

Niagara County Industrial Development Agency

Niagara County Center for Economic Development • 6311 Inducon Corporate Drive, Ste. 1 • Sanborn, NY 14132

NCIDA/NCDC/NADC AUDIT/FINANCE COMMITTEE MEETING

Date: Wednesday, March 27, 2024
Time: 8:00 a.m.
Place: Niagara County Center for Economic Development
6311 Inducon Corporate Drive, Sanborn NY

NCIDA/NCDC/NADC Audit/Finance Committee Members:

____ Jason Krempa, Chairperson
____ Anne E. McCaffrey, Member
____ Ryan J. Mahoney, Member

Other Board Members Present:

____ Mark Onesi
____ William L. Ross
____ Clifford Scott
____ Mark Berube
____ David J. Masse
____ William Fekete

Staff Present:

____ Susan Langdon, Executive Director
____ Andrea Klyczek, Assistant Director
____ Michael S. Dudley, Finance Manager
____ Caroline Caruso, Accounting Associate
____ Susan Barone, Grants & Operations Manager
____ Julie Lamoreaux, Administrative & HR Officer
____ Jeremy Geartz, Project Manager
____ Mark J. Gabriele, Agency Counsel

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- 1.0 Meeting Called to Order – *J. Krempa***
 - 2.0 Roll Call – *J. Lamoreaux***
 - 3.0 Approval of Audit Committee Meeting Minutes – *J. Krempa***
 - 3.1 February 14, 2024**
 - 4.0 NCIDA Finance & Audit Committee Reports**
 - 4.1 Audit Report – *Lumsden & McCormick, CPAs***
 - 4.2 Agency Payables – *J. Krempa***
 - 4.3 MTD and YTD Budget Variance Report – *J. Krempa***
 - 4.4 Project Closing Summary Report – *M. Gabriele***
 - 5.0 Reaffirm Finance & Audit Committee Charter – *J. Krempa***
 - 6.0 Adjournment**

Niagara County Industrial Development Agency

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NCIDA/NCDC/NADC AUDIT/FINANCE COMMITTEE MEETING

Date: Wednesday, February 14, 2024
Time: 8:45 a.m.
Place: Niagara County Center for Economic Development
6311 Inducon Corporate Drive, Sanborn NY

NCIDA/NCDC/NADC Audit/Finance Committee Members:

Jason Krempa, Chairperson
Anne E. McCaffrey, Member
Ryan J. Mahoney, Member

Other Board Members Present:

Mark Onesi
William L. Ross
Mark Berube
David J. Masse

Staff Present:

Susan Langdon, Executive Director
Michael S. Dudley, Finance Manager
Caroline Caruso, Accounting Associate
Susan Barone, Grants & Operations Manager
Julie Lamoreaux, Administrative & HR Officer
Mark J. Gabriele, Agency Counsel – Via Phone

1.0 Meeting Called to Order

Mr. Krempa called the meeting to order at 8:45 a.m.

2.0 Roll Call

Ms. Lamoreaux called the roll; a quorum was established.

3.0 Approval of Audit Committee Meeting Minutes

3.1 December 13, 2023

Mr. Krempa stated that he had reviewed the meeting minutes and he made a motion for approval; Mr. Mahoney seconded the motion. The motion passed.

4.0 Agency Payables

4.1 December 31, 2023

Mr. Krempa stated that he reviewed the monthly payables and he made a motion to recommend approval of the Payables to the Board Members at the Regular Board Meeting; Ms. McCaffrey seconded the motion. The motion passed.

4.2 January 31, 2024

Mr. Krempa stated that he reviewed the monthly payables and he made a motion to recommend approval of the Payables to the Board Members at the Regular Board Meeting; Ms. McCaffrey seconded the motion. The motion passed.

5.0 MTD and YTD Budget Variance Reports

5.1 December 31, 2023

Mr. Krempa stated that he reviewed the reports and he made a motion to recommend approval of the payables to the Board members at the Regular Board Meeting; Mr. Mahoney seconded the motion. The motion passed.

5.2 January 31, 2024

Mr. Krempa stated that he reviewed the reports and he made a motion to recommend approval of the payables to the Board members at the Regular Board Meeting; Mr. Mahoney seconded the motion. The motion passed.

6.0 Universal Banking Resolutions

Ms. Caruso stated that the agency will be submitting new banking resolutions to M&T Bank. She asked that each of the Board Members take a moment following the meeting to verify that the personal information form is correct for everyone.

She explained that once all of the signatures are completed, the new resolution will be submitted to M&T Bank and updated to all of the existing Agency bank accounts. Each of the Board Members will be an authorized signer on all of the M&T Bank accounts.

7.0 Project Closing Summary Report

Mr. Gabriele stated that the Agency received \$357,500 in regards to closing of Amazon. MHT Holdings Inc. has notified the Agency that they are withdrawing their applications for Brookside Commons and Niagara Falls.

8.0 Adjournment

Mr. Krempa made a motion, seconded by Mr. Mahoney to adjourn the meeting. The meeting adjourned at 8:57 a.m.

Respectfully Submitted:

Reviewed by:

Julie Lamoreaux
Administrative Assistant

Susan C. Langdon
Executive Director

Niagara County Industrial Devel. Agency
Check Register
 For the Period From Feb 1, 2024 to Feb 29, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
30020	2/1/24	THE HARTFORD	10001.100	641.02
30021	2/6/24	360 PSG.com	10001.100	60.00
30022	2/6/24	Gabriele & Berrigan, P.C.	10001.100	5,000.00
30023	2/6/24	M&T Bank	10001.100	6,707.89
30024	2/6/24	National Grid	10001.100	451.27
30025	2/6/24	Niag Cnty Dept of Economic Development	10001.100	92.29
30026	2/6/24	STAPLES CONTRACT & COMMERCIAL	10001.100	52.99
2/8/24	2/8/24	PAYCHEX, INC.	10001.100	97.88
2/9/24	2/9/24	NYS DEFERRED COMPENSATION PLAN	10001.100	1,358.24
30027	2/13/24	360 PSG.com	10001.100	60.00
30028	2/13/24	County of Niagara	10001.100	525.52
30029	2/13/24	First Choice Coffee Services	10001.100	109.43
30030	2/13/24	Gabriele & Berrigan, P.C.	10001.100	3,192.00
2/20/24	2/20/24	PAYCHEX, INC.	10001.100	128.00
30031	2/20/24	Gibson, McAskill & Crosby, LLP	10001.100	1,927.00
30032	2/20/24	Gibson, McAskill & Crosby, LLP	10001.100	1,043.50
30033	2/20/24	Guardian	10001.100	388.33
30034	2/20/24	Independent Health	10001.100	3,535.94
30035	2/20/24	Andrea Klyczek	10001.100	817.20
30036	2/20/24	SAM'S CLUB/SYNCHRONY BANK	10001.100	249.02
30037	2/20/24	STAPLES CONTRACT & COMMERCIAL	10001.100	221.85
2/22/24	2/22/24	PAYCHEX, INC.	10001.100	81.37
2/23/24	2/23/24	NYS DEFERRED COMPENSATION PLAN	10001.100	1,145.83
2/26/24	2/26/24	NEW YORK STATE AND LOCAL	10001.100	555.04
30038	2/27/24	Charter Communications	10001.100	129.99
30039	2/27/24	MRB Group	10001.100	1,055.00
30040	2/27/24	National Grid	10001.100	479.53
30041	2/27/24	Niag Cnty Dept of Economic Development	10001.100	92.10
30042	2/27/24	STAPLES CONTRACT & COMMERCIAL	10001.100	22.28
30043	2/29/24	Cintas Corporation LOC. 067P	10001.100	93.80
30044	2/29/24	Professional Janitorial Services, Inc.	10001.100	823.00
Total				31,137.31

NCIDA - MTF - Operating Fund
Check Register
For the Period From Feb 1, 2024 to Feb 29, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
3160	2/6/24	DAVIS-ULMER Sprinkler Co.	10001.600	780.00
3161	2/6/24	National Grid	10001.600	67.47
3162	2/6/24	Niagara Falls Water Board	10001.600	435.16
3163	2/13/24	Gabriele and Berrigan P.C.	10001.600	380.00
3164	2/13/24	Mike Sinatra's Landscaping and	10001.600	7,000.00
3165	2/13/24	VERIZON	10001.600	128.73
Total				8,791.36

NCIDA VIP-MTF Operating
Check Register
For the Period From Feb 1, 2024 to Feb 29, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
4864	2/6/24	H.W.BRYK & SONS, INC.	10001.600	491.00
4865	2/6/24	Frontier	10001.600	280.26
4866	2/6/24	Grove Roofing Services, Inc.	10001.600	537.10
4867	2/6/24	JGM Installation & Svc. Co. Inc.	10001.600	540.00
4868	2/6/24	National Grid	10001.600	349.46
4869	2/13/24	DAVIS-ULMER Sprinkler Co.	10001.600	170.00
4870	2/13/24	Modern Disposal Services, Inc.	10001.600	174.10
4871	2/13/24	County of Niagara	10001.600	373.90
4872	2/13/24	Mike Sinatra's Landscaping and	10001.600	8,200.00
4873	2/13/24	Town of Wheatfield	10001.600	56.00
4874	2/20/24	H.W.BRYK & SONS, INC.	10001.600	1,415.00
4875	2/20/24	Ulrich Signs	10001.600	669.00
4876	2/27/24	H.W.BRYK & SONS, INC.	10001.600	350.00
4877	2/27/24	National Grid	10001.600	344.35
4878	2/29/24	Professional Janitorial Services, Inc.	10001.600	346.00
Total				14,296.17

Niagara Industrial Incubator Associates
Check Register
For the Period From Feb 1, 2024 to Feb 29, 2024

Filter Criteria includes: Report order is by Date.

Check #	Date	Payee	Cash Account	Amount
1395	2/6/24	National Grid	10000.100	285.04
1396	2/6/24	Niagara Falls Water Board	10000.100	2,015.05
1397	2/13/24	H.W. Bryk & Sons, Inc.	10000.100	277.00
1398	2/13/24	Gabriele & Berrigan, P.C.	10000.100	95.00
1399	2/13/24	Mike Sinatra's Landscaping and	10000.100	6,700.00
Total				<u><u>9,372.09</u></u>

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

BUDGET VARIANCE REPORT AS OF February 29, 2024

UN-AUDITED STATEMENT FOR INTERNAL MANAGEMENT USE ONLY

	Current Month Actual	Current Month Budget	Year To Date Actual	Year To Date Budget	Year To Date Variance	Total Budget
Operating Revenues						
Project Administrative Fees	\$ 3,500.00	\$ 124,630.00	\$ 361,000.00	\$ 148,797.00	212,203.00	\$ 527,232.00
Project Application Fees	2,000.00	1,000.00	2,000.00	2,000.00	0.00	12,000.00
NEDF RLF Administrative Fee	4,166.67	4,166.67	8,333.34	8,333.34	0.00	50,000.00
Administratve Fees - Other	0.00	0.00	5,303.44	0.00	5,303.44	28,040.00
Interest Earnings	5,692.29	3,820.42	10,836.59	7,640.84	3,195.75	45,845.00
Miscellaneous Income	1,855.38	14,315.08	3,665.46	28,630.16	(24,964.70)	171,781.00
Distributions From Affiliates	0.00	0.00	0.00	0.00	0.00	100,000.00
Distribution from VIP MTF	0.00	0.00	0.00	0.00	0.00	100,000.00
Total Operating Revenues	17,214.34	147,932.17	391,138.83	195,401.34	195,737.49	1,034,898.00
Operating Expenses						
Salaries	36,178.38	35,793.76	72,356.76	71,587.52	769.24	465,319.00
Benefits	4,740.22	5,410.75	9,480.44	10,821.50	(1,341.06)	64,929.00
Retirement Benefits	5,310.92	5,310.92	10,621.84	10,621.84	0.00	63,731.00
Payroll Taxes	2,809.52	2,759.09	5,619.04	5,518.18	100.86	35,778.00
Unemployment Taxes	614.91	614.89	1,399.87	1,399.84	0.03	1,575.00
Consultants	2,500.00	2,500.00	5,000.00	5,000.00	0.00	30,000.00
Assisstant Director	6,516.17	6,516.17	13,032.34	13,032.34	0.00	78,194.00
Legal Services	7,988.33	5,833.33	14,150.83	11,666.66	2,484.17	70,000.00
Accounting Services	15,000.00	15,000.00	15,000.00	15,000.00	0.00	22,210.00
Marketing	60.00	1,833.33	3,518.00	3,666.66	(148.66)	22,000.00
Printing	0.00	100.00	0.00	200.00	(200.00)	1,200.00
Office Supplies	229.85	208.33	260.99	416.66	(155.67)	2,500.00
Postage	0.00	260.00	489.42	730.00	(240.58)	3,750.00
Telephone & Fax	123.42	107.08	246.84	214.16	32.68	1,285.00
Internet Service	169.99	195.67	339.98	391.34	(51.36)	2,348.00
Common Area Charges	874.50	874.50	1,749.00	1,749.00	0.00	10,494.00
Energy	1,579.53	2,054.00	3,112.59	4,252.00	(1,139.41)	18,081.00
Conference & Travel	1,465.71	666.67	2,403.63	1,333.34	1,070.29	8,000.00
Employee Training	0.00	500.00	980.00	1,000.00	(20.00)	6,000.00
Depreciation Expense	0.00	0.00	0.00	0.00	0.00	6,462.00
Insurance Expense	1,708.24	1,824.42	3,416.48	3,648.84	(232.36)	21,893.00
Library & Membership	0.00	326.92	1,699.94	653.84	1,046.10	3,923.00
General Office	979.28	993.33	1,572.78	1,986.66	(413.88)	11,920.00
Repairs & Maintenance	974.83	1,065.00	1,919.83	2,130.00	(210.17)	12,780.00
Computer Support	1,055.00	500.00	1,055.00	1,000.00	55.00	6,000.00
Public Hearings	0.00	25.00	0.00	50.00	(50.00)	300.00
Furniture & Equipment Purchase	0.00	166.67	0.00	333.34	(333.34)	2,000.00
Other Expense	0.00	83.33	0.00	166.66	(166.66)	1,000.00
Total Operating Expenses	90,878.80	91,523.16	169,425.60	168,570.38	855.22	973,672.00
Net Operating Income/<Loss>	(73,664.46)	56,409.01	221,713.23	26,830.96	194,882.27	61,226.00
Non-Operating Revenue & Expense						
Grant Rev- City NF Initiative	0.00	0.00	265,172.31	0.00	265,172.31	2,145,609.00
Grant Sub-City NF Initiative	0.00	0.00	265,172.31	0.00	265,172.31	2,145,609.00
Net Non-Operating Income/<Loss>	0.00	0.00	0.00	0.00	0.00	0.00
Total Net Income/<Loss>	(\$ 73,664.46)	\$ 56,409.01	\$ 221,713.23	\$ 26,830.96	194,882.27	\$ 61,226.00

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

Balance Sheet
February 29, 2024

ASSETS

Current Assets	
Cash - Checking	\$ 207,130.91
Petty Cash	300.00
Mmkt Acct. - M&T Bank	2,391,088.38
Cash - First Response	66,169.27
Cash - City of N.F.	819.64
Mmkt Acct. - Cataract Tourism	2,731,364.62
Accts Rec - Public Hearings	1,780.51
Accounts Rec. EDA - RLF	11,666.62
Due To/From Micro RLF	20,977.38
Due To/From VIP - MTF	475,154.25
Due From NCDC CDBG/HUD	11,666.76
Due To/Due From NADC	151,406.56
Due To/From MTF Operating	123,319.08
Prepaid Insurance	<u>20,176.73</u>
 Total Current Assets	 6,213,020.71
Other Assets	
Deferred Outflows	180,568.00
Investment in NIIA	<u>342,500.00</u>
 Total Other Assets	 523,068.00
Fixed Assets	
Furniture & Equipment	231,672.18
Furn & Fixtures - Fed purchase	5,861.08
Accum Dep. - Furn & Equip	(208,515.61)
Accum Dep. - F&F Fed Purch	<u>(5,861.08)</u>
 Total Fixed Assets	 23,156.57
 Total Assets	 <u>\$ 6,759,245.28</u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accrued Retirement	\$ 10,621.84
Deferred Rev. - NEDF	41,666.66
Deferred Rev. - First Repsonse	66,169.27
Def. Rev. - City of N.F.	2,732,184.26
Accounts Payable	30,716.85
Acct. Payable - Niag. County	<u>13,032.34</u>
 Total Current Liabilities	 2,894,391.22
Long-Term Liabilities	
Pension Liability	139,492.00
Deferred Inflows of Resources	<u>22,355.00</u>
 Total Long-Term Liabilities	 <u>161,847.00</u>
 Total Liabilities	 3,056,238.22
Net Assets	
Fund Balance - Operating Fund	3,481,293.83
Net Income	<u>221,713.23</u>
 Total Net Assets	 <u>3,703,007.06</u>
 Total Liabilities & Net Assets	 <u>\$ 6,759,245.28</u>

**Niagara County Industrial
Development Agency
Aged Payables
As of February 29, 2024**

Vendor ID Vendor	Invoice #	Amount Due
CARUSO Caroline M. Caruso	1/5/24-2/23/24	47.17
County County of Niagara	Jan 24 Elec	556.27
GABRIELE Gabriele & Berrigan, P.C.	Feb 2024 Engagement	5,000.00
GMC Gibson, McAskill & Crosby, LLP	120599 120598 120597 120596 120595 120594	635.00 294.50 475.00 133.00 342.00 275.50
JEREMY Jeremy Geartz	1/29/24-2/28/24	429.54
LUM Lumsden & McCormick, LLP	203909	15,000.00
M&TBUS M&T Bank	Feb 2024	262.27
STAPLES STAPLES CONTRACT & COMMERCIAL	8073374617	73.27
Report Total		<u>23,523.52</u>
<u>Adjusting Journal Entries</u>		
	Estimated Feb 2024 Legal Fees	5,833.33
	Estimated Feb 2024 Copier usage	200.00
	Estimated Jan-Feb 2024 Telephone	60.00
	Estimated Feb 2024 Niagara County Electric	450.00
	Estimated Feb 2024 Niagara County Gas	650.00
		<u><u>30,716.85</u></u>

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

3/14/2024

**Project Income - 2024
Lease/Lease Back and Bonds**

Closed 2024	Project Type	Total Project Amount	IDA Project Amount	Fees	Application Fee	Amount Received to Date	Date Received	Balance Due	Date Closed
	Amazon.com Services LLC	L/L Back	550,000,000	550,000,000	357,500	1,000	358,500	1/30/24	-
	MHT Holdings, Inc. - Brookside Commons	No assistance provided.			0	1,000	1,000	5/26/23	-
	MHT Holdings, Inc. - Niagara Falls	No assistance provided.			0	1,000	1,000	5/26/23	-
	DRC Development LLC 2022	Additional Sales Tax			3,500	0	3,500	2/28/24	-
									-
									-
									-
									-

TOTAL

361,000

Fees received in prior year -

Total fees received to date in 2024 361,000

Total 2024 Budgeted Fees 527,232

Balance of Budgeted Fees 166,232

Projected 2024	Project Type	Total Project Amount	IDA Project Amount	Anticipated Fees	Application Fee	Amount Received to Date	Date Received	Anticipated Balance Due	Inducement Expiration
	Cityscape Property Management Inc. - Division	L/L Back	1,122,000	1,075,000	10,750	1,000	1,000	9/20/23	11/30/24
	Cityscape Property Management Inc. - Stenzil	L/L Back	2,244,000	2,150,000	21,500	1,000	1,000	9/20/23	11/30/24
	Peak Development Partners, LLC	L/L Back	7,475,000	7,175,000	71,750	1,000	1,000	1/31/23	3/31/24
	Niacet Corporation 2023	L/L Back	121,000,000	89,000,000		1,000	1,000	3/14/23	3/31/24
	NF Lockport LLC	L/L Back	95,000,000	90,100,000		1,000	1,000	9/13/23	11/30/24
	Vishay Dale Electronics, LLC	L/L Back	8,200,000	8,000,000	80,000	1,000	1,000	12/12/23	12/31/24
	Iskalo 1 East Avenue LLC	Sales Tax Only				1,000	1,000	2/7/24	-
	Big Ditch Brewing Company LLC	Sales Tax Only				1,000	1,000	2/5/24	-

TOTAL

184,000

8,000

8,000

184,000

0

TOTAL - Projected Income 2024

545,000

8,000

8,000

184,000

361,000

Projected 2025	Project Type	Total Project Amount	IDA Project Amount	Anticipated Fees	Application Fee	Amount Received to Date	Date Received	Anticipated Balance Due	Inducement Expiration

TOTAL

0

0

0

0

0

* Pending Board Approval

Cataract Tourism Fund Grant Program

Grantee Name	Grant Awards	Outst'd'g Awards	Approval Date	Disbursement Date	Disbursement Amount	Offer Expiration	Project Description
Niagara County Dept. of Economic Development	37,667	0.00	10/11/2017	1/23/2018	37,667.00		Feasibility study for Niagara Falls area multi-use facility.
Niagara Aquarium Foundation	88,147	0.00	2/14/2018	7/15/2019	88,147.00		Jellyfish exhibit and equipment.
The Tourism Research Entrepreneurship Center (TReC)	176,600	0.00	8/8/2018	6/2/2020	176,600.00		Buildout, audio/visual equipment and network connectivity hardware.
Niagara Aquarium Foundation	16,717	0.00	2/12/2020	10/21/2020	16,717.00		Renovations to second floor event room.
Niagara Aquarium Foundation	370,000	0.00	8/14/2019	2/9/2021	370,000.00		Interactive touch pools adjacent to main entrance of the Aquarium.
Red Star Builders, LLC (The Niagara Club)	64,403	0.00	7/10/2019	9/7/2021	64,403.00		Spot Coffee.
Niagara Falls Center for Tourism LLC	1,000,000	0.00	6/12/2019	7/7/2023	598,661.03	12/31/2024	Construction of an indoor family entertainment center and outdoor improvements.
The Center for Kashmir, Inc.	575,000	300,000.00	6/14/2023	8/9/2023	273,000.00		Renovations to vacant church for a museum of art and culture for Kashmir.
Savarino Companies, LLC	155,000	0.00	4/14/2021	4/26/2023	155,000.00		Rehabilitation of 4,000 square feet of commercial/retail storefront space.
Niagara Aquarium Foundation	900,000	900,000.00	2/9/2022	To Be Disbursed	0.00		Renovations to the Niagara Gorge Discovery Center for expanded programming.
Niagara Aquarium Foundation	35,000	0.00	2/8/2023	1/2/2024	35,000.00		Sea turtle exhibit.
Burger Factory Niagara Falls, Inc.	185,250	0.00	2/8/2023	1/11/2024	185,250.00		Façade renovations.
Niagara Falls International Cuisine, Inc.	76,500	0.00	2/8/2023	1/11/2024	44,922.31		Dining area renovations.
Hammer & Crown BC	33,000	33,000.00	3/22/2023	To Be Disbursed	0.00		Kitchen buildout, bar and dining area remodeling.
TM Montante Development(Radio Niagara)	912,609	912,609.00	3/22/2023	To Be Disbursed	0.00		Renovations for restaurant, bar, game space, bowling lounge and boutique hotel.
To Date Sub-Total	<u>4,623,893</u>	<u>2,145,609.00</u>			<u>2,045,367.34</u>		
Grant Fund Cash Balance as of 2/29/2024	2,732,184.26						
Less: Outstanding Awards	(2,145,609.00)						
Available for awarding grants	586,575.26						
Grant Fund Balance	-						
Grant Funding from NYS 11/22/2016	1,600,000.00						
Grant Funding from NYS 10/16/2017	1,440,000.00						
Grant Funding from NYS 10/12/2018	1,600,000.00						
Bank Interest	137,594.86						
Bank Fees	(43.26)						
Grant Disbursements	(2,045,367.34)						
Grant Fund Balance	2,732,184.26						

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY ("NCIDA")

FINANCE & AUDIT COMMITTEE CHARTER

This Charter shall also serve as the charter for the Financial & Audit Committee of the Niagara County Industrial Development Agency ("Agency"), upon approval by the Board of the corporation.

ARTICLE I Core Functions

The core functions of the Financial & Audit Committee are set forth include: (i) providing assistance to members of the Agency in fulfilling their fiduciary responsibilities relating to accounting, reporting and regulatory compliance practices; (ii) maintaining, by way of regularly scheduled meetings, a direct line of communication between the members of the Agency and the Agency's independent accountants and auditors to provide for exchanges of views and information; (iii) maintaining, as appropriate, a direct line of communication between the members of the Agency and the governmental authorities having audit authority or fiscal oversight of the Agency; (iv) approving the budget of the Agency for submission to the Board; (v) approving and/or directing the transfers of moneys under the budget; and (vi) recommending to the Board the level of cash reserves and the level of fund balances of the Agency.

ARTICLE II Composition

Members of the Financial & Audit Committee shall be appointed in accordance with the Bylaws. The Board shall designate one member of the Financial & Audit Committee to serve as chair of the Financial & Audit Committee. Each member of the Financial & Audit Committee shall serve for a term of one (1) year and until his or her successor shall be appointed and qualified.

At least three members of the Financial & Audit Committee must be an "independent member" within the meaning of, and to the extent required by, Section 2825 of the New York Public Authorities Law, as amended from time to time. Financial & Audit Committee members shall be prohibited from being an employee of the Agency or an immediate family member of an employee of the Agency. Members of the Financial & Audit Committee shall not engage in any private business transactions with the Agency or receive compensation from any private entity that has material business relationships with the Agency, or be an immediate family member or an individual that engages in private business transactions with the Agency or receives compensation from an entity that has material business relationships with the Agency. In addition, Financial & Audit Committee members who are members of the Agency shall comply

with the conflict of interest provisions applicable to public officers under Article 18 of the New York General Municipal Law.

ARTICLE III Committee Meetings

The Financial & Audit Committee will meet a minimum of twice each calendar year (at least once prior to the commencement of the annual audit process and once after completion of the annual audit process). Additional meetings may be necessary or appropriate to adequately fulfill the obligations and duties outlined in this Charter. All committee members are expected to attend each meeting, in person or via videoconference. The Financial & Audit Committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary.

Meeting notices and agendas will be prepared for each meeting and provided to Financial & Audit Committee members by electronic or regular mail at least five (5) days in advance of the scheduled meeting. A quorum of the Finance & Audit Committee shall consist of a majority of the members then serving on the Finance & Audit Committee. The affirmative vote of a majority of the members then serving on the Finance & Audit Committee shall constitute an act of the Financial & Audit Committee. Minutes of all meetings shall be recorded by the Secretary or any Assistant Secretary of the Agency. All meetings shall comply with the requirements of the Open Meetings Law.

ARTICLE IV Committee Responsibilities

The Finance & Audit Committee shall have responsibilities related: (a) the independent auditor and annual financial statements; (b) oversight of management's internal controls, compliance and risk assessment practices; (c) special investigations and whistleblower policies; (d) miscellaneous issues related to the financial practices of the Agency; and (e) shall review proposals for the issuance of debt by the Agency and make recommendations regarding such proposed debt issuance.

A. Independent Auditors and Financial Statements

The Finance & Audit Committee shall:

- (i) Recommend to the Board the hiring of independent auditors, establish the compensation to be paid to the auditors retained by the Agency and provide oversight of the audit services provided by the independent auditor.
- (ii) Establish procedures for the engagement of the independent auditor to provide permitted audit services. The Agency's independent auditor shall be prohibited from providing non-audit services unless having received previous written approval from the Finance & Audit Committee. Non-

audit services include tasks that directly support the Agency's operations, such as (a) bookkeeping or other services related to the accounting records or financial statements of the Agency; (b) financial information systems design and implementation; (c) appraisal or valuation services, fairness opinions, or contribution-in-kind reports; (d) actuarial services; (e) internal audit outsourcing services; (f) management functions or human resource services; (g) broker or dealer, investment advisor, or investment banking services; and (h) legal services and expert services unrelated to the audit function.

- (iii) Review and approval the Agency's audited financial statements, associated management letter and all other auditor communications.
- (iv) Review significant accounting and reporting issues, including complex or unusual transactions and management decisions, and recent professional and regulatory pronouncements, and understand their impact on the financial statements of the Agency.
- (v) Meeting with the Agency's independent auditor at least annually to discuss the financial statements of the Agency, and on an as-needed basis to discuss any significant issues that may have surfaced during the course of the audit.
- (vi) Review and discuss any significant risks reported in the independent audit findings and recommendations and assess the responsiveness and timeliness of management's follow-up activities pertaining to the same.

B. Internal Controls, Compliance and Risk Assessment

The Finance & Audit Committee shall review management's assessment of the effectiveness of the Agency's internal controls and review the actions taken by management on the independent accountants' and auditors' suggestions for correcting weaknesses, if any, in the Agency's internal controls, regulatory compliance, organizational structure and operations, and if applicable, any weaknesses noted.

C. Special Investigations

The Finance & Audit Committee shall:

- (i) Ensure that the Agency has an appropriate confidential mechanism for individuals to report suspected fraudulent activities, allegations of corruption, fraud, criminal activity, conflicts of interest or abuse by the directors, officers or employees of the Agency or any persons having business dealings with the Agency or breaches of internal control.
- (ii) Develop procedures for the receipt, retention, investigation and/or referral of complaints concerning accounting, internal controls and auditing.

- (iii) Request and oversee special investigations as needed and/or refer specific issues to the Board or appropriate committee of the Board for further investigation.

D. Other Responsibilities

The Finance & Audit Committee shall obtain information and training needed to enhance the committee members' understanding of the role of the independent auditor, the risk management process, internal controls and a certain level of familiarity in financial reporting standards and processes.

E. Debt Issuance

The Finance & Audit Committee shall review proposals for the issuance of debt and make recommendations regarding such proposed debt issuance.

ARTICLE V
Committee Reports

The Finance & Audit Committee shall:

- A. Report its actions and recommendations to the Board at each regular meeting of the Board following a meeting of the Finance & Audit Committee and when otherwise requested by the Board;
- B. Report to the Board, at least annually, regarding any proposed changes to this Charter;
- C. Provide a self-evaluation of the Finance & Audit Committee's functions to the Board on an annual basis; and
- D. Report to the Board on a periodic basis, at least annually, the findings of its independent auditors. These reports shall include careful consideration of the actions taken by management on the independent auditors' suggestions for correcting weaknesses, if any, in the Agency's internal controls, regulatory compliance, organizational structure and operations. These reports may include the adequacy of the audit effort by the Agency's independent auditors, the financial and regulatory compliance reporting decisions of management, the adequacy of disclosure of information essential to a fair presentation of the financial affairs and regulatory compliance efforts of the Agency, and the organization and quality of the Agency's system of management and internal accounting controls.

ARTICLE VI
Amendments

This Charter may be amended upon affirmative vote of a majority of the Board of the Agency.