

NASSAU COUNTY INTERIM FINANCE AUTHORITY

MEETING OF THE AUDIT AND INTERNAL CONTROLS COMMITTEE

MINUTES OF MAY 23, 2019

The Audit and Internal Controls Committee of the Nassau County Interim Finance Authority convened on May 23, 2019 at 7:20 PM at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY, pursuant to legal notice given on May 16, 2019, and electronic notice posted on the Authority's website.

Committee Members present: Christopher Wright, Chairman
Adam Barsky
John Buran

Committee Members absent: Lester Petracca

Staff present: Evan Cohen, Executive Director
Carl Dreyer, Treasurer
Kathleen Stella, Corporate Secretary
Jeremy Wise, General Counsel
Martha Worsham, Deputy Director

Call to Order/Roll Call

The meeting was called to order at 7:20 PM.

1. Approval of Minutes

Upon a motion duly made by Committee Member Buran and seconded by Committee Member Barsky, the Committee approved the minutes from the meeting on October 16, 2018.

Positive votes: 3 Negative votes: 0

Resolution No. 19-72

APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT THE OCTOBER 16, 2018 AUDIT AND INTERNAL CONTROLS COMMITTEE MEETING OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLVED, that the Minutes of the Audit and Internal Controls Committee meeting of the Authority held on October 16, 2018 are hereby approved and all actions taken by the Committee Members present at such meeting, as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Authority.

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2. Authority to Submit the Audit to the NIFA Directors

The Committee was requested to adopt the attached Resolution acknowledging receipt and acceptance of the Independent Auditors' Report on NIFA's Financial Statements for the Year Ended December 31, 2018 and recommending that it be accepted by the Authority Directors.

NIFA's Treasurer, Carl Dreyer explained that he prepared for the financial statements for the year ending December 31, 2018 with the assistance of Albrecht, Figiano, and Zurach, NIFA's outside accountants. He indicated that the numbers presented in the materials given to the Committee do not reflect the net \$31,000 change that relates to post-employment benefits. Mr. Dreyer pointed out that he was just made aware of the change in the past week. He further indicated that because of the amount of the change which RSM considers to be immaterial along with the deadlines that NIFA has with the New York State regulatory authorities, they chose to present the financial statements in their current state and incorporate any required adjustments immediately afterwards.

On a motion by Committee Member Buran and seconded by Committee Member Barsky, the resolution was approved.

Positive votes: 3 Negative votes: 0

Resolution No. 19-73

RECEIPT AND ACCEPTANCE OF THE INDEPENDENT AUDITORS' REPORT ON THE AUTHORITY'S FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED DECEMBER 31, 2018, AND RECOMMENDATION THAT THE REPORT BE SENT TO THE DIRECTORS OF NIFA

RESOLVED, that the materials presented to this meeting (the "Materials") are ordered to be filed with the records of the Audit and Internal Controls Committee of the Nassau County Interim Finance Authority (the "Committee"); and be it further

RESOLVED, that the Committee acknowledges receipt of the RSM US LLP Independent Auditors' Report on NIFA's Financial Statements for the Year Ended December 31, 2018 (the "Audit") presented at the May 23, 2019 meeting of the Committee; and be it further

RESOLVED that the Committee accepts the Audit and approves the release of the Audit to the entire Board of the Nassau County Interim Finance Authority for their review and approval.

RESOLVED, that this resolution shall take effect immediately.

3. Authority to Submit the Annual and Statutory Reports to the NIFA Directors

The Committee was requested to adopt the Resolution acknowledging receipt and acceptance of the Annual and Statutory reports and recommending that they be accepted by the Authority Directors.

On a motion by Committee Member Buran and seconded by Committee Member Barsky, the resolution was approved.

Positive votes: 3 Negative votes: 0

Resolution No. 19-74

RECEIPT AND ACCEPTANCE OF THE ANNUAL AND STATUTORY REPORTS FOR FISCAL YEAR ENDED DECEMBER 31, 2018, AND RECOMMENDATION THAT THEY BE SENT TO THE DIRECTORS OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY

RESOLVED, that the materials presented to this meeting (the “Materials”) are ordered to be filed with the records of the Audit and Internal Controls Committee of the Nassau County Interim Finance Authority (the “Committee”); and be it further

RESOLVED, that in accordance with the Materials, the 2018 Annual Report of the Authority is hereby approved together with all the attachments thereto including but not limited to:

1. Authority Report on Debt Issuance
2. Audited Financial Statements for the Year Ended December 31, 2018 together with Independent Auditor’s Compliance Report on Investment Policies and Procedures;
3. Authority Report on Investments;
4. Authority Prompt Payment Report;
5. Authority Procurement Contracts Guidelines Report;
6. Authority Property Disposition Report
7. Authority Mission Statement and Measurement Report; and
8. Authority Code of Ethics.

and be it further

RESOLVED that the Committee recommends that the Annual and statutory reports be released to

the Directors of the Nassau County Interim Finance Authority for their review and approval.

RESOLVED, that this resolution shall take effect immediately.

4. Authority to Submit the Investment Guidelines to the NIFA Directors

NIFA's Treasurer, Carl Dreyer, indicated there were no new changes recommended at this time.

The Committee was requested to adopt the Resolution acknowledging receipt and acceptance of the Guidelines and recommending that they be accepted by the Authority Directors.

On a motion by Committee Member Buran and seconded by Committee Member Barsky, the resolution was approved.

Positive votes: 3 Negative votes: 0

Resolution No. 19-75

RECEIPT AND ACCEPTANCE OF THE INVESTMENT GUIDELINES AND RECOMMENDATION THAT THE INVESTMENT GUIDELINES BE SENT TO THE DIRECTORS OF THE NASSAU COUNTY INTERIM FINANCE AUTHORITY.

RESOLVED, that the materials presented to this meeting (the "Materials") are ordered to be filed with the records of the Audit and Internal Controls Committee of the Nassau County Interim Finance Authority (the "Committee"); and be it further

RESOLVED, that in accordance with the Materials, the Investment Guidelines are hereby approved; and be it further

RESOLVED that the Committee recommends that the Investment Guidelines be released to the Directors of the Nassau County Interim Finance Authority for their review and approval.

RESOLVED, that this resolution shall take effect immediately.

5. 2018 Annual Internal Controls Review

NIFA's Treasurer, Carl Dreyer presented a status report of NIFA's internal controls. In it, he noted the steps taken to support NIFA's system of internal controls during the prior year. He added as a result of the steps taken last year, that at the staff level were satisfied that the system of internal controls is effective in the safeguarding assets that pass through NIFA's control and in detecting any errors in a timely fashion. Mr. Dreyer pointed out that no action was required by the Committee.

Adjournment

The Chairman made a motion to adjourn. The meeting was adjourned at 7:37 PM.

Respectfully submitted,

Kathleen Stella
Corporate Secretary