

MEETING OF THE TOWN OF WALLKILL INDUSTRIAL DEVELOPMENT AGENCY

December 30, 2014

Meeting Location: Wallkill Town Hall, 99 Tower Drive, Building A, Middletown, NY

Present: Members: Paul Erickson, Stephen Plain, Joseph Stewart

Attorney: William A. Frank, Esq.

Absent: Daniel C. Depew (Chairman), James Townsend

CALL TO ORDER:

The meeting was called to order at 12:05 p.m.

OLD BUSINESS:

None

NEW BUSINESS:

1. **Adoption of Resolution**: The Agency Members in attendance reviewed the proposed By-Laws, Code of Ethics, Whistleblower Policy and Procurement Policy. The Members noted that each of them had received these documents from Counsel prior to the meeting and had read same in advance.

The following resolution was offered by Member Erickson and Seconded by Mr. Stewart:

RESOLUTION

(Public Authorities Accountability Act of 2005)

A special meeting of the Town of Wallkill Industrial Development Agency was convened on December 30, 2014, at 12:00 p.m.

Resolution No. 1

RESOLUTION OF THE TOWN OF WALLKILL INDUSTRIAL DEVELOPMENT AGENCY ADOPTING CERTAIN POLICIES, STANDARDS AND PROCEDURES IN CONNECTION WITH THE PUBLIC AUTHORITIES ACCOUNTABILITY ACT OF 2005

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law (“GML”) of the State of New York (the “State”), as amended, and Chapter 73 of the Laws of 197- of the State, (hereinafter collectively called the “Act”), the **TOWN OF WALLKILL INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the “Agency”) was created as a public benefit corporation of the State; and

WHEREAS, the Public Authorities Accountability Act of 2005 (the “PAAA”), which was signed into law on January 13, 2006 as Chapter 766 of the Laws of 2005, was enacted by the New York State Legislature to insure greater accountability and openness of public authorities throughout the State; and

WHEREAS, pursuant to Section 2 of the Public Authorities Law (“PAL”) of the State, the provisions of the PAAA apply to certain defined “local authorities”, including the Agency; and

WHEREAS, the Agency desires to adopt certain policies, standards and procedures necessary to comply with the provisions of the PAAA.

NOW, THEREFORE, BE IT RESOLVED by the members of the Board of the Agency (the “Board”) as follows:

Section 1. The By-Laws of the Agency, as presented at this meeting are attached hereto as **Exhibit A**.

Section 2. Pursuant to subdivision 2 of Section 2824 of the PAL, any members of the Board appointed on or after January 13, 2006 shall participate in State-approved training regarding their legal, fiduciary, financial and ethical responsibilities as directors within one (1) year of their appointment to the Agency. Further, each Board member appointed on or after January 13, 2006 may be required to execute a certificate of independence pursuant to subdivision 2 of Section 2825 of the PAL as the majority of such members must be independent. Such certificate shall be executed in substantially the form attached hereto as **Exhibit B**.

Section 3. Pursuant to subdivision 2 of Section 2824 of the PAL, all members of the Board shall participate in such continuing training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of public authorities and to adhere to the highest standards of responsible governance.

Section 4. Pursuant to subdivision 3 of Section 2825 of the PAL, all Agency Board members, officers and employees shall file annual financial disclosure statements with the Orange County Board of Ethics. The annual financial disclosure statements so filed shall be substantially in the form attached hereto as **Exhibit C**, or such other form of statement as may be adopted and approved by the Agency.

Section 5. Pursuant to subdivision 4 of Section 2824 of the PAL, an Audit Committee

is hereby formed, being comprised of Paul Erickson, Stephen Plain, Joseph Stewart (Independent Members) for the purpose of recommending to the Board the hiring of a certified independent accounting firm, establishing the compensation to be paid to the accounting firm and providing direct oversight of the performance of the independent audit to be performed on or after fiscal year ending on December 31, 2014 by the accounting firm hired for such purposes.

Section 6. Pursuant to subdivision 7 of Section 2824 of the PAL, a Governance

Committee is hereby formed, being comprised of Paul Erickson, Stephen Plain, Joseph Stewart (Independent Members) for the purpose of keeping the Board informed of current best governance practices, to review corporate governance trends; to update the Agency's corporate governance principles; and to advise appointing the Agency on skills and experiences required of potential Board members.

Section 7. Pursuant to subdivision 2(a) of Section 2800 of the PAL, the Board shall submit to the chief executive officer of the municipality, the chief fiscal officer of the municipality and the chairperson of the legislative body of the County, and the New York State Authority Budget Office within ninety (90) days after the end of the Agency's fiscal year (with the first report due by March 31, 2015 for fiscal year ending December 31, 2014), a complete and detailed report (the "Annual Report") that shall contain:

- (a) the Agency's operations and accomplishments;
- (b) the Agency's receipts and disbursements, or revenues and expenses, during such fiscal year in accordance with the categories or classifications established by the Agency for its own operating and capital outlay purposes;
- (c) the Agency's assets and liabilities at the end of its fiscal year including the status of reserve, depreciation, special or other funds and including the receipts and payments of these funds;
- (d) a schedule of the Agency's bonds and notes outstanding at the end of its fiscal year, together with a statement of the amounts redeemed and incurred during such fiscal year as part of a schedule of debt issuance that includes the date of issuance, term, amount, interest rate and means of repayment. Additionally, the debt schedule shall also include all refinancings, calls, refundings, defeasements and interest rate exchange or other such agreements, and for any debt issued during the reporting year, the schedule shall also include a detailed list of costs of issuance for such debt.
- (e) the projects undertaken by such authority during the past year;
- (f) a listing of (i) all real property of such authority having an estimated fair market value in excess of fifteen thousand dollars that the authority intends to dispose of ; (ii) all such property held by the authority at the end of the period covered by the report; and (iii) all such property disposed of during such period. The report shall

contain an estimate of fair market value for all such property held by the authority at the end of the period and the price received by the authority and the name of the purchaser for all such property sold by the authority during such period;

- (g) the Agency's code of ethics; and
- (h) an assessment of the effectiveness of its internal control structure and procedures.

Once completed, and prior to submission, the Executive Director and the Treasurer of the Agency shall certify that the financial information contained in the Annual Report is accurate, correct and does not contain any untrue statements. The certification executed shall be in substantially the form attached hereto as **Exhibit D**.

Section 8. Pursuant to subdivision 2 of Section 2801 of PAL, on or before January 31, 2015, the Agency will submit to the chief executive officer of the municipality, the chief fiscal officer of the municipality and the chairperson of the legislative body of the County, along with the New York State Authority Budget Office, the Agency's budget for fiscal year ending December 31, 2015.

Section 9. For the Agency fiscal year ending December 31, 2015 and each year thereafter, the Agency will abide by the following rules relating to audit services:

- (a) the certified independent public accounting firm performing the Agency's audit will be prohibited from providing audit services if the lead (or coordinating) audit partner responsible for reviewing the audit, has performed audit services for the Agency in each of the five previous fiscal years;
- (b) the certified independent public accounting firm performing the audit shall be prohibited from performing any non-audit services to the Agency contemporaneously with the audit, unless receiving previous written approval by the audit committee including: (i) bookkeeping or other services related to the accounting records or financial statement of the Agency, (ii) financial information systems design and implementation, (iii) appraisal or valuation services, fairness opinions, or contribution-in-kind reports, (iv) actuarial services, (v) internal audit outsourcing services, (vi) management functions or human services, (vii) broker or dealer, investment advisor, or investment banking services and (viii) legal services and expert services unrelated to the audit; and
- (c) it shall be prohibited for any certified independent public accounting firm to perform for such Agency any audit service if the chief executive officer (Executive Director), comptroller (Treasurer), chief financial officer (Treasurer), chief accounting officer, or any other person serving in an equivalent position for the agency, was employed by that certified independent public accounting firm and

participated in any capacity in the audit of the Agency during the one (1) year period preceding the date of the initiation of the audit.

Section 10. The following policies, as presented at this meeting, are hereby adopted and approved:

- (a) The Agency By-Laws;
- (b) The Code of Ethics attached hereto as **Exhibit E**;
- (c) The Whistleblower Policy attached hereto as **Exhibit F**; and
- (d) The Procurement Policy attached hereto as **Exhibit G**;

Section 12. This resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Member	AYE	NAY	ABSENT	ABSTAIN
Daniel C. Depew (Chairman)			x	
Paul Erickson	x			
Stephen Plain	x			
James Townsend			x	
Joseph Stewart	x			

The Resolution was thereupon duly adopted.

2. **Code of Ethics**: The Members present each reviewed and approved the Agency's Code of Ethics.
3. **Annual Financial Disclosure Forms**: The Members present reviewed and completed their Annual Financial Disclosure Forms.
4. **Internal Control Structure & Procedures**: The Members present reviewed and approved the Agency's Internal Control Structure & Procedures.
5. **Confidential Evaluation and Board Performance**: The Members present each reviewed and completed the Confidential Evaluation of Board Performance forms.
6. **Completion of Certificates of Independence**: The Members present each reviewed and completed their Certificates of Independence

There being no further business, the meeting was adjourned at 12:35 p.m.