



Auburn Industrial  
Development Authority

**AUDIT COMMITTEE MEETING MINUTES**  
**AUBURN INDUSTRIAL DEVELOPMENT AUTHORITY**  
**Wednesday, March 18, 2020**  
**First Floor Meeting Room**  
**Chamber of Commerce, 2 State Street, Auburn, NY 13021**

- Board Present:** Brandon Gravius (Member of Industry)  
Roger Beer (Member at Large)
- Board Excused:** Ron LaVarnway (Member at Large)
- Staff & Guests:** Tracy Verrier, Executive Director  
Samantha Frugé, Assistant Treasurer  
Elaine Buffington, Buffington & Hoatland  
Jeff Gasper (School Board Member)  
Terry Cuddy (Council Member)

The meeting came to order at 4:32pm.

**NEW BUSINESS**

Ms. Buffington presented an overview of the 2019 Financial Audit to the Committee stating that the audit went well and had no issues. She explained that one of the challenges this year was working with new reporting standards on revenue recognition. The new reporting standards required going through all of the organization’s contracts and documenting where the revenue was coming from. Ms. Buffington noted that internal control processes tested well with no deficiencies. She added that there was one journal entry for the Bluefield Manor bond statement that needed an adjustment because the statement that CEDA staff received from Bluefield Manor was not correct.

Ms. Buffington reviewed the Statement of Net Position noting that the presentation was for a single year. She noted that cash was significantly lower than the year, which was due to more PILOT payments that had been received but not yet disbursed in 2018. Current assets increased to \$954,925 from \$866,328 and had no large changes in capital assets. Total assets were around the same amount as the year prior. On the liabilities, they added additional interest on the loan from the City. The statement on invested capital was the same as the year prior. Ms. Buffington reviewed the Statement of Revenue, explaining that the organization received fees from a few projects throughout the year yielding income generated in the amount of \$53,180. Expenses were \$34,666, leaving an operating income of \$18,514. There was no significant difference in operating expenses compared to the year prior. Ms. Buffington reviewed cash flows, of which the organization began the year at \$714,764 and ended the year at \$99,479. Operating activities saw a decrease of around \$615,285 which was largely due to disbursing PILOT payments from 2018 in 2019, but in 2019 disbursing PILOT payments before year end. Ms. Buffington reviewed the notes to the financial statements which go over the new standards of revenue recognition. Mr. Beer asked if there was any substantial change from the way the organization recognized revenue previously? Ms. Buffington said that there was no substantial change, but that the notes described the agency’s different revenue streams and that revenue was recognized when the agency meets the performance

**James A. Dacey**  
Chairman

2 State Street  
Auburn, NY 13021

PHONE  
(315) 252-3500

FAX  
(315) 255-3077

obligation of a contract. Application fees were non-refundable and recognized upon the submission of the application. She added that the revenue recognition provision did not have a material effect on the amounts presented in the audit. She said that the rest of the notes were standard, and that they added one additional note under commitments and contingencies that went over risk assessment and losses for any theft or damage. Mr. Beer asked why the presentation was only for a single-year instead of a comparison with the year prior? Ms. Buffington said that due to the new standard for revenue recognition, they would have had to research all 2018 contracts which would have added more fees.

Ms. Frugé reviewed the draft 2019 PARIS report, noting that they were waiting on information from two projects: JBJ Real Property and Central Building.

Mr. Beer motioned to accept the audit report and recommend to the Board, seconded by Mr. Gravius. All members present voted in favor; motion carried.

### **ADJOURNMENT**

Meeting adjourned at 4:53pm.