committee will review and recommend RLF requests to the full Board.

L. Farrell stated that the Charter lists a very broad overview of responsibilities and tasks. The Charter does not state that the committee is responsible for reviewing financial statements on a monthly basis either. If we were to add wording about the RLF requests then we could also add wording about reviewing financial statements.

P. Zelif suggested changing that the committee would meet once a month instead of twice a year to more accurately document what is actually being done.

P. Battaglia thought that if we were to change the wording to say that the committee meets once a month then the committee would be required to meet once a month. Although we typically do, there have been times when we were not able to get a quorum and brought the financial statements directly to the full Board. Leaving the wording broader may be in the best interest of the committee.

L. Farrell restated the changes to the committee charter to add the review of financial statement accuracy and review of RLF requests to the responsibilities of the committee. These changes will be made and be brought forward to the August Board meeting so that the full Board may have a chance to review the changes.

**C. Yunker made a motion to recommend approval of the Audit & Finance Committee Charter with changes to include adding review of financial statement accuracy and review of RLF requests to the responsibilities of the committee as presented; the motion was seconded by P. Battaglia. Roll call resulted as follows:**

T. Felton - Yes  
P. Battaglia - Yes  
C. Yunker - Yes

**The Item was approved as presented.**

## **ADJOURNMENT**

As there was no further business, P. Battaglia made a motion to adjourn at approximately 2:00 p.m., seconded by C. Yunker and passed unanimously.