



LIVINGSTON COUNTY
DEVELOPMENT CORPORATION

LIVINGSTON COUNTY GOVERNMENT CENTER
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PHILIP BROOKS
CHAIRMAN

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PATRICK ROUNTREE
DIRECTOR

JULIE MARSHALL
DEPUTY DIRECTOR

LOUISE WADSWORTH
DOWNTOWN COORDINATOR

Approved by _____

A handwritten signature in black ink, appearing to be "P. Brooks", written over a horizontal line.

MINUTES

Livingston County Development Corporation
Audit & Finance Committee

Friday, March 30, 2012

Room 205, Livingston County Government Center, Geneseo, NY

Members Attending: P. Brooks, W. Bacon, S. Doerflinger, E. Gott, R. Smith, P. Yendell,

Staff Attending: P. Rountree, J. Marshall, E. Russell, L. Wadsworth, M. LaPoma

Other: K. Barrett, Freed Maxick, CPA's

Chairman Brooks called the meeting to order at 10:32 a.m.

APPROVAL OF AUDIT COMMITTEE MINUTES OF MARCH

Mr. Yendell moved, seconded by Mr. Smith, the approval of the March 4th, 2011 Audit & Finance Committee Meeting Minutes. Carried.

Review and Recommend any changes to the Agency's Policies:

-Investment Policy

No changes.

-Disposition of Property

No changes.

-Internal Controls

Mr. Schoder provided his opinion as follow:

At the request of Bill Bacon, Chairman of the Audit Committee of the LCIDA & LCDC, on Tuesday, January 10, 2012, Thomas E. Schoder, a member of the Audit Committee, spent an hour reviewing the LCIDA's & the LCDC's General Ledgers for the year ended December 31, 2011. Tom reviewed with Mary, Administrative Assistant for the LCIDA & LCDC, various transactions listed in the general ledger. We made sure that the revenue accounts in the general ledger reflected the deposits made throughout the year and the expense accounts reflected cash disbursements. After the reclassing of a few transactions, the General Ledgers were reviewed for their accuracy and completeness.

-Procedure for the Receipt, Retention, Investigation and/or Referral of Complaints concerning Accounting, Internal Controls & Auditing

This is tabled until the next meeting.

-Amendment to the Finance Charter & Bylaws

This was brought up at last month's meeting. Mr. Russell reviewed this for the Board. He also explained that the CEO and CFO can't be a member of the board. Language under the Director's position was added and reviewed. It has been put into law and needed to be added to the Bylaws. Mr. Rountree asked for clarification on the role of the Treasurer and how it affects Mr. Donegan's role. The Treasurer could be the CFO. *Mr. Yendell moved, seconded by Mr. Smith, the approval of the Bylaws as revised. Carried.*

-Perform a self-assessment of the Committee's effectiveness, its compliance with its Charter and recommend any changes to the Audit Committee Charter.

The committee feels they do a fine job.

Summary Presentation of Audit by Freed Maxick, CPAs & Recommendation to Agency

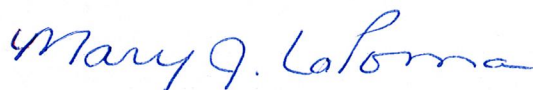
Ms. Barrett was welcomed and she addressed the corporation. She thanked staff for their help with the audit and stated it was a fairly easy process again this year. It is an unqualified opinion. Assets increased and liabilities stayed about the same. In terms of revenues, grant income increased and administrative fees increased three fold. There was a bad debt expense related to a \$20,000 loan. This is MiMi's although we are still trying to collect. It hasn't been written off. Program and village program expenses increased. They are still evaluating the Governmental Accounting Standards Board (GASB) issue. They identified a deficiency as opposed to an internal weakness. It exists for two reasons. We are not able to prepare our own financial statements and we failed to review and adopt an investment policy. Mr. Bacon asked about the training of employees. Ms. Barrett replied that most agencies have concluded they will live with it. We will most likely always have this deficiency. If we have a CPA on the board and they could evaluate Governmental Accounting Standards Board (GASB) standards, that's one way to avoid this issue. Ms. Barrett stated it's almost impossible to address this GASB standard. Ms. Doerflinger asked about the journal entries and whether we should have done the adjustments in January, 2011. Ms. Barrett stated we should have reversed them. We can now reverse them in 2012 as long as they are provided with the documentation that adjustments have to be made. She reviewed the GASB Statements. She commented on not having the budget report submitted by November 1st. Also, the review and approval of all policies.

Ms. Barrett departed at 11:20 a.m.

ADJOURNMENT

Mr. Bacon moved, seconded by Mr. Yendell, that the meeting adjourn. Carried at 11:25 a.m.

Respectfully Submitted,



Mary J. LaPoma
Administrative Assistant